



# FY 2020 FINANCIAL RESULTS PRESENTATION

22<sup>nd</sup> March 2021



Piovan at a Glance

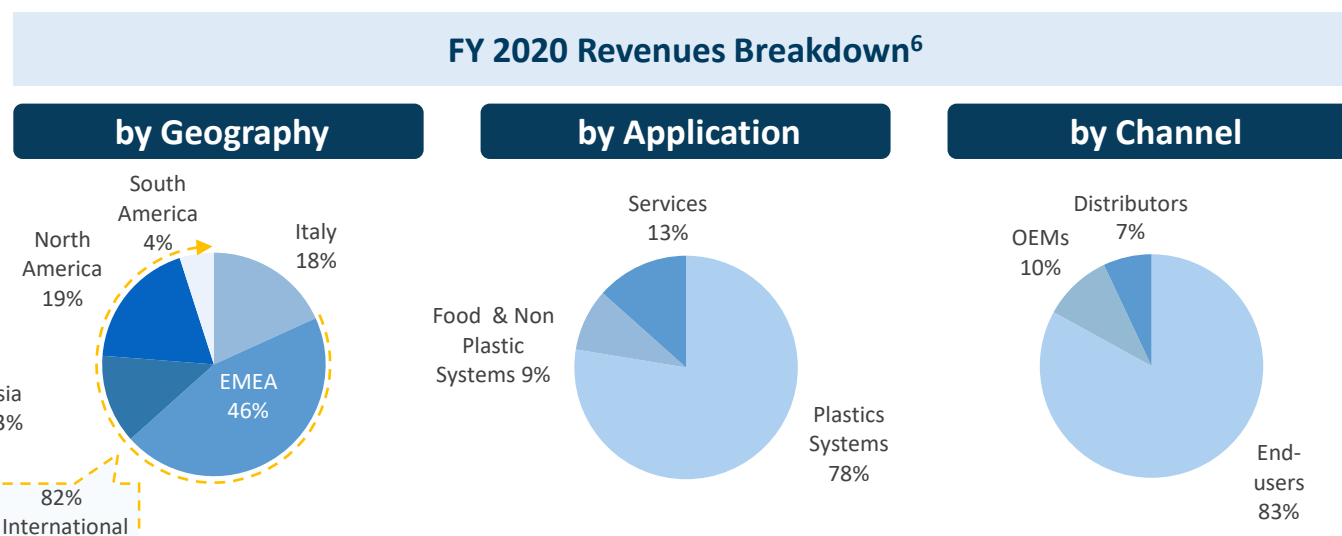
# THE LEADING AUTOMATION SOLUTIONS PROVIDER FOR PLASTIC, FOOD & NON PLASTIC, SERVICES

<b>What we do</b>	<ul style="list-style-type: none"> <li>Engineering, production and installation of <b>customized automation solutions</b></li> </ul>
<b>Applications</b>	<ul style="list-style-type: none"> <li>Global leader in <b>plastic</b> and <b>plastic compounds</b></li> <li>Growing presence in <b>food and non plastic</b> (e.g. powder ingredients)</li> </ul>
<b>Our customers</b>	<ul style="list-style-type: none"> <li><b>Global and diversified</b> customer base across several end-markets</li> <li>Over <b>4,000 customers</b><sup>1</sup></li> </ul>
<b>Global footprint</b>	<ul style="list-style-type: none"> <li><b>9 manufacturing sites</b> in 4 continents</li> <li><b>31 services &amp; sales companies</b> worldwide<sup>2</sup></li> <li><b>70 countries</b> covered</li> </ul>
<b>Innovation DNA</b>	<ul style="list-style-type: none"> <li><b>C. 4% of Revenues</b> invested in R&amp;D and Engineering<sup>3</sup></li> <li><b>206 dedicated employees</b><sup>3</sup></li> </ul>

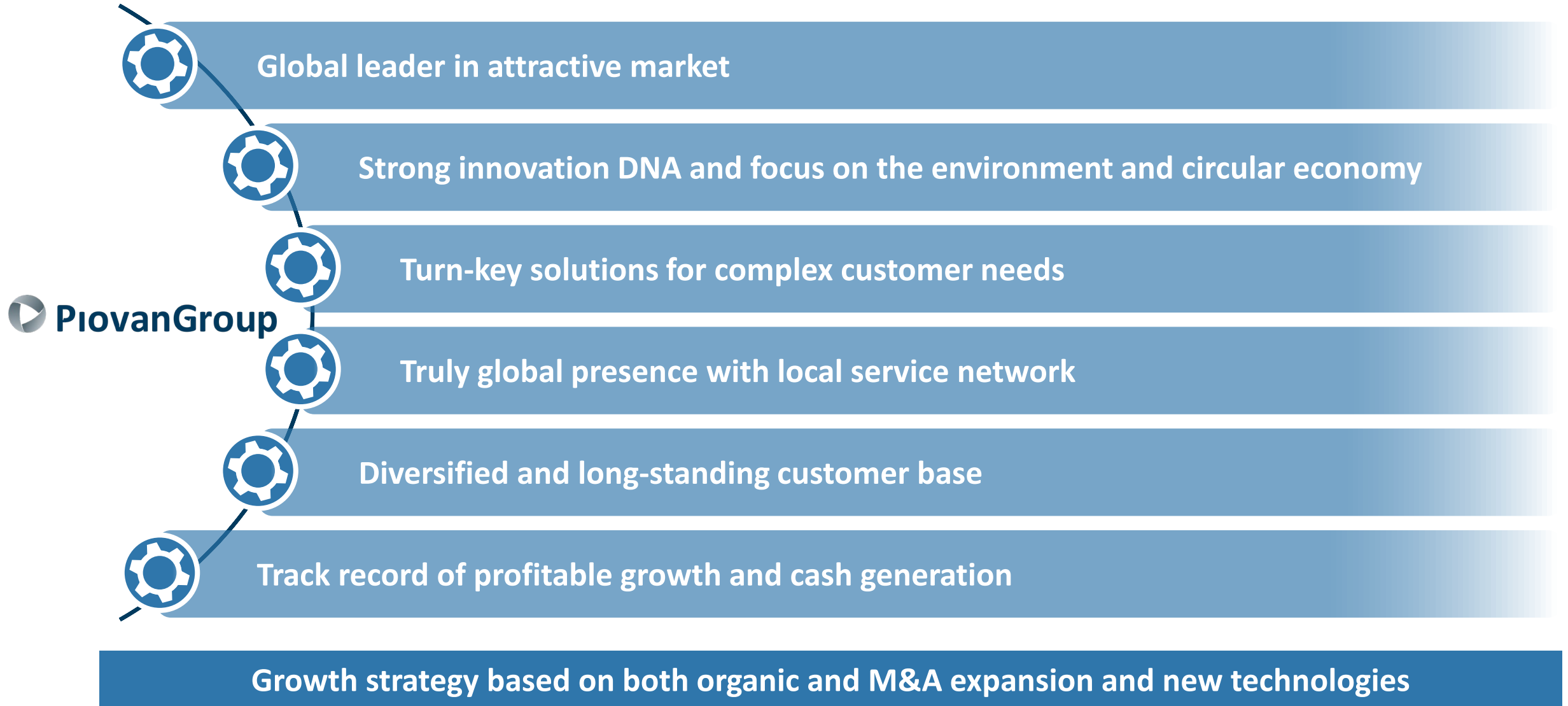
Source: Company information

<sup>1</sup>In 2020 above 1.000€ T/O. <sup>2</sup>As of Dec 2020, including 9 manufacturing sites. <sup>3</sup>As of Dec 2020. <sup>4</sup>Defined as EBITDA – Recurring Capex / EBITDA. <sup>5</sup>Computed as EBIT / Net Invested Capital excluding Goodwill and Put and Call Options. <sup>6</sup>Excluding other sales & other income.

FY 2020 Key Financials				
Revenues	EBITDA	Net Income	Cash Conv. <sup>4</sup>	ROCE <sup>5</sup>
<b>€225m</b>  <b>(3.9)%</b> Year-on-Year	<b>€32m</b> (14% Margin)  <b>+5.5%</b> Year-on-Year	<b>€17m</b> (8% Margin)	<b>~95%</b>  <b>~0.8%</b> Recurring Capex / Revenues	<b>~52%</b>


























# PIOVAN COMPETITIVE ADVANTAGES



# EXPLOITING STRONG TECHNOLOGICAL SYNERGIES ACROSS DIFFERENT MATERIALS

Developed For Plastics, Piovan Technological Platforms Can Have Multiple Applications

		Systems	Storage	Handling		Dosing & Blending		Drying & Dehum.	Temperature Control	Coolers	Supervision Software
				Granules	Powder	Granules	Powder				
Food <sup>1</sup> & non	Plastic		✓ 	✓ 	✓ 	✓ 	✓ 	✓ 	✓ 	✓ 	✓ 
	plastic		✓ 	✓   		✓   		✓ 	✓ 		✓ 
Recently Added	Creamy Liquids		✓	✓							✓

Source: Company information  
<sup>1</sup>Sugar, Flour, Coco and Milk in Powder



# DIVERSIFIED RANGE OF END-MARKETS SERVED



Source: Company information



## FY 2020 Financial Results

# PIOVAN FY 2020 KEY BUSINESS HIGHLIGHTS

Q1 - Covid-19 outbreak, the Group has been rapid in implementing measures to ensure safe working conditions to all its collaborators and in adapting its business model to the new environment

Q2/Q3 - Focus of the Group on more resilient markets such as medical, flexible food packaging and recycling in order to sustain the performance of those markets more heavily impacted by the global pandemic (automotive, consumer goods, construction)

Q2/Q3 Exploitation of local sales and service structures (less impacted by travel restrictions) increasing Group's market share vs. competition with limited global network

Q2/Q3 - Continuous focus on R&D investments with particular attention to the Circular economy (9 new patents "recycling related")

Q3 - Acquisition of new multinational customers in food business

Q3 - Acquisition of remaining 10% of Penta (subsidiary active in the food markets) now belonging 100% to the Group

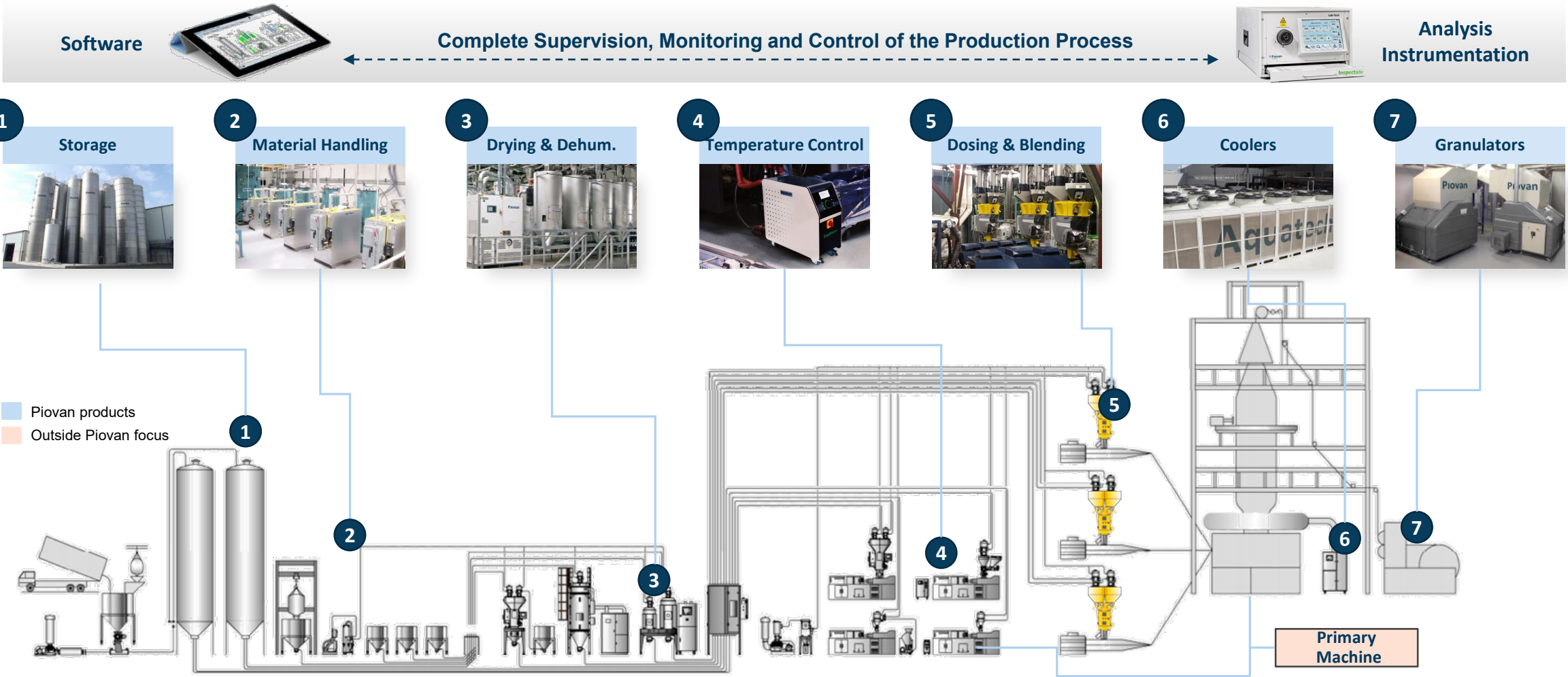
Q4 - Acquisition of Dotecco, global leader in Dosing units for flexible packaging

Q4 First signals of bounce back from markets more impacted by the global pandemic (such as automotive and construction)



# PIOVAN GROUP

## TECHNOLOGICAL INTEGRATION



Automating The Whole Process From Silos To Primary Machines

Source: Company information







# PIOVAN GROUP

## GLOBAL FOOTPRINT

 **Universal Dynamics Inc.**  
Piovan Canada  
Piovan Mexico  
Doteco Inc. Nord America

 **Piovan Brasil**




 **Piovan China**  
Piovan Beijing (Rep.Office)  
Piovan Shenzhen (Rep.Office)  
Piovan India  
Piovan Thailand  
Piovan Indonesia  
Piovan Vietnam  
Piovan Japan  
Piovan Malaysia  
Toba PNC

 **Piovan Headquarters**  
 **FDM**  
 **Aquatech**  
 **Penta - Progema**  
 **Fea**  
 **Doteco**  
Piovan Germany  
Piovan France  
Piovan Austria  
Piovan Hungary  
Piovan Czech Republic

Piovan UK  
Piovan Slovakia  
Piovan Turkey  
Piovan Algeria  
Piovan UAE  
Piovan Morocco  
Energys

### Global presence

#### Piovan Group

-  **Production plants**
-  Service and Sales Branches/Offices
-  Distributors and representatives HQ

# OUR CONTRIBUTION TO CIRCULAR ECONOMY



Solutions for **post consumed plastic and biopolymers**



Systems for **reduction and control of contaminants**



**Safe, traceable and stable processes**



Service team for **CAPEX life maximisation**



**9 patents** registered in 2020  
“recycling related”



**21.6 %** of revenues in Packaging, Fibres, Recycling and Compound is “**circular economy related**”



# PEOPLE FIRST

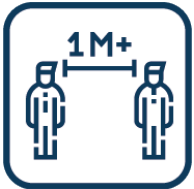
- Piovan Groups has implemented **worldwide** the **highest Safety and Monitoring protocols and Mitigation Actions** to limit the development of COVID-19
- The Group's facilities have been **always fully operative** assuring high quality products in time to our Customers
- Tangible actions include, but are not limited to:



Wearing protective masks



Cleaning the hands frequently with the appropriate gel



Keeping the minimum safety distance from other people

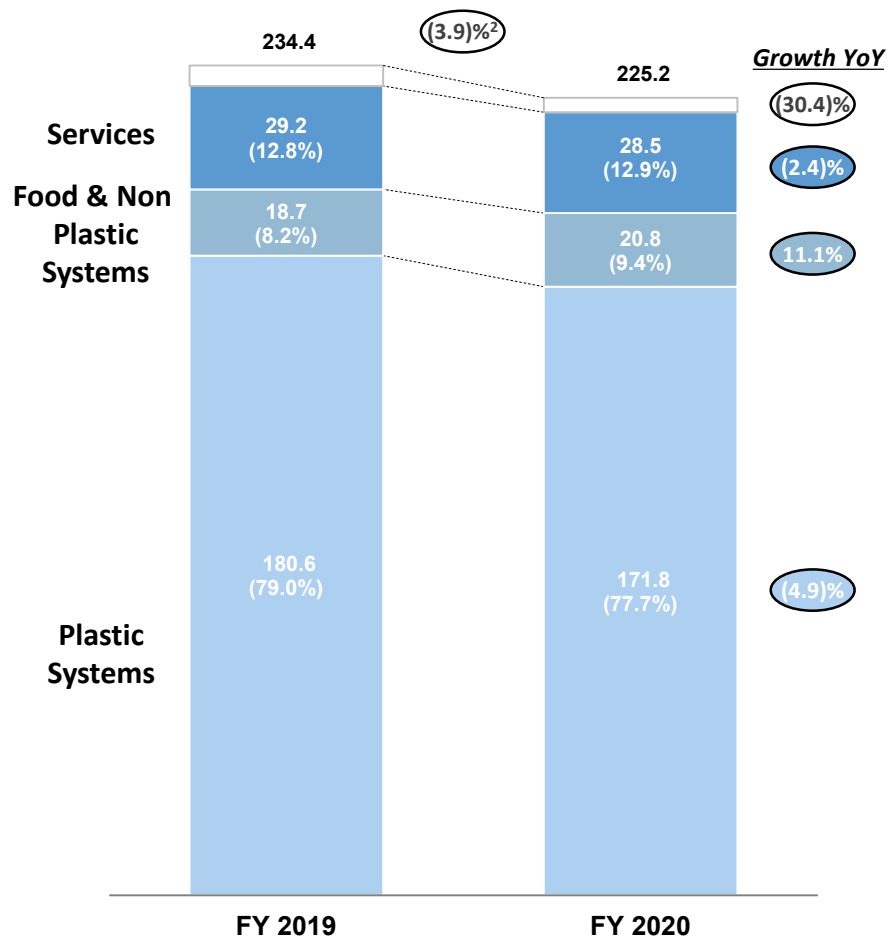
## Separation Barriers



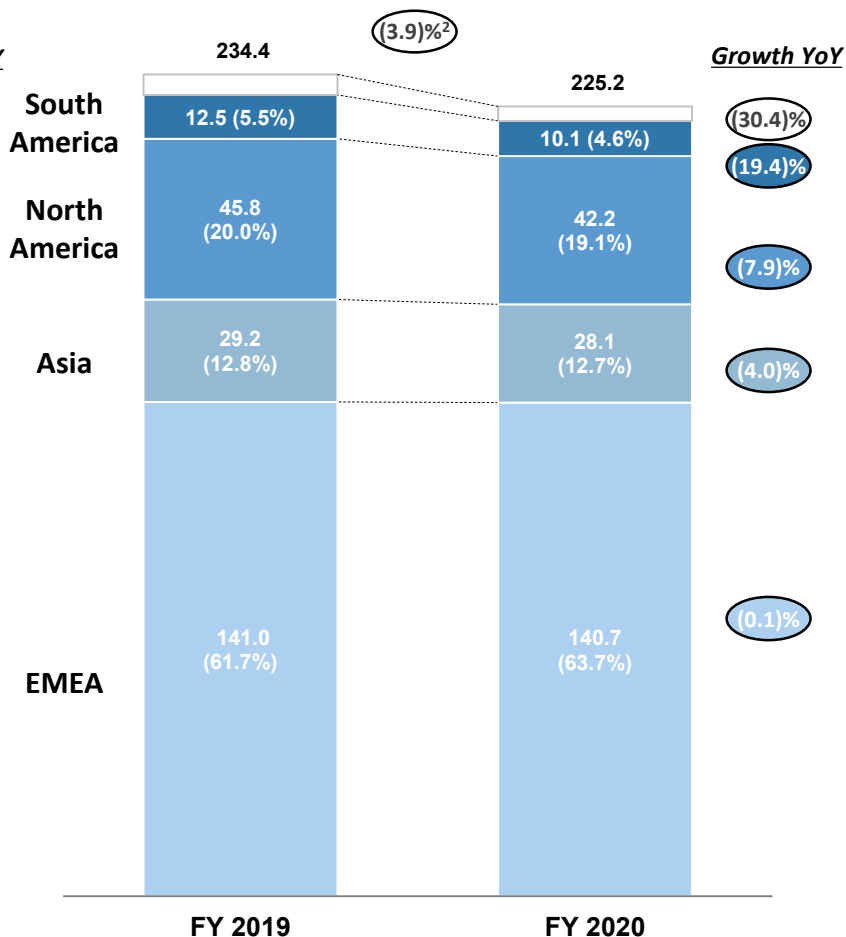


# RESILIENT PLASTIC AND SERVICE & SPARE PARTS, WHILE FOOD & OTHER POWDERS IS BACK TO GROWTH

Revenues by Application (€m)<sup>1</sup>



Revenues by Geography (€m)<sup>1</sup>



Comments

## DOTECO ACQUISITION

- **DOTECO** consolidated starting in Oct-2020 with an impact on revenues of €6.1m and on EBITDA of €1.3m
  - **DOTECO** reported FY 2019 revenues of €19.7m and EBITDA of €3.4m

## BY APPLICATION

- **Plastic Systems:** Below 2019 due to COVID19 restrictions on mobility (in particular in 1H), which delayed deliveries and installations.
- **Food Systems:** Significantly ahead 2019, as a consequence of positive order intake during the year resulting in strong 2H.
- **Services:** Slight decrease due to restrictions on mobility particularly in Q2.

## BY GEOGRAPHY

- **North America:** COVID19 impact in 2020, particularly in Q2 and Q3 .
- **ASIA:** Decreased due COVID19 impact in China at the beginning of the year and in South East Asia later in the year.
- **EMEA:** Slow down due to COVID19 restrictions, mainly in Q2, business recovered in 2H thanks also to good performance of food market.
- **South America:** Business performed well in local currency, but results impacted by FX effect

□ Indicates other revenue and income (c. €5.8m in FY 2019 and €4.1m in FY 2020)

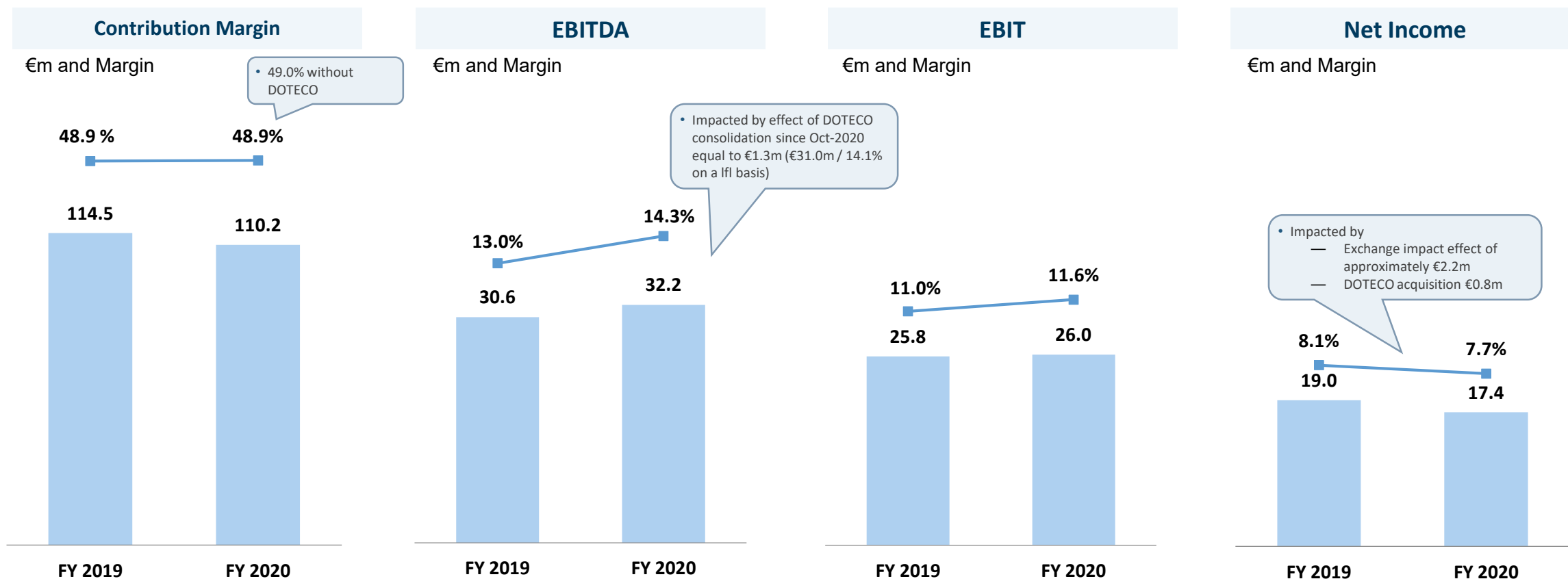
Source: Company Information

<sup>1</sup>Revenues % breakdown excludes other revenue and income.

<sup>2</sup> Equal to (6.5)% excluding impact from DOTECO

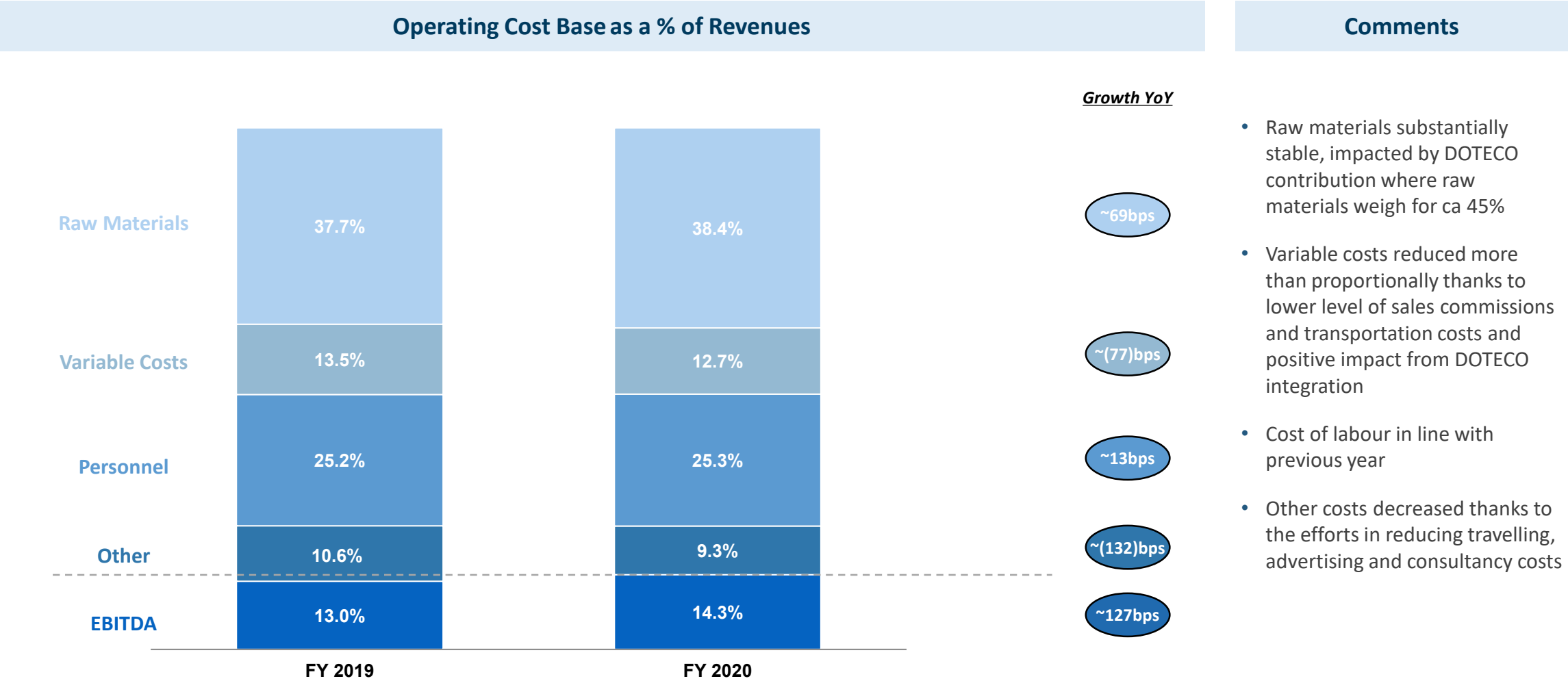


# IMPROVING PROFITABILITY BOTH AT EBITDA AND EBIT LEVEL



Note: 2019 Contribution Margin and EBITDA reclassified for comparability purposes  
Source: Company Information

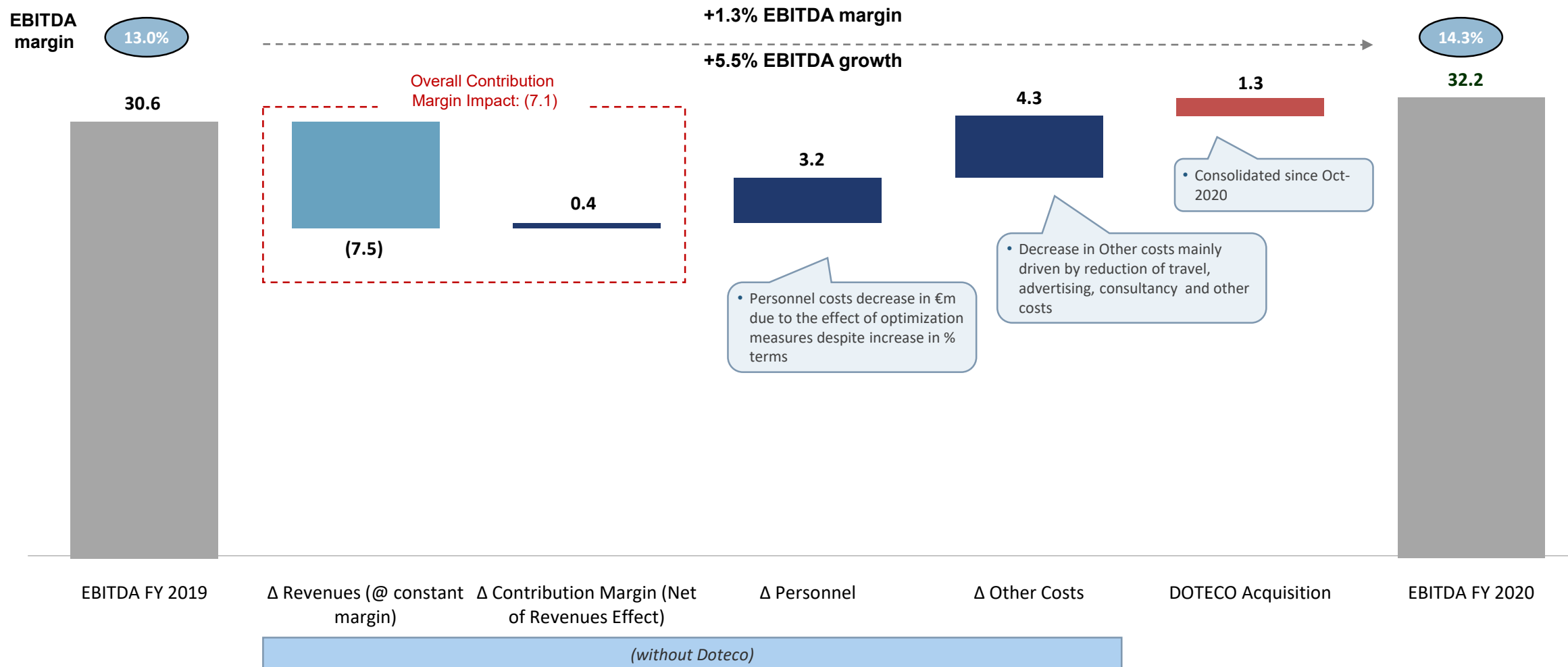
# OVERVIEW OF OPERATING COSTS BREAKDOWN



Note: 2019 Contribution Margin reclassified for comparability purposes. 2020 figures include DOTEKO  
Source: Company Information

# EBITDA BRIDGE FROM FY 2019 TO FY 2020

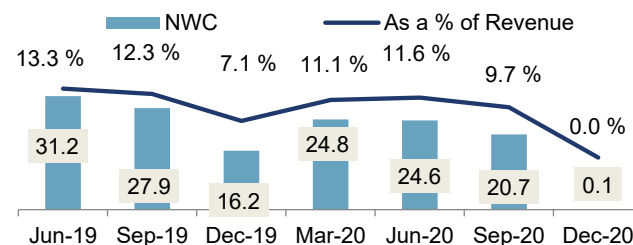
FY 2019 to FY 2020 EBITDA bridge (€m)



# NET DEBT WALK FROM DEC-19 TO DEC-20 (€M)

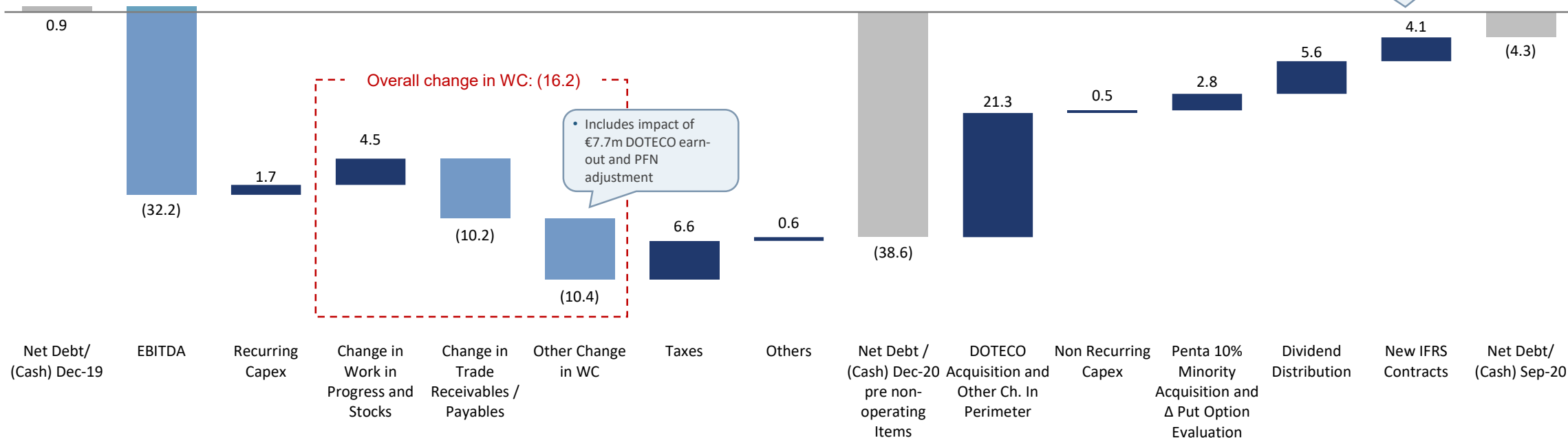
## Dec-19 to Sep-20 Net Debt bridge (€m)

### Working Capital Seasonality (€m)



- Positive trend in WC as a result of increase in Stocks and WIP, more than compensated by net effect on Trade Receivables / Payables
- Additionally, figures is impacted by €7.7m related to DOTEKO earn-out and PFN adjustment classified under Other Liabilities

- Of which €2.5m related to DOTEKO



Source: Company Information

<sup>1</sup>Including advances and contract liabilities.



# Piovan

Customers. The core of our innovation

## Update on Strategy



# Update on Strategy

Plastic	Consolidate leadership position in core markets		Capture market growth	
			Strengthen positioning in under-penetrated end-markets	
			Acquisition in complementary technologies	
	Expand in under-penetrated markets		Product cross-technology in America	
			Establish local organization in target regions (e.g. Asia, Africa)	
			Introduce new technologies into the recycling chain	
Food & Non Plastic	Replicate plastic business model in adjacent markets		Develop global sales network in adjacent end-markets	
			Acquisitions in complementary segments/technologies	
Services	Fully exploit the After-Sale potential		Increase the weight of Services & Spare Parts on total Revenues	

Source: Company information



# Appendix

# INCOME STATEMENT

€m	FY 2019	FY 2020	Δ% FY 2019 vs FY 2020
Sales	228.5	221.1	(3.2%)
Other sales & other income	5.8	4.1	(30.4%)
<b>Revenues</b>	<b>234.4</b>	<b>225.2</b>	<b>(3.9%)</b>
Raw materials	(88.3)	(86.4)	(2.2%)
Cost of services	(51.0)	(44.5)	(12.8%)
Use of Third Party Assets	(1.5)	(1.2)	(20.9%)
Personnel	(59.0)	(57.0)	(3.4%)
Other costs (incl. Provisions for risks and charges)	(3.9)	(3.9)	(1.3%)
<b>EBITDA</b>	<b>30.6</b>	<b>32.2</b>	<b>5.5%</b>
D&A	(4.8)	(6.2)	30.0%
<b>EBIT</b>	<b>25.8</b>	<b>26.0</b>	<b>0.9%</b>
Finance income / (expenses)	0.0	(0.3)	n.m.
Exchange income (expenses)	(0.0)	(2.2)	n.m.
Gains (losses) on liabilities for options granted to non-controlling interests	0.5	0.6	1.1%
Gains (losses) from equity investments carried	(0.1)	(0.1)	n.m.
<b>EBT</b>	<b>26.3</b>	<b>24.0</b>	<b>(8.6%)</b>
Taxes	(7.3)	(6.6)	
<b>% Tax Rate</b>	<b>27.6%</b>	<b>27.4%</b>	
<b>Net Income</b>	<b>19.0</b>	<b>17.4</b>	<b>(8.4%)</b>
Attributable to Piován shareholders	18.7	17.6	(5.7%)
Attributable to minority shareholders	0.3	(0.2)	n.m.

# BALANCE SHEET

€m	Dec-19	Dec-20
Property Plant & Equipment	52.4	52.3
Intangible Assets (incl. Goodwill)	7.5	27.5
Financial Assets	0.3	0.2
<b>Net Fixed Assets</b>	<b>60.2</b>	<b>80.0</b>
Trade receivable	52.8	41.9
Inventory	29.3	37.0
Trade payables	(40.6)	(39.9)
Advanced payments from customers	(16.1)	(19.4)
Contract assets/(liabilities)	1.2	1.4
<b>Net Trade Capital</b>	<b>26.6</b>	<b>20.9</b>
Tax receivables	3.7	3.3
Other current activities	3.7	3.5
Tax payables	(6.7)	(9.4)
Other current liabilities	(11.1)	(18.2)
<b>NWC</b>	<b>16.2</b>	<b>0.0</b>
Other Credits	4.9	5.1
Other Debts	(5.2)	(6.9)
Pension Fund	(4.8)	(6.4)
<b>Net Invested Capital before Option</b>	<b>71.3</b>	<b>71.9</b>
Put & Call Option	(5.3)	(1.9)
<b>Net Invested Capital</b>	<b>66.1</b>	<b>70.0</b>
Total Shareholders' Equity	65.2	74.4
Net Debt / (Cash)	0.9	(4.3)
<b>Total Sources</b>	<b>66.1</b>	<b>70.0</b>

# CASH FLOW STATEMENT

€m	Dec-19	Dec-20
EBITDA	30.6	32.2
Recurring Capex	(2.7)	(1.7)
% on Revenues	(1.1)%	(0.8)%
Cash generation	27.9	30.5
Cash Conversion %	91.3%	94.7%
Non-Recurring Capex	(11.5)	(0.5)
Disposal	1.5	0.1
Δ Net Working Capital	(0.1)	16.2
Corporate Taxes	(7.3)	(6.6)
Δ Funds	0.9	1.6
Non operating Items	(1.5)	2.6
Cash Flow from Operation	9.9	44.0
Δ Put and Call Option	2.6	(2.8)
Dividend distribution	(7.7)	(5.6)
Changes in equity	(2.9)	(2.3)
Other financial charges	0.0	(0.3)
Δ Exchange loss/gain	(0.0)	(2.2)
Income from equitiy method investments	(0.1)	(0.1)
Acquisitions	(2.2)	(21.3)
IFRS 16 impact in the period	(3.2)	(4.1)
Δ Net Financial Position	(3.6)	5.3
NFP BoP	(2.6)	0.9
Δ Net Financial Position	3.6	(5.3)
NFP EoP	0.9	(4.3)