



PERIODIC
FINANCIAL
STATEMENTS

at March 31, 2022

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Company information of the parent company Piovan S.p.A.

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Share capital: Euro 6,000,000 fully paid-in

Tax No.: 02307730289 VAT No.: 02700490275

Venice Economic & Administrative Registration No. 235320

Corporate Bodies

Piovan S.p.a. ("the Company" or "the Parent Company") is the parent company of the group of the same name and headquartered in Via delle Industrie 16, Santa Maria di Sala (Venice), Italy. The Company's Board of Directors and Board of Statutory Auditors are as follows.

Board of Directors

In office from April 29, 2021 until the Shareholders' AGM called to approve the 2023 Annual Accounts.

Name	In charge
Nicola Piovan	Executive Chairman
Filippo Zuppichin	Chief Executive Officer
Marco Stevanato	Director
Marco Maria Fumagalli (*) (**)	Independent Director
Manuela Grattoni (*)	Independent Director
Antonella Lillo (*)	Independent Director
Mario Cesari (*)	Independent Director

(*) Independent Director pursuant to Article 147-ter of the CFA and recommendation No. 7 of the Corporate Governance Code.

(**) Director appointed Lead Independent Director as per recommendation No. 13 of the Corporate Governance Code.

Board of Statutory Auditors

In office from April 29, 2021 until the Shareholders' AGM called to approve the 2023 Annual Accounts.

Name	In charge
Carmen Pezzuto	Chairman
Luca Bassan	Statutory Auditor
Patrizia Santonocito	Statutory Auditor
Kristian Sartor	Alternate Auditor
Stefania Targa	Alternate Auditor

Control, Risks and Sustainability Committee

In office from April 29, 2021 until the Shareholders' AGM called to approve the 2023 Annual Accounts.

Name	In charge
Antonella Lillo	Chairman
Marco Maria Fumagalli	
Mario Cesari	

Nomination and Remuneration Committee

In office from April 29, 2021 until the Shareholders' AGM called to approve the 2023 Annual Accounts.

Name	In charge
Manuela Grattoni	Chairman
Marco Maria Fumagalli	
Antonella Lillo	

Related Parties Committee

In office from April 29, 2021 until the Shareholders' AGM called to approve the 2023 Annual Accounts.

Name	In charge
Marco Maria Fumagalli	Chairman
Manuela Grattoni	
Mario Cesari	

Supervisory Board

In office from August 2, 2021, to August 1, 2024

Name	In charge
Patrizia Santonocito	Chairman
Giovanni Boldrin	
Chiara Zilio	

Significant holdings

Based on the shareholders' register, through communications received in accordance with Article 120 of Legislative Decree No. 58/98 and other information available to the company, the shareholders of Piovan S.p.A. with holdings of greater than 5% as of the latest update were:

Declarant	Direct shareholder	% of ordinary share capital (*)	% of voting share capital (**)	% of ordinary share capital (***)	% of voting share capital (****)
Nicola Piovan	Pentafin S.p.A	58.008	62.534	61.050	64.913
7INDUSTRIES HOLDING BV	7INDUSTRIES HOLDING BV	9.282	13.412	9.769	13.922
Allianz SE	ALLIANZ IARD SA	7.755	5.703	8.161	5.92

(*) Total No. ordinary shares: 53,600,000, including Piovan S.p.A. treasury shares equal to 2,670,700

(**) Share capital expressed as number of votes as per Article 120, paragraph 1 of Legislative Decree No. 58 of February 24, 1998 ("CFA") including Piovan S.p.A. treasury shares.

(***) Total No. ordinary shares: 50,929,300, excluding the Piovan S.p.A. treasury shares

(****) Share capital expressed as number of votes as per Article 120, paragraph 1 of Legislative Decree No. 58 of February 24, 1998 ("CFA") excluding Piovan S.p.A. treasury shares.

Executive Officer for Financial Reporting

Giovanni Rigodanza, in office until the Shareholders' Meeting for the approval of the 2023 Annual Accounts.

Independent Audit Firm

Deloitte & Touche S.p.A., in office until the Shareholders' AGM for the approval of the 2026 Annual Accounts.

Presentation and Group structure

The Group began operating in the early 1930's, when Costante Piovan founded a small workshop in Padua specializing in precision mechanics and molds for the manufacture of metal sheets.

In 1964, Luigi Piovan began a process of market diversification, and the Group moved into auxiliary machinery for the plastics industry. It introduced the first granulator to the Italian market, and this was followed by the Convair dryer and the Convector feeder for injection molding machines. The Group increasingly specialized in the design and production of automation systems for the storage, transport and treatment of plastics, and in 1969 moved its main production plant to Santa Maria di Sala (Venice).

Between 1970 and 1980, the Group expanded gradually in both geographical distribution - establishing its first foreign subsidiary Piovan Germania in 1974 - and its range of products and technologies. This came to include a complete range of machines used in the automation process for the storage, transport and processing of plastics, laying the foundations for future worldwide leadership. During the same period, the Company also launched its first line of refrigerators, and introduced the market's first centralized system for granule feeding, dosing and dehumidification.

This was also a time of significant production growth within the Group, which, from a generalist foundation, soon began to develop specific expertise in the application of plastics to the packaging, automotive, consumer and construction markets. This laid the groundwork for future specializations in customer industrial processes, and the consequent ability to offer innovative solutions. Anticipating future market trends, the Company also developed its first plant supervision and control software, which guarantees constant monitoring of machine operativity.

During the 1990's, the Group continued to grow globally and to improve its technological and qualitative expertise, gaining ISO 9001 certification and expanding its commercial and production capacities in overseas markets by opening new subsidiaries.

In the early 90s Nicola Piovan, Luigi Piovan's son, joined the company. He has been Chief Executive Officer since 2002 and Sole Director from 2011 to 2018. The Group continued its international expansion and established production plants outside Italy, specifically in Brazil and China. Additional foreign subsidiaries were soon opened in Mexico, Great Britain, Austria, Hungary, the Czech Republic, India, Turkey, Thailand, and Vietnam.

This expansion aimed to guarantee customers a global presence, providing constant, high-quality service "close to the customer", to ensure that the complex machinery being sold worked flawlessly. It also ensured commercial presence in every relevant geographical area, allowing the Group to anticipate new market trends. As a result, continuous technological evolution, proximity to customers, high-quality service and sales, along with a focus on employees and their professional and personal growth, now form part of the Group's DNA.

In recent years the Group has developed the first solutions for the processing of recycled plastics, enabling the construction of hundreds of plants in the coming years and the development of the Group's technological leadership.

2007 saw the launch of the first version of the Group's proprietary software "Winfactory". Since then a new version has been released annually, leading to the current version "Winfactory 4.0", which still represents one of the Group's advantages over its main competitors.

Continuous investment in hi-tech solutions and energy saving processes have also contributed to attracting worldwide leaders in packaging, construction, basic commodities, and the food and automotive industries.

Piovan S.p.A. became publicly listed on the Milan stock exchange, within the Star segment, on October 19, 2018.

In October 2020, Doteco S.p.A., an Italian leader globally in technology for the dosing of plastic film and synthetic fibers, along with its U.S. subsidiary Doteco, Inc., joined the Piovan Group.

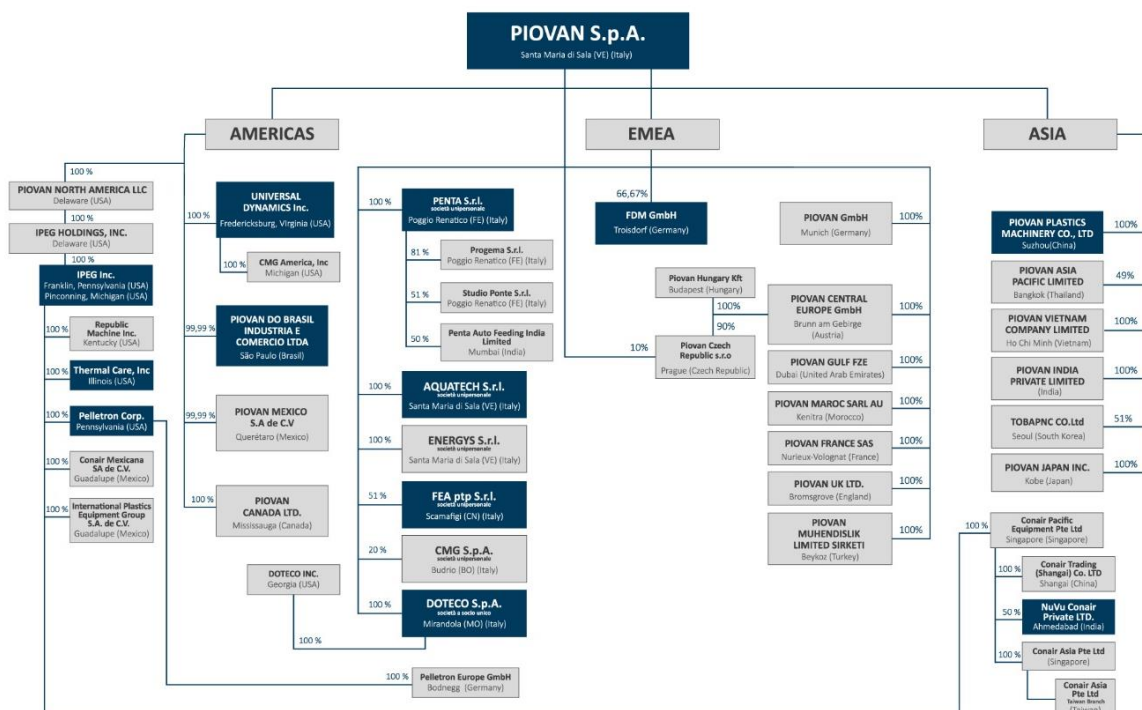
Finally, in January 2022, Piovan S.p.A. completed the acquisition of the entirety of the share capital in Sewickley Capital Inc., owner of 100% of IPEG, Inc. – an industry leader in North America – thereby further strengthening our global leadership in this industry.

Today the Group comprises a network of direct or indirect subsidiaries of Piovan S.p.A., with sites in Europe, the United States and Asia, both thanks to organic growth dynamics and acquisitions. The strategic, managerial and operational direction of the Group, which as of March 31, 2022, comprises 43 service and commercial companies, including 14 production plants on 4 continents, is entrusted directly to Piovan S.p.A.

The global spread of Piovan Group companies creates a major competitive advantage, providing customers across its various markets with a uniform level of service quality, in addition to an extremely broad and constantly developing range of products. This range is a core feature of the Group's commercial offering, both for the processes of automated storage, transport and processing of plastics to every final sector, and for the transport and processing of food powders and creams, which has recently become an area of development within the Group's range, thanks to the subsidiaries Penta S.r.l. and FEA Process & Tecnologica Plants S.r.l.

On October 22, 2019, Italy's President, Sergio Mattarella, honored Nicola Piovan with the title of *Cavaliere del Lavoro* (Italian knighthood for accomplishments in industry). This important recognition testifies to the commitment the Piovan family has dedicated to growing the business for more than 50 years.

Group structure at March 31, 2022



Production facility

Service and sales

Operating Performance

General economic overview

Within a landscape heavily impacted by the Russia-Ukraine conflict and the COVID-19 pandemic, the International Monetary Fund (IMF) forecasts global economic growth for 2022 and 2023 of 3.6%, slowing from the 2021 estimated growth of 6.1% (as per the IMF's World Economic Outlook of April 2022). Beyond 2023, global growth is expected to fall to about 3.3% over the medium term. Increases in raw material prices brought about by the war and the growing pricing pressures have led to forecasts for inflation in 2022 of 5.7% in the advanced economies and of 8.7% in emerging markets and developing nations, which are increases of 1.8 and 2.8 percentage points, respectively, from the IMF's previous forecasts.

The lowering of forecast growth is due to - in addition to the war - also to delays in the supply chain that are fueling greater inflation in many countries.

In particular, we have seen a significant increase in the prices of certain raw materials and industrial components, as well as in transport costs, which are creating challenges for businesses in certain segments. The outlook in this regard is uncertain, and much will depend on the timing of the return to normality in markets around the world.

With regard to the COVID-19 pandemic, uncertainty remains particularly in relation to new variants and to the various approaches being adopted around the world to combat outbreaks and increases in the number of positive cases. In this regard, the most critical situation is being seen in Asia – and in China specifically – where a “zero-COVID” strategy, which calls for local containment as soon as just a few cases emerge and for mass testing to quickly identify and isolate infected individuals, could lead to volatility in demand and to further slowdowns.

In this environment of continued uncertainty, the Piovan Group continues to operate through an organizational structure based on subsidiaries with production sites on different continents and a global network providing technical and commercial assistance across all the areas in which the Group operates. This structure - further strengthened by the acquisition of the IPEG group - has both limited the effects of the restrictions on mobility and enabled us to find alternatives within the supply chain where possible.

In addition, its presence in highly diversified geographical areas and sectors allowed the Group to mitigate the overall risk and benefit from possible improvements in certain areas/sectors.

Significant events in the period

Acquisition of the IPEG Inc. Group

As reported in the Annual Financial Report at December 31, 2021, on January 31, 2022, and in line with the preliminary agreement signed on December 13, 2021, Piovan S.p.A. completed the acquisition of IPEG, Inc., which took place through the merger of Sewickley Capital, Inc., owner of 100% of IPEG, Inc., into a newly incorporated company, in Delaware, and wholly-owned by Piovan through Piovan North America LLC.. The transaction took place at the conditions and price reported to the market on December 13, 2021.

The purchase price of the transaction was defined as an initial payment of approx. USD 125 million, on a cash free/debt free basis, in addition to the payment of an earn-out ("Earn-out"), if any, up to a maximum of approximately USD 22 million, to be paid in 2024 upon the achievement of certain EBITDA growth targets of the acquired group over the 2021-2023 period.

IPEG, Inc. is a Delaware company involved in industrial automation for transportation and the handling based in polymers and in the production of industrial refrigeration systems, with branches in the United States, India, Mexico, Germany, China, Taiwan, and Singapore. The company operates under 4 main brands — Conair, Thermal Care, Pelletron, and Republic Machine — and these brands will be maintained. IPEG has 4 facilities in the United States and one in India through the joint venture Nu-Vu Conair.

Based on the preliminary figures for the year ended December 31, 2021, the IPEG group generated revenues of about USD 197.3 million and adjusted EBITDA¹ of USD 16.2 million.

In January 2022, in order to complete this acquisition, a 6-year Euro 100 million fixed-rate loan bearing annual interest of 1.335% was obtained. The loan agreement calls for a grace period and the start of principal payments from April 2023 and establishes certain covenants that must be verified semi-annually beginning on December 31, 2022.

Following the acquisition, as of March 31, 2022, the Group now encompasses 43 production, service and commercial companies, including 14 production sites on 4 continents, and employs over 1,800 people around the world.

Russia-Ukraine conflict

The ongoing conflict between Russia and Ukraine is continuing to fuel major international humanitarian and social crises and is having major repercussions on the populations of these nations. Due to the international sanctions being used as a deterrent for some of the countries involved, we are also seeing a significant impact on trade and on their domestic economies, which could exacerbate supply-chain issues over the short term.

¹ EBITDA calculated in accordance with US GAAP prior to application of IFRS 16 and with the contribution of the joint venture Nu-Vu Conair

The Group's exposure to the areas involved is limited in relation to total operations. Based on 2021 figures, and including the recent acquisition of IPEG, Inc., consolidated revenue generated by the Group in Russia and Ukraine is 0.8% of the total.

The situation is constantly developing and the Company - also with the support of external consultants - is monitoring the situation closely to assess any impact it may have on the business.

Subsequent events to March 31, 2022

On April 28, 2022, the Shareholders' AGM, in addition to the 2021 Annual Financial Report, approved the distribution of dividends totaling Euro 5,092,930.

On the same date, the shareholders also authorized the Company's Board of Directors to purchase and dispose for treasury shares as detailed in the Directors' report published on the Company's website at www.piovangroup.com, in the Corporate Governance/Shareholders' meeting section.

Outlook

The Group confirms its focus on continuing on the strategic path undertaken and on boosting its contribution to the circular economy by developing products and solutions for the recycled value chain, increasing acquisitions, and working to achieve greater market share in the Food & Non-Plastic segment.

With regard to future acquisitions, and given the completion of the IPEG, Inc. acquisition on January 31, 2022, it is reasonable to assume that 2022 will be dedicated to the integration of this industrial group in order to take full advantage of the company's strategic potential, given also its importance within the Group.

In this sense, integration of the two organizations will enable:

- The strengthening of the global leadership of the Piovan Group in automation solutions for the handling of plastic polymers and food powders
- The consolidation of our competitive positioning in North America, where the Piovan Group will become the industry's largest player
- An expansion of our presence in Mexico and Asia
- Growth of the Indian market
- Development of the best talent and human capital by way of the sharing of best practices between the two organizations

Although the Group's focus in 2022 is on reducing debt as a result of the operation, Piovan remains interested in companies with products/technologies that can expand the value chain served by the Group, and we will continue to assess potential opportunities for acquisitions and external growth.

With regard to developments in European legislation concerning the production and use of plastic, there is a possibility of changes in the marketplace. In particular, legislation could promote the use of recycled plastic or biodegradable polymers at the expense of virgin, petroleum-based polymers.

For the Piovan Group, this European legislation represents an opportunity to sell technologies developed in recent years for the automation, processing and screening of recycled and biodegradable plastics.

In recent years the Group has in fact recorded patents related to recycling and has a technological advantage over its competitors. The company currently estimates that – on the basis of the 2021 year and excluding the contribution of the IPEG group – more than 20% of revenues in the segments that make significant use of recycled plastics (mainly packaging, fibers, recycling, and compounds) may be considered to be related to the circular economy.

Since 2006, the Group has built more than 300 plastic recycling plant and thousands of systems that make it possible to create new products out of recycled plastic.

Piovan is already engaged at various levels in the process of change and is committed to providing solutions to the market for a circular economy, particularly in researching and developing advanced innovative technologies - allowing customers to use recycled polymers and obtaining a quality product with low environmental impact, cutting CO2 emissions and the consumption of scarce resources.

With regard to organic growth, against a 2021 that saw record performances that continued into the initial months of 2022, the Company looks to the future with optimism despite the uncertainties associated with the geopolitical environment. The Piovan Group has a presence in many geographical areas and in a diverse range of industries, which will certainly mitigate the overall risk tied to the current crisis. The most resilient markets (e.g. medical, flexible packaging) remain encouraging, and it is reasonable to expect a recovery in the most cyclical industries (e.g. automotive, construction).

Order intake during the initial months of 2022 is again strong and the backlog at March 31, 2022 remains at a very high level.

In spite of these positive factors, risks remain with regard to more infectious variants of COVID-19, which could lead to increased restrictions, and in particular the repercussions of the Russia-Ukraine war, with consequent impact on the economy, and the supply chain issues that have caused slowdowns in procurement, fueling further inflation in many of these countries and which could remain high for longer than originally forecast.

In particular, we have seen a significant increase in the prices of certain raw materials and industrial components, as well as in transport and energy costs, which are creating challenges for businesses in certain segments. The outlook in this regard is uncertain, and much will depend on the timing of the return to normality in markets around the world.

Alternative performance indicators

In this Directors' Report, various alternative performance indicators or intermediary earnings indicators are presented in order to permit a better assessment of operating performance and financial position. These indicators, however, are not identified as an accounting measure within IFRS and therefore the criterion for their determination may not be uniform with other groups or companies. Reference should be made to the "Annual Financial Report at December 31, 2021" which outlines the criteria used to construct these indicators, with the exception of those illustrated below.

Taking into consideration the acquisition of the IPEG group in early 2022, it has been decided to supplement the alternative performance indicators monitored by the Group to include adjusted EBITDA, which, compared to reported EBITDA as calculated by the Group (and reported in the Annual Financial Report at December 31, 2021), is adjusted for non-core/one-off costs, which may include:

- a) costs for the restructuring and integration of consolidated companies and the offsetting of any provisions for restructuring and integration costs;
- b) disposal of non-current assets;
 - disposals of assets related to discontinued operations;
 - transaction costs, fees and expenses incurred by Group companies for negotiations of acquisitions in progress or completed in the period, including taxes, notary costs, and contract registration costs.

Group operating performance

(amounts in €'000)	Economic performance indicators						Changes		Changes	
	First quarter 2022	% on total revenues and other income	First quarter 2022 (IPEG excluded)	% on total revenues and other income	First quarter 2021	% on total revenues and other income	2022 vs 2021	%	2022 (IPEG excluded) vs 2021	%
Revenue	105,294	97.5%	72,260	97.5%	64,081	98.9%	41,213	64.3%	8,179	12.8%
Other revenue and income	2,692	2.5%	1,849	2.5%	732	1.1%	1,960	267.6%	1,116	152.4%
TOTAL REVENUE AND OTHER INCOME	107,986	100.0%	74,109	100.0%	64,814	100.0%	43,173	66.6%	9,295	14.3%
Adjusted EBITDA	13,383	12.4%	10,646	14.4%						
EBITDA	12,927	12.0%	10,190	13.7%	9,090	14.0%	3,837	42.2%	1,100	12.1%
OPERATING PROFIT	10,784	10.0%	8,493	11.5%	7,233	11.2%	3,551	49.1%	1,260	17.4%
PROFIT BEFORE TAXES	11,599	10.7%			7,635	11.8%	3,964	51.9%		
Income taxes	3,615	3.3%			2,121	3.3%	1,494	70.4%		
NET PROFIT	7,984	7.4%			5,515	8.5%	2,469	44.8%		
Attributable to:										
Owners of the parent	7,859	7.3%			5,549	8.6%				
Non-controlling interests	125	0.1%			(35)	(0.1%)				
Earnings per share	0.15				0.11					
Basic and diluted earnings per share (in Euros)	0.15				0.11					

In the first three months of 2022, Piovan Group total revenue and other income amounted to Euro 107,986 thousand, up on Euro 64,814 thousand in the first three months of 2021 (+66.6%).

Excluding revenues recognized by the IPEG group, consolidated from February 1, 2022, total revenues and other income in the first three months of 2022 amounted to Euro 74,109 thousand, up 14.3% on the same period of 2021.

Recognizing the effect of the acquisition of IPEG group retroactively to January 1, 2022, the amount of revenues and other income for the Piovan Group would have been Euro 122,255 thousand for the first three months of 2022.

Revenue calculated on a like-for-like basis (i.e. at the average exchange rate for the first quarter of 2021) would have decreased by Euro 3,687 thousand at Euro 101,609 thousand and risen 58.6% compared to the first three months of 2021. This difference is mainly attributable to a positive effect deriving from US Dollar fluctuation.

EBITDA was Euro 12,927 thousand, increasing on Euro 9,090 thousand for the first quarter of 2021 (+42.2%), with a revenue margin decreasing from 14.0% in 2021 to 12.0% in 2022, mainly due to the consolidation of the IPEG group. Excluding the impact of the IPEG group, EBITDA in the first quarter of 2022 would have been Euro 10,190 thousand, an increase of 12.1% from the

same period of 2021, with a margin on total revenue of 13.7%, which is a slight decline from the previous year due to significant pressures on the cost of raw materials.

Excluding the effect of non-recurring costs incurred during the period for the acquisition of the IPEG group in the amount of Euro 456 thousand, adjusted EBITDA comes - on an organic basis - to € 10,646 thousand with a percentage incidence on total revenues of 14.4%. The Adj. EBITDA inclusive of the IPEG group amounted to 13,383 thousand, with a margin on total revenue of 12.4%. Recognizing the effect of acquisition of the IPEG group retroactively to January 1, 2022, adjusted EBITDA for the Piovan Group would have been Euro 14,482 thousand for the first quarter of 2022, with a margin on total revenue for the period of 11.8%.

EBIT totaled Euro 10,784 thousand, up from Euro 7,233 thousand in the same period of the previous year (+49.1%), with an increase attributable to the combined effect of the organic growth of the Piovan Group and the integration of the IPEG group. The EBIT margin on total revenues and other income came to 10.0%, compared to 11.2% for the same period of the previous year.

The net profit was Euro 7,984 thousand, increasing on Euro 5,515 thousand for the same period of the previous year. The margin on total revenue and other income was 7.4%.

Earnings per share was Euro 0.15 for the first quarter of 2022, compared to Euro 0.11 in the same period of the previous year.

Revenue by business segment and region

The breakdown of revenue by business segment is as follows:

	First quarter 2022	First quarter 2022 (IPEG excluded)	First quarter 2021	Change Q1 2022 vs. Q1 2021	%	Change Q1 2022 (IPEG excluded) vs. Q1 2021	%
Plastic	78,076	53,393	45,832	32,244	70.4%	7,561	16.5%
Food & non plastic	11,532	9,423	9,970	1,562	15.7%	(547)	-5.5%
Services	15,686	9,445	8,279	7,407	89.5%	1,166	14.1%
Revenue	105,294	72,260	64,081	41,213	64.3%	8,179	12.8%

Revenue by business segment in the first three months of 2022 indicates that - on a like-for-like basis:

- Plastic Systems revenue increased 16.5%, driven by good performances in Europe and Asia, with the Automotive sector rebounding thanks to increased investment in new electric models and the Consumer & Technical and Packaging sectors remaining very solid;
- Food & Non-plastic Systems revenue, which tends to be more volatile than the Plastics area due to the nature of the business, remained essentially stable compared to the same period of the previous year (-5.5%), as a result of the development of the North American market and the consolidation of the position in Europe.

- The Services market reported revenue growth of 14.1% on the same period of the previous year, in line with Group expectations.

IPEG performed strongly in the quarter, with order intake, revenue and earnings all rising. The consolidation of IPEG in February and March 2022 brings about Euro 24,683 thousand in addition to revenue in the Plastics area, with a combined growth of 70.4%, and about Euro 2,110 thousand in the Food & Non-plastics area, with a combined growth of 15.7%, mainly concentrated in the North American market.

The Services market benefitted from the contribution of IPEG, accounting for 14.9% of the Group's total revenue.

The breakdown of revenue by region is as follows:

	First quarter 2022	First quarter 2022 (IPEG excluded)	First quarter 2021	Change Q1 2022 vs. Q1 2021	%	Change Q1 2022 (IPEG excluded) vs. Q1 2021	%
EMEA	46,286	45,005	45,078	1,208	2.7%	(73)	-0.2%
ASIA	8,941	7,524	5,590	3,351	59.9%	1,934	34.6%
NORTH AMERICA	46,591	16,385	9,698	36,893	380.4%	6,687	69.0%
SOUTH AMERICA	3,476	3,346	3,715	(239)	-6.4%	(369)	-9.9%
Revenue	105,294	72,260	64,081	41,213	64.3%	8,179	12.8%

Without the contribution of IPEG, revenue in North America increased by 69.0% (and accounted for 22.7% of total revenue) due mainly to the strong performance of the Food area and driven by an additional positive impact of the EUR/USD exchange rate.

Asian growth was excellent, with revenue increasing by 34.6% on a like-for-like basis, attributable mainly to the strong rebound in the automotive & industrial area.

The performance of the European and South American markets was impacted by a temporary slowdown as a result of component shipment delays and short-term raw material availabilities, however - in the opinion of the Company – this is expected to be reabsorbed during the year, bringing the performance of the areas to a positive level.

Including IPEG, the North American market reached total revenue of Euro 46,591 thousand, equal to 44.2% of the total. IPEG's contribution in the EMEA markets and in Asia during the period of consolidation was Euro 1,281 thousand and Euro 1,417 thousand, respectively.

Equity and Financial profile of the Group

The financial structure of the Piovani Group as at March 31, 2022, is summarized below.

Group net financial position

€/000	31.03.2022	31.12.2021	31.03.2021
A. Cash	108,414	118,505	87,900
B. Cash equivalents	-	-	-
C. Other current financial assets	1,550	1,589	5,162
D. Liquidity (A+B+C)	109,964	120,093	93,062
E. Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)	(30,981)	(31,448)	(23,715)
F. Current portion of non-current financial debt	(20,411)	(20,584)	(18,970)
G. Current financial indebtedness (E+F)	(51,392)	(52,031)	(42,685)
H. Net current financial indebtedness (G-D)	58,573	68,062	50,377
I. Non-current financial debt (excluding current portion and debt instruments)	(145,915)	(41,920)	(44,782)
J. Debt instruments	-	-	-
K. Non-current trade and other payables	(20,862)	(2,416)	(396)
L. Non-current financial indebtedness (I+J+K)	(166,777)	(44,336)	(45,178)
M. Total net financial position (H+L)	(108,204)	23,726	5,199

It should be noted that, beginning with publication of the Consolidated Half-Year Financial Report at June 30, 2021, the Company has adopted the new layout for Net Financial Position (NFP) called for in the Consob Call for Attention No. 5/21 of April 29, 2021, which implements the EMSA Guidelines 32-382-1138 of March 4, 2021. Compared to the layout previously used, the account “Other non-current liabilities” is now also included. The net financial position at March 31, 2021 reported in the “Periodic Financial Statements at March 31, 2021” did not include this account and therefore amounted to a positive position of Euro 5,595 thousand.

In addition, the information related to indirect debt and/or debt subject to conditions that are not reflected above but which is required by the ESMA document follows:

- regarding provisions, see Note [17] – Employee benefit plans and Note [18] – Provisions for risks and charges, which include sums of this type;
- regarding bank guarantees, see the section “Commitments and Risks” in the Notes of the Annual Financial Report at December 31, 2021;
- the Company has also recognized liabilities for options granted to minority shareholders in the amount of Euro 741 thousand (see Note [19]).
- the Company has also recognized the deferred portion of the purchase price for the acquisition of Doteco S.p.A., in the amount of Euro 1,018 thousand, among “Other current liabilities”. For more information, see Note [24];
- commitments related to lease agreements that are not recognized as liabilities in accordance with IFRS 16 total approximately Euro 2,310 thousand.

The Group reports net debt at March 31, 2022, of Euro 108,204 thousand, which was mainly affected by completion of the acquisition of the IPEG group, for which a loan of Euro 100 million was obtained. Excluding the effects of the application of IFRS 16, the consolidated net financial position at March 31, 2022 would be Euro 87,591 thousand (vs. Euro 34,940 thousand at December 31, 2021, and Euro 15,718 thousand at March 31, 2021).

“Other non-current liabilities” include the fair value measurement of the earn-out in the amount of USD 22 million (Euro 19.8 million at March 31, 2022, equal to its maximum contractual value) to be paid in 2024 to the shareholders selling their shares in IPEG Inc. in accordance with contractual obligations.

Capital expenditure in the first quarter of 2022 was Euro 633 thousand (Euro 213 thousand in the first quarter of 2021), of which non-recurring Euro 155 thousand.

The financial position includes medium/long-term loans, mainly relating to the Parent Company and almost entirely subscribed in Euro, for Euro 149.5 million, of which Euro 20.1 million repayable within 12 months and the remaining Euro 129.4 million within 5 years.

As reported previously, in January 2022, in order to complete the IPEG acquisition, a 6-year Euro 100 million fixed-rate loan bearing annual interest of 1.335% was obtained.

It should be noted that this loan requires the Group to comply with a series of financial and non-financial requirements ("covenants") defined in line with market practice, in particular linked to the relationship between Net Financial Debt and EBITDA and the relationship between Net Equity and EBITDA (as defined in the reference contracts). These are to be tested on a semi-annual basis. The first measurement is set for December 31, 2022.

Medium/long-term loans were repaid in the quarter for Euro 3,120 thousand.

Net non-current assets

Net non-current assets represented by property, plant and equipment, intangible assets and equity investments, amounted to Euro 195,829 thousand, as a combined effect of amortization and depreciation in the period, capex and the effects from the acquisition of the IPEG group on January 31, 2022 (particularly with regards to intangible assets).

<i>Net non-current assets (amounts in €'000)</i>	At 31st March 2022	At 31st December 2021	At 31st March 2021
Property, plant and equipment	65,613	52,854	51,581
Intangible assets	124,557	26,192	27,277
Equity investments	5,660	237	155
Net non-current assets	195,829	79,284	79,014

At December 31, 2021, as a result of the first application of IFRS 16 – Lease, the Group had recognized leased assets with a net carrying value of Euro 16,059 thousand. At March 31, 2022,

the net carrying value of right-of-use assets amounted to Euro 24,455 thousand. The increase from December 31, 2021, is due mainly to the net effect of the consolidation of the IPEG group, which had an impact on this aggregate of Euro 9,043 thousand. Except for that indicated above, there were no changes in the first quarter of 2022 in the lease terms of existing contracts.

Investments

Total investments for the period, not including the acquisition of the IPEG group, came to Euro 633 thousand. Non-recurring investments totaled Euro 155 thousand and concern the purchase of land by FEA, a Piovan Group company, as part of the expansion of its production facility.

Net trade capital and net working capital

Net working capital for the period ended March 31, 2022, was as follows:

<i>Net working capital (amounts in €'000)</i>	At 31st March 2022	At 31st December 2021	At 31st March 2021
Trade receivables	80,906	55,390	46,407
Inventories	82,507	44,540	3,775
Contract assets for work in progress	4,496	4,519	4,714
Trade payables	(64,798)	(50,022)	(36,666)
Advance from customers	(54,739)	(31,042)	(21,716)
Contract liabilities for work in progress	(3,627)	(8,174)	(5,020)
Net trade capital	44,746	15,211	25,474
Tax receivables	5,167	4,517	3,218
Other current assets	13,208	5,290	5,834
Tax liabilities and social security contributions	(7,959)	(8,531)	(6,525)
Other current liabilities	(27,322)	(17,309)	(21,416)
Net working capital	27,840	(821)	6,586

Net working capital increased from December 31, 2021, by Euro 28,661 thousand, essentially due to the consolidation of the IPEG group. Excluding this change, net working capital would have been Euro 6,245 thousand, in line with the amount reported as at March 31, 2021.

Consolidated Financial Statements at March 31, 2022

Consolidated statement of financial position (Euro thousands)

ASSETS	Notes	31.03.2022	31.12.2021
NON-CURRENT ASSETS			
Property, plant and equipment	Note 1	65,613	52,854
Intangible assets	Note 2	124,557	26,192
Equity investments	Note 3	5,660	237
Other non-current assets	Note 4	474	505
Deferred tax assets	Note 5	7,149	6,197
TOTAL NON-CURRENT ASSETS		203,452	85,985
CURRENT ASSETS			
Inventories	Note 6	82,507	44,540
Contract assets for work in progress	Note 7	4,496	4,519
Trade receivables	Note 8	80,906	55,390
Current financial assets	Note 9	1,550	1,589
Tax receivables	Note 10	5,167	4,517
Other current assets	Note 11	13,208	5,290
Cash and cash equivalents	Note 12	108,414	118,505
TOTAL CURRENT ASSETS		296,248	234,350
TOTAL ASSETS		499,700	320,335

LIABILITIES AND EQUITY	Notes	31.03.2022	31.12.2021
EQUITY			
Share capital	Note 13	6,000	6,000
Legal reserve	Note 13	1,200	1,200
Reserve for own shares in portfolio	Note 13	(2,250)	(2,250)
Translation reserve	Note 13	1,643	(1,104)
Other Reserves and retained earnings	Note 13	93,267	64,811
Net profit (loss)	Note 13	7,859	28,347
Equity attributable to the owners of the parent		107,720	97,004
Equity attributable to non-controlling interests	Note 15	1,473	1,447
TOTAL EQUITY		109,193	98,451
NON-CURRENT LIABILITIES			
Long-term loans	Note 16	129,117	32,479
Non-current financial liabilities	Note 16	16,798	9,440
Employee benefits plans	Note 17	6,617	6,512
Provision for risks and charges	Note 18	5,239	2,681
Non current liabilities for options granted to non-controlling interest	Note 19	-	-
Other non-current liabilities	Note 20	20,862	2,416
Deferred tax liabilities	Note 5	1,298	505
TOTAL NON-CURRENT LIABILITIES		179,931	54,033
CURRENT LIABILITIES			
Current portion of long-term loans	Note 16	20,411	20,584
Current bank loans and borrowings	Note 16	27,000	29,001
Current financial liabilities	Note 16	3,981	2,447
Trade payables	Note 21	64,798	50,022
Advance from costumers	Note 22	54,739	31,042
Contract liabilities for work in progress	Note 7	3,627	8,174
Current liabilities for options granted to non-controlling interests	Note 19	741	741
Tax liabilities and social security contributions	Note 23	7,959	8,531
Other current liabilities	Note 24	27,322	17,309
TOTAL CURRENT LIABILITIES		210,576	167,851
TOTAL LIABILITIES		390,507	221,884
TOTAL LIABILITIES AND EQUITY		499,700	320,335

Consolidated statement of profit and loss
(Euro thousands)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS	Notes	31.03.2022	31.03.2021 ^(*)
Revenue	Note 25	105,294	64,081
Other revenue and income	Note 26	2,692	732
TOTAL REVENUE AND OTHER INCOME		107,986	64,814
Costs of raw materials, components and goods and changes in inventories	Note 27	46,812	26,676
Services	Note 28	21,489	12,162
Personnel expenses	Note 29	25,709	16,223
Other expenses	Note 30	1,048	663
Amortisation and depreciation	Note 31	2,143	1,857
TOTAL COSTS		97,202	57,580
OPERATING PROFIT		10,784	7,233
Financial income	Note 32	162	112
Financial Expenses	Note 32	(560)	(149)
Net exchange rate gain (losses)	Note 33	997	439
Gains (losses) on liabilities for option granted to non controlling interests	Note 34	-	-
Profit (losses) from equity investments carried at equity	Note 35	216	-
PROFIT BEFORE TAXES		11,599	7,635
Income taxes	Nota 36	3,615	2,121
NET PROFIT		7,984	5,515
ATTRIBUTABLE TO:			
Owners of the parent		7,859	5,549
Non-controlling interests		125	(35)
Earnings per share			
Basic earnings per share (in Euros)	Note 14	0.15	0.11
Diluted earnings per share (in Euros)	Note 14	0.15	0.11

^(*) Data restated following the merging of the items "Costs for use of third party assets" and "Provisions for risks and charges" within the items "Service costs" and "Other operating costs", respectively.

Consolidated statement of comprehensive income
(Euro thousands)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	Note	31.03.2022	31.03.2021
Net profit		7,984	5,515
Items that may be subsequently reclassified to profit or loss:			
- Exchange rate differences		2,747	914
Items that may not be subsequently reclassified to profit or loss:			
- Actuarial gains (losses) on employee benefits net of the tax effect		-	-
- Actuarial gains on agents' termination benefits net of the tax effect		-	-
Total Comprehensive income		10,731	6,428
attributable to:			
- Owners of the parent		10,606	6,463
- Non-controlling interests		125	(35)

Consolidated statement of cash flows
(Euro thousands)

Consolidated Statement of Cash Flow	31.03.2022	31.03.2021
OPERATING ACTIVITIES		
Net profit	7,984	5,515
Adjustments for:		
Amortisation and depreciation	2,143	1,857
Inventory write-down and bad debt provision	717	596
- Net non-monetary financial (income)	39	(15)
Change in provisions for risks and charges and employee benefits liabilities	771	56
Net capital (gains) losses on sale of fixed assets and equity investments	(15)	(14)
Non-monetary changes related to liabilities for options granted to non-controlling interests	0	0
Investment equity valuation	(218)	
Other non-monetary variations	28	31
Taxes	3,615	2,121
Cash flows from operating activities before changes in net working capital	15,064	10,146
(Increase)/decrease in trade receivables	(4,706)	(4,199)
Increase in inventories	(7,818)	(1,056)
(Increase)/decrease in other current assets	(1,181)	(367)
Increase/(decrease) in trade payables	(3,805)	(3,457)
Increase/(decrease) in advance from customers	7,802	2,401
Increase/(decrease) in other current liabilities	(5,169)	(917)
(Increase)/decrease in non-current assets	(284)	8
Increase/(decrease) in non-current liabilities	(666)	139
Income taxes paid	(1,982)	(960)
CASH FLOWS FROM OPERATING ACTIVITIES (A)	(2,744)	1,737
INVESTING ACTIVITIES		
Investments in property, plant and equipment	(578)	(134)
Investments in intangible assets	(55)	(80)
Disinvestments/(investments) in financial assets	(0)	(0)
Disinvestments in equity investments	0	(0)
Business combinations net of the acquired cash	(100,589)	-
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES (B)	(101,222)	(215)
FINANCING ACTIVITIES		
Issuance of bank loans	99,585	-
Repayment of bank loans	(3,120)	(1,466)
Change in current bank loans and borrowings	(2,001)	695
Increase/(decrease) in other financial liabilities	(560)	(272)
Purchase of minority interests in subsidiaries	-	-
Dividends paid	-	-
CASH FLOWS USED IN FINANCING ACTIVITIES (C)	93,904	(1,043)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (A ± B ± C)	(10,063)	479
EFFECT OF EXCHANGE RATE CHANGES ON BALANCE OF CASH HELD IN FOREIGN CURRENCY	(28)	(31)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD (E)	118,505	87,452
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (G=D+E+F)	108,414	87,900
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(10,063)	479
INTERESTS PAID	289	149

Consolidated statement of changes in equity
(Euro thousands)

	Share Capital	Legal reserve	Treasury shares	Translation reserve	Other reserves and retained earnings	Profit for the year att. to the owner of the parent	Equity attributable to the owners of the parent	Equity att. to non-controlling interests	TOTAL EQUITY
Balance at Jan, 1st, 2021	6,000	1,200	(2,250)	(3,756)	53,576	17,643	72,414	2,219	74,632
Distribution of dividends								(100)	(100)
Allocation of prior year profit					17,643	(17,643)			
Incentive plan					132		132		132
Change in non-controlling interests				9			9	(9)	
Total comprehensive income				914		5,549	6,462	(35)	6,428
Balance at March 31st, 2021	6,000	1,200	(2,250)	(2,833)	71,351	5,549	79,017	2,075	81,092

	Share Capital	Legal reserve	Treasury shares	Translation reserve	Other reserves and retained earnings	Profit for the year att. To the owner of the parent	Equity attributable to the owners of the parent	Equity att. to non-controlling interests	TOTAL EQUITY
Balance at Jan, 1st, 2022	6,000	1,200	(2,250)	(1,104)	64,811	28,347	97,004	1,447	98,451
Distribution of dividends								(100)	(100)
Allocation of prior year profit					28,347	(28,347)			
Incentive plan					111		111		111
Change in non-controlling interests				-			-	-	
Total comprehensive income				2,747		7,859	10,606	125	10,731
Balance at March 31st, 2022	6,000	1,200	(2,250)	1,643	93,267	7,859	107,720	1,473	109,193

Explanatory notes to the consolidated financial statements

Piovan S.p.A. ("the Company" or "the Parent Company"), the parent company of the group of the same name with registered office in Santa Maria di Sala (VE), via delle Industria 16, is a joint-stock company enrolled in the Venice Companies' Registration Office.

The Company is the holding company of a group of companies operating in Italy and internationally (the "Group" or "Piovan Group") in automation systems for the storage, transport and processing of plastics ("Plastic Systems"), automation systems for the storage and transport of food powders and non plastics ("Food Systems & non plastic") and technical assistance and marketing of spare parts and services ("Services"). The Group is among the world leaders in the Plastic Systems market in the design and production of plants and control systems for the automation of all phases of the plastics production cycle.

The plants and systems developed, produced and marketed by the Group automate and improve the performance of all the various phases of the production and transformation process of plastics, food powders and non plastic powder. The technical solutions proposed by the Group include, for both the Plastic Systems and Food and non plastic markets: (i) the design of machinery and engineering solutions; (ii) the production of plants and systems; and (iii) the installation at the customer's production facilities. In addition, the Group provides its customers with specific technical support from the preliminary design phase to the installation and start-up of the plant and machinery, ensuring ongoing support in order to guarantee optimal operation of the products installed.

At March 31, 2022, the Group encompassed 43 production, service and commercial companies, including 14 production sites, on 4 continents.

The shares of Piovan S.p.A. have been listed on the STAR segment of the MTA organized and managed by Borsa Italiana since October 19, 2018.

Piovan S.p.A, as a listed company, is subject to Article 2.2.3 of the Stock Exchange regulation. According to this regulation, the company has prepared the Periodic Financial Statements at March 31, 2022, which were made available to the public.

The Periodic Financial Statements at March 31, 2022 were prepared as per Article 154-ter of Legislative Decree 58/98 and subsequent amendments, in addition to the Consob's Issuers' Regulation.

Content, form and basis of preparation of the Periodic Financial Statements at March 31, 2022

These Periodic Financial Statements at March 31, 2022 were drawn up according to the IAS/IFRS accounting standards endorsed by the European Union. For the preparation of the Periodic Financial Statements at March 31, 2022, IAS 34 ("Interim Reporting") concerning interim financial reporting was not adopted, due to the fact that the Group applies this standard to the half-year financial report and not only to the quarterly reporting.

The Periodic Financial Statements at March 31, 2021 include the results of the parent company and of the subsidiaries. These explanatory notes were prepared by the Board of Directors on the basis of the consolidation and accounting records updated to March 31, 2022.

Comparison is made with the statement of financial position at December 31, 2021 and with the statement of profit and loss and statement of comprehensive income, in addition to the statement of cash flow, for the first quarter of 2021.

The Periodic Financial Statements at March 31, 2022 include the consolidated statement of financial position, the consolidated statement of profit and loss, the consolidated statement of comprehensive income, the statement of changes in consolidated shareholders' equity, in addition to the consolidated statement of cash flow and these notes for the period between January 1, 2022 and March 31, 2022. The Periodic Financial Statements at March 31, 2022 have been prepared on the basis of the historical cost convention, with the exception of derivative financial instruments which have been recognized at fair value as required by IFRS 9 - "Financial Instruments", and on a going-concern basis. The Group considers - also in view of its strong competitive positioning, its high profitability and the solidity of its balance sheet and financial position - that it operates as a going concern as per paragraphs 25 and 26 of IAS 1.

The Periodic Financial Statements at March 31, 2022 have been drawn up in thousands of Euro, which is the "functional" and "presentation" currency of the Piovan Group in accordance with IAS 21 "Foreign currency transactions". There may be rounding differences when individual line items are added together as the individual line items are calculated in euro (rather than in thousands of euro).

The preparation of the Periodic Financial Statements at March 31, 2022 in accordance with IAS/IFRS requires management to make estimates and assumptions which have an impact on the amounts reported in the financial statements and the relative notes; actual results may differ from the estimates made. Reference should be made to the Annual Consolidated Financial Report at December 31, 2021 with regards to the main areas requiring the use of estimates and assumptions.

COVID-19 impacts

The COVID-19 pandemic, which spread around the globe in 2020, has continued into 2021 and also 2022. As noted, this emergency - and above all the lockdown policies imposed by various governments - have had widespread repercussions in many sectors of the world economy. The medium-term outlook is gradually improving thanks to the beginning of the vaccination campaigns in 2021 in various nations, although the macroeconomic landscape continues to feature a great deal of uncertainty due to new waves and variants of the virus, as cases are on the rise in many countries.

The Group has a presence in many geographical areas and in a diverse range of industries. This has therefore made it possible, as previously indicated, to mitigate the overall risk.

In the first quarter of 2022, all Piovan Group companies remained fully operative, having adopted measures and protocols to protect employees as per applicable local regulations.

The impacts of this situation on Group operations have to date mainly taken the form of a slowdown in installation operations. The restrictions introduced by various governments on the mobility of individuals delayed in fact in certain cases the execution of the concluding phases of a number of projects requiring installation on-site at customer premises.

The backlog at March 31, 2022 continues to reflect the strong order intake in the initial months of 2022. The Group is therefore optimistic about the future, a view supported, in part, by completion of the current vaccine roll-out, the safety protocols put in place at all facilities, and assuming there is no worsening in the spread of the COVID-19 virus, which could have consequences that cannot currently be foreseen.

Impacts of the Russia-Ukraine Conflict

The ongoing conflict between Russia and Ukraine is continuing to fuel major international humanitarian and social crises and is having major repercussions on the populations of these nations. Due to the international sanctions being used as a deterrent for some of the countries involved, we are also seeing a significant impact on trade and on their domestic economies, which could exacerbate supply-chain issues over the short term.

The Group's exposure to the areas involved is limited in relation to total operations. Based on 2021 figures, and including the recent acquisition of IPEG, Inc., consolidated revenue generated by the Group in Russia and Ukraine is 0.8% of the total.

The situation is constantly developing and the Company - also with the support of external consultants - is monitoring the situation closely to assess any impact it may have on the business.

Consolidation scope and basis

These Periodic Financial Statements at March 31, 2022 include the financial statements at March 31, 2022 of the parent company and of the Italian and overseas subsidiaries.

Subsidiaries are those entities in which the Group exercises control, as defined by IFRS 10 - "Consolidated financial statements". Control exists when the Group has the power, directly or indirectly, to determine the financial and operating policies of an entity so as to obtain benefits from its activities. Subsidiaries are consolidated from the date in which control occurs until the moment in which such control terminates and with reference to associated companies, from the date in which the significant influence is acquired until the date such influence ceases to exist.

“Other information” in the Explanatory Notes outlines the companies included in the consolidation scope at March 31, 2022.

The consolidation criteria adopted to prepare the Periodic Financial Statements at March 31, 2022 are the same as those adopted and reported in the annual financial report at December 31, 2021.

The company decided not to proceed with the line-by-line consolidation of the subsidiary CMG America Inc., held 100%, as considered immaterial and as their recognition would not have any significant effect for the purposes of the correct representation of the balance sheet, income statement and financial position of the Group.

Acquisitions and corporate transactions

Acquisition of IPEG Inc.

On January 31, 2022, and in line with the preliminary agreement signed on December 13, 2021, Piovan S.p.A. completed the acquisition of IPEG, Inc., which took place through the merger of Sewickley Capital, Inc., owner of 100% of IPEG, Inc., into a newly incorporated company in Delaware, Piovan North America LLC., wholly-owned by Piovan.

IPEG, Inc. is a Delaware company involved in industrial automation for transportation and the handling based in polymers and in the production of industrial refrigeration systems, with branches in the United States, India, Mexico, Germany, China, Taiwan, and Singapore. The company operates under 4 main brands — Conair, Thermal Care, Pelletron, and Republic Machine — and these brands will be maintained. IPEG has 4 facilities in the United States and one in India through the joint venture Nu-Vu Conair.

The amount to be paid for the acquisition was set at USD 151,723 thousand, Euro 130,723 thousand of which was paid on the closing date. The remaining USD 22,000 thousand was recognized among other non-current liabilities for the earn-out to be paid in 2024 upon reaching certain group EBITDA growth targets over the period 2021-2023. Given that achievement of these targets was deemed probable at the acquisition date, management considered this amount to be a part of the acquisition payment.

Upon completing the acquisition, and to protect the interests of the Group, a portion of the acquisition price paid to the selling shareholders, in the amount of roughly USD 15,000 thousand, was deposited in escrow accounts in order to meet the obligations resulting from the price adjustment mechanisms (for USD 10,000 thousand) and contingent liabilities identified during the due diligence process (for about USD 5,000 thousand).

In January 2022, in order to complete this acquisition, a 6-year Euro 100 million fixed-rate loan bearing annual interest of 1.335% was obtained.

The loan agreement calls for a grace period and the start of principal payments from April 2023 and also establishes certain covenants that must be verified semi-annually beginning on December 31, 2022.

The Piovan Group is considered to have gained control on January 31, 2022; therefore, the related financials have been included on the consolidated financial statements as of that date.

Given that the assets and liabilities acquired represent a business, the transaction is considered to be a business combination as defined by IFRS 3.

The purchase price allocation is not yet considered definitive, as allowed by IFRS 3, in consideration of the fact that certain information available at the acquisition date is still being analyzed.

The assets acquired and the liabilities assumed by Piovan as a result of this transaction are as follows:

EUR/000	Fair Value at the acquisition date
Assets	
Property Plant & Equipment	13,325
Intangible assets	473
Investments	5,132
Deferred tax assets	775
Inventories	29,605
Contract assets for work in progress	2,329
Trade Receivables	20,654
Tax credit	699
Other current assets	4,360
Cash and cash equivalent	15,506
TOTAL ASSETS	92,858
Liabilities	
Provision for risk	1,892
Other financial liabilities	9,215
Trade payables	18,318
Contract liabilities	38
Advances from customers	15,670
Tax liabilities and social security contributions	54
Other current liabilities	7,768
Deferred tax liabilities	579
TOTAL LIABILITIES	53,535
Fair value of net assets acquired	39,323
Goodwill acquired	96,738
Purchase price	136,061

As allowed by IFRS 3, definitive recognition of the fair value of the assets and liabilities of the companies acquired is to be completed within 12 months of the acquisition date. The difference between the price paid, the assets acquired and the liabilities assumed was provisionally allocated for Euro 96,738 thousand to Goodwill. Taking account of the assessments under way, effects resulting from the definitive purchase price allocation may concern the following: intangible assets, equity investments, deferred tax assets and liabilities, and related financial effects.

Net cash flows from the acquisition are as follows:

	EUR (000)
Net cash at 01.02.2022	15,506
Purchase price already paid	116,095
Net cash flow	(100,589)

From the acquisition date to March 31, 2022, the IPEG group realized revenue of Euro 33,878 thousand and net profit of Euro 2,550 thousand.

Had the IPEG group been fully consolidated from January 1, 2022, consolidated revenue and net profit of the Piovan Group for 2022 would have been Euro 122,255 thousand and Euro 5,164 thousand, respectively. In January 2022, the IPEG group incurred non-recurring costs for the acquisition of approx. Euro 3,643 thousand.

Main accounting standards applied

In preparing the Periodic Financial Statements at March 31, 2022, the same accounting standards and policies used to prepare the Consolidated Financial Statements at December 31, 2021 were adopted and to which reference should be made. In addition, with regards to the accounting standards applicable from January 1, 2022, and indicated in the Annual financial report at December 31, 2021, no significant impacts were reported.

Accounting policies

In preparing the Periodic Financial Statements at March 31, 2022, the same accounting policies as those adopted to prepare the Annual Financial Report at December 31, 2021 were adopted and to which reference should be made.

Translation of balances in foreign currencies

The receivables and payables originally expressed in foreign currencies are converted into Euro at the exchange rate of the relative transactions. The differences arising on the collection of receivables and settlement of payables in foreign currencies are recorded in the income statement.

Revenues and income, costs and charges related to currency transactions are recorded at the exchange rate at the transaction date.

At the end of the period the assets and liabilities measured in foreign currencies, with the exception of non-current non-monetary assets (which maintain the carrying value of the transaction date) are recorded at the exchange rates at the reporting date and the relative gains or losses on exchange are recorded in the income statement.

The main exchange rates (currency for 1 Euro) used to translate the financial statements in currencies other than the Euro for the periods ended March 31, 2022, December 31, 2021 and March 31, 2021 (comparative data) are summarized below:

Currency		Average rate		Closing rate	
		31.03.2022	31.03.2021	31.03.2022	31.12.2021
BRL	Brazilian Real	5.8820	6.5928	5.3009	6.3101
CAD	Canadian Dollar	1.4218	1.5273	1.3896	1.4393
CZK	Czech Koruna	24.6379	26.0648	24.3750	24.8580
CNY	Yuan Renminbi	7.1265	7.8110	7.0403	7.1947
GBP	Pound Sterling	0.8364	0.8747	0.8460	0.8403
HUF	Forint	364.0968	360.9856	369.7700	369.1900
MXN	Mexican Peso	23.0058	24.5164	22.0903	23.1438
USD	US Dollar	1.1225	1.2056	1.1101	1.1326
THB	Baht	37.0897	36.4890	36.9110	37.6530
INR	Indian Rupee	84.4173	87.9081	84.1340	84.2292
TRY	Turkish Lira	15.6553	8.9048	16.2823	15.2335
AED	UAE Dirham	4.1224	4.4275	4.0768	4.1595
JPY	Yen	130.4588	127.7270	135.1700	130.3800
VND	Dong	25,556.6667	27,787.3333	25,365.0000	25,819.0000
MAD	Dirham Marocco	10.6223	10.7850	10.7110	10.4830
KRW	Won sud	1,352.6000	1,343.0933	1,347.3700	1,346.3800

Any goodwill or recognition of adjustments to the fair value of net assets on the acquisition of foreign subsidiaries with a functional currency other than that of the parent company must be expressed in the functional currency of the foreign subsidiary and translated at the period-end exchange rate (in accordance with the general rules for translating financial statements with functional currencies other than those of the parent company).

Use of estimates

When preparing the Periodic Financial Statements at March 31, 2022, the Directors had to apply accounting policies and methods which, in some circumstances, are based on difficult, subjective evaluations, or on past experience or on assumptions that are, periodically, considered reasonable and realistic depending on the specific circumstances. The application of these estimates and assumptions impact upon the amounts reported in the financial statements, in addition to the disclosure.

The final outcome of the valuations for which the above estimates and assumptions were used may differ from those reported in the financial statements because of the uncertainty that characterizes the assumptions and the conditions on which the estimates are based.

The items that, given their nature, have provided for greater recourse by the Directors to the use of estimates and for which a change in the conditions underlying the assumptions used may have an impact on the consolidated financial statements are as follows:

- Liabilities for put options granted to minority shareholders: the conditions under which these liabilities exist and their valuation, depending on the contractual provisions, may be based on future forecasts relating to economic and financial parameters and are therefore inherently uncertain;

- Impairment test on goodwill: this test is used to assess the recoverability of goodwill allocated to cash generating units. The allocation of goodwill to cash generating units and the determination of its value in use requires the use of estimates that depend on factors that may change over time.

Impairment test for goodwill

The Group tests goodwill for impairment at least once a year. For the purposes of this test, the recoverable value generated by the cash generating units (CGU's) was determined as the value in use using the "discounted cash flow" method. The Piovan Group prepared the impairment test at December 31, 2021, updating the impairment tests on goodwill and reviewing the forward-looking data for the CGU's in view of the extraordinary circumstances stemming from the COVID-19 pandemic.

Liabilities for options granted to minority shareholders

In cases where less than 100 per cent of the shares of a subsidiary in a business combination have been acquired, a put option may be granted to the seller allowing the seller to sell its remaining interest in the subsidiary to the acquirer at a specified price. The acquisition of control of a business is recognized in accordance with IFRS 3 Business Combinations. With regard to the put option granted, regardless of whether the exercise price of the put option is a fixed or variable price, in accordance with IAS 32 (paragraph 23) a liability is recognized at a value equal to the present value of the amount that could be required to be paid to the counterparty. On initial recognition, the value of the liability arising from put options is recorded as a reduction in Group equity. Subsequent changes in the fair value of the liability are recognized in the income statement. The Group also continues to recognize the minority interests in the result for the year and in shareholders' equity until the put option is exercised.

Stock Grants

The Group has granted incentive plans based on equity-settled instruments and cash-settled incentives, on the basis of which the Group receives services from its employees, collaborators or directors with delegated powers (excluding the executive chairman). These incentive plans are recognized and measured in accordance with IFRS 2.

Information on risks and financial instruments

The accounting policies applied in the preparation of the Period Financial Statements at March 31, 2022 for financial instruments are described in the "Accounting policies" section of the Annual Financial Report at December 31, 2021.

Group operations are exposed to a series of financial and operating risks which may impact the balance sheet/financial position, the result and the cash flows, through the relative impact on financial instrument transactions.

There were no changes compared to that indicated in the Annual Financial Report at December 31, 2021 regarding the risks to which the Group is exposed and their management. In particular, with regards to the risks related to the general economic conditions, at the end of February 2020, following the outbreak of the COVID-19 health emergency, the general economic environment significantly deteriorated as a result of the restrictions introduced by the governments of the countries involved. Similarly, the impact of the Russia - Ukraine conflict beginning in February 2022 may lead to significant international humanitarian and social crises

with major impacts on the people in these countries, as well as on the global economy and on the Group. The group has only limited exposure in the areas impacted by the war (i.e. Ukraine, Russia, Belarus) in either sales or purchases. The situation is constantly evolving and the Company is monitoring the situation closely to assess any impact it may have on the business.

These developments, which are extraordinary in nature and extent, have had and continue to have, direct and indirect repercussions on economic activity giving rise to an environment of general uncertainty and whose evolution and effects are unforeseeable. This macroeconomic landscape may also have inevitable repercussions on the other risks described below.

Explanatory Notes to the Consolidated Statement of Financial Position

[1] Property, plant and equipment

They amount to Euro 65,613 thousand at March 31, 2022 (Euro 52,854 thousand at December 31, 2021). They are composed as shown in the following tables, which also present the changes in the first quarter of 2022.

CHANGES DURING THE PERIOD	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and payments on account	Total
Balance at 31st December 2021	39,401	8,677	766	3,750	260	52,854
of which:						
- Historical cost	48,281	19,985	6,008	18,186	260	92,720
- Depreciation fund	(8,879)	(11,308)	(5,242)	(14,436)		(39,865)
- Additions	179	79	64	183	72	578
IFRS16 movements						
- New IFRS16 contracts	73			164		237
- Disposals (Historical cost)				(238)		(238)
- Disposals (Depreciation fund)				97		97
- Change in consolidation scope (Historical cost)	9,041			2		9,043
- Exchange rate differences (Historical cost)	164			2		166
- Exchange rate differences (Depreciation fund)	(15)			(1)		(16)
Movements						
- Disposals (Historical cost)		(13)		(118)		(131)
- Disposals (Depreciation fund)		13		104		118
- Change in consolidation scope (Historical cost)	10,479	3,364		10,746	247	24,836
- Change in consolidation scope (Depreciation fund)	(7,690)	(2,977)		(9,912)		(20,579)
- Reclassifications (Historical cost)	(82)	30		72	(202)	(182)
- Reclassifications (Depreciation fund)	86	1		88		175
- Disposals (Historical cost)					(64)	(64)
- Exchange rate differences (Historical cost)	637	244	1	412	5	1,299
- Exchange rate differences (Depreciation fund)	(284)	(184)	(1)	(348)		(817)
- Total depreciation	(975)	(259)	(84)	(444)		(1,762)
Balance at 31st, March 2022	51,016	8,974	746	4,558	319	65,613
of which:						
- Historical cost	68,772	23,688	6,074	29,410	319	128,263
- Depreciation fund	(17,756)	(14,714)	(5,328)	(24,852)	-	(62,650)

Investments in the initial three months totaled Euro 578 thousand, of which non-recurring totaling Euro 155 thousand and relating to purchase of land by the subsidiary FEA S.r.l. as part of the production area expansion.

Increased rights-of-use were recognized of Euro 237 thousand, due to the recognition, as per IFRS 16, of new vehicle contracts and the renegotiation of new rental charges.

The movements in the consolidation scope impacted property, plant and equipment for a net amount of Euro 13,299 thousand, mainly concerning the impact from the inclusion of the IPEG group in the consolidation.

At March 31, 2022, property, plant and equipment are not burdened by mortgages or liens.

They are adequately covered against the risk of loss and/or damage through insurance policies with leading insurance companies.

Finally, no borrowing costs directly attributable to the acquisition, production or construction of tangible assets have been capitalized.

CHANGES DURING THE PERIOD	Land and buildings	Plant and machinery	Industrial and commercial equipment	Other assets	Assets under construction and payments on account	Total
Balance at 31 st December 2021	15,002	56	-	1,001	-	16,059
of which:	-	-	-	-	-	-
- Historical cost	24,368	1,870	-	2,858	-	29,096
- Depreciation fund	(9,366)	(1,814)	-	(1,857)	-	(13,037)
- New IFRS16 contracts	73	-	-	164	-	237
- Change in consolidation scope (Historical cost)	9,041	-	-	2	-	9,043
- Disposals (Historical cost)	-	-	-	(238)	-	(238)
- Disposals (Depreciation fund)	-	-	-	97	-	97
- Exchange rate differences (Historical cost)	164	-	-	2	-	166
- Exchange rate differences (Depreciation fund)	(15)	-	-	(1)	-	(16)
- Total depreciation	(743)	(5)	-	(144)	-	(892)
- Revaluation (var. rate)	-	-	-	-	-	-
Balance at 31 st , March 2022	23,522	51	-	882	-	24,455
of which:	-	-	-	-	-	-
- Historical cost	33,646	1,870	-	2,787	-	38,303
- Depreciation fund	(10,124)	(1,819)	-	(1,905)	-	(13,848)

[2] Intangible assets

They amounted to Euro 124,556 thousand at March 31, 2022, compared to Euro 26,192 thousand at December 31, 2021. The breakdown of the movements are as follows:

CHANGES DURING THE PERIOD	Goodwill	Industrial patent and intellectual property rights	Concessions, licences, trademarks and similar rights	Other intangible assets	Fixed assets under construction and advances	Total
Balance at 31st December 2021	21,913	457	79	3,661	81	26,192
Changes in 2022						
- Additions		20	25	1	9	55
- Consolidation area change	96,738	413		99		97,250
- Disposals (Historical cost)				(42)		(42)
- Disposals (Depreciation fund)						
- Exchange rate differences (Historical cost)	1,446	12	83	25	3	1.570
- Exchange rate differences (depreciation fund)		(3)	(60)	(24)		(86)
- Depreciations		(51)	(20)	(309)		(380)
Balance at 31st, March 2022	120,098	848	107	3,410	93	124,556

Goodwill at March 31, 2022 amounted to Euro 120,098 thousand, compared to Euro 21,913 thousand at December 31, 2021.

The goodwill mainly refers to the acquisition:

- of the US subsidiary Universal Dynamics Inc. ("Unadyn") in 2008;
- of a controlling interest in Penta S.r.l. at the end of 2014;
- of the subsidiary Progema S.r.l. in 2016;
- of Energys S.r.l. in 2016;
- of FEA Process in 2019;
- of Toba PNC in 2019;
- of the Doteco Group in 2020;
- of the IPEG group in the first quarter of 2022.

The increase in value on the previous year relates to the provisional allocation of goodwill concerning the recent acquisition of the IPEG group. The difference between the price paid, the assets acquired and the liabilities assumed was provisionally allocated for Euro 96,738 thousand to Goodwill.

Goodwill	31.12.2021	Increase	Decrease	Change in translation reserve	31.03.2022
UnaDyn	3,306	-	-	67	3,373
Energys	2,146	-	-	-	2,146
Energys	276				276
Toba Pnc	482	-	-	-	482
Doteco	15,695	-	-	-	15,695
IPEG	-	96,738	-	1,379	98,118

Goodwill	31.12.2021	Increase	Decrease	Change in translation reserve	31.03.2022
Other goodwill	8	-	-	-	8
Total	21,913	96,738	-	1,446	120,098

The Group has no goodwill which is tax deductible.

The change in the goodwill of UnaDyn and IPEG derives from the change in the USD/Euro exchange rates at the end of each period and therefore these changes are a non-cash movement.

In consideration of the ever increasing integration, both from an operational and organizational viewpoint, between the companies Penta, Progema and FEA, these companies are considered to form the "Food" CGU. This decision was taken in view of the long-term strategy of the three companies which present an integrated offer on the Food Systems market.

With reference to the investee companies, the Parent Company holds options to purchase minority interests, and specifically the option to purchase the residual minority interests in FDM GmbH, Fea and Toba (the latter, however, written down in 2021).

[3] Equity investments

At March 31, 2022, investments amounted to Euro 5,660 thousand, increasing on December 31, 2021 due to the entry of the Indian company Nuvu Conair Private Ltd.

Details of the movements in these equity investments are as follows:

Company	Registered office	%	31.12.2021	Change in consolidation area	Increase / Decrease	Change in translation reserve	31.03.2022
CMG S.p.A.	Budrio (BO)	20%	228			-	228
Penta Auto Feeding India Ltd	Navi Mumbai (India)	50%				-	-
CMG America Inc.	Kenitra (Marocco)	100%				-	-
Nuvu Conair Private Ltd	Ahmedabad (India)	50%		4,662	216	75	4,953
Others			9	470		-	479
Total			237	5,132	216	75	5,660

The investments in associated companies and joint ventures indicated in the table above have been measured using the equity method and a similar valuation method has been used with reference to investments in subsidiaries for which, as indicated in the section "Basis of Consolidation", the Directors decided not to proceed with full consolidation as they were not considered significant either individually or collectively. This approach did not have any

significant effects on the correct representation of the Group's equity, economic and financial position.

With reference to the investees CMG S.p.A. and Penta Auto Feeding India Ltd., there are no changes with respect to that reported in the Annual Financial Report at December 31, 2021.

With reference to the new Indian investee Nuvu Conair Private Ltd., controlled by IPEG Inc, it should be noted that the value of the investment was included at the date of acquisition at a value of USD 5,249 thousand (approximately Euro 4,662 thousand), subsequently increased by USD 242 thousand (approximately Euro 216 thousand) due to the equity valuation of the investment, which at March 31, 2022 is worth approximately USD 5,491 thousand (approximately Euro 4,953 thousand).

[4] Other non-current assets

At March 31, 2022, these amounted to Euro 474 thousand compared to Euro 505 thousand at December 31, 2021; they mainly refer to various security deposits paid by Group companies on utilities and lease contracts for buildings where Group companies have their headquarters.

[5] Deferred tax assets and liabilities

Deferred tax assets amounted to Euro 7,149 thousand at March 31, 2022, compared to Euro 6,197 thousand at December 31, 2021. The Group has set aside deferred tax assets and liabilities on temporary differences between book values and tax values.

In particular, deferred tax assets and liabilities derive from the accrual of taxes on future costs or benefits with respect to the year in question, mainly as a result of increased taxes generated from the non-deductibility of losses on receivables, write-downs of equity investments, directors' fees not yet paid, and other amortization and depreciation deductible in subsequent years and provisions for risks.

Taxation has been calculated on the basis of the rates in force when the temporary differences will reverse in the various countries where the Group operates.

Deferred tax assets do not include assets arising from the valuation of tax losses.

Deferred tax liabilities amounted to Euro 1,298 thousand at March 31, 2022, compared to Euro 505 thousand at December 31, 2021.

[6] Inventories

At March 31, 2022, they amounted to Euro 82,507 thousand compared to Euro 44,540 thousand at December 31, 2021; the breakdown is shown below:

<i>Inventories</i>	31.03.2022	31.12.2021
Raw materials	42,483	10,005
Semi-finished products	24,836	17,018
Finished goods	29,159	21,893
Progress payments	1,450	1,220
Allowance for inventory write-down	(15,420)	(5,596)
Inventories	82,507	44,540

At March 31, 2022, inventories increased by Euro 47,791 thousand, gross of the obsolescence provision. The increase mainly concerns the inclusion of the IPEG Inc Group in the consolidation scope.

A provision for obsolete or slow-moving inventories is recorded to reflect the difference between the cost and estimated realizable value of obsolete raw materials, semi-finished and finished products. The provision in the income statement is classified under Purchases of raw materials, components, goods and change in inventories.

[7] Contract assets and liabilities for work in progress

At March 31, 2022, the item Assets for contract work-in-progress amounted to Euro 4,496 thousand, compared with Euro 4,519 thousand at December 31, 2021.

Liabilities for contract work-in-progress amounted to Euro 3,627 thousand at March 31, 2022, compared with Euro 8,174 thousand at December 31, 2021. In particular, this refers to work-in-progress on contracts of Penta S.r.l..

The following table shows the amount due from customers net of the relative advance payments (included under Assets for contract work-in-progress), and the amount due to customers, net of the relative advance payments (included under Liabilities for contract work-in-progress):

<i>Contract assets for work in progress</i>	31.03.2022	31.12.2021
Measurement of contracts in progress (costs incurred added to profits recognized)	10,671	9,500
Progress payments received	(6,175)	(4,981)
Amounts due from customers	4,496	4,519

<i>Contract liabilities for work in progress</i>	31.03.2022	31.12.2021
Measurement of contracts in progress (costs incurred added to profits recognized)	16,392	11,484
Progress payments received	(20,018)	(19,658)
Amounts due to customers	(3,627)	(8,174)

Assets for contract work-in-progress are substantially in line with December 31, 2021.

Liabilities for contract work-in-progress decreased compared to December 31, 2021 due primarily to advances received.

The movements between December 31, 2021 and March 31, 2022 are reported below:

	31.12.2021	Consolidation area change	Decrease	Increase	Exchange rate differences	Reclassifications	31.03.2022
Contract assets for work in progress	4,519	2,329	(3,007)	666	27	(37)	4,496
Contract liabilities for work in progress	(8,174)	(38)	5,166	(618)	-	37	(3,627)

Revenue from contract work-in-progress amounted to Euro 7,989 thousand in the first quarter of 2022 and related to Penta S.r.l., FEA S.r.l. and the IPEG group.

[8] Trade receivables

They amounted to Euro 80,906 thousand at March 31, 2022, compared to Euro 55,390 thousand at December 31, 2021. This item, which represents the exposure to third parties, is broken down as follows:

	31.03.2022	31.12.2021
Gross trade receivables	86,436	60,870
Provision for bad debt	(5,530)	(5,480)
Trade receivables	80,906	55,390

Receivables in the first three months of 2021, gross of the provision, increased on 2021 year-end (+42%). The increase mainly concerns the inclusion of the IPEG Inc Group in the consolidation scope.

Write-downs are made on the basis of a careful analysis of past due accounts, customers in financial difficulties and clients with whom legal action has been initiated, in addition to estimated expected losses on receivables.

The doubtful debt provision reflects management's estimate based on the expected losses by the Company, based on past experience for similar receivables, current and historic amounts overdue, losses incurred, receipts, careful monitoring of the credit quality and projections on economic and market conditions, with the information known at the reporting date.

<i>Provision for bad debt</i>	
31.12.2021	5,480
Decrease	(254)
Accruals	33
Utilisations	(29)
Change in consolidation area	249
Exchange rate differences	47
Riclassifications	5
31.03.2022	5,530

The annual provision is included under Other operating costs.

It should also be noted that the Group did not encounter any particular difficulties in collecting receivables in the first three months of 2022 and there are no credit positions at risk related to the COVID emergency.

[9] Current financial assets

They amounted to Euro 1,550 thousand at March 31, 2022, compared to Euro 1,589 thousand at December 31, 2021. This item includes bonds purchased in order to invest available financial resources and not yet reimbursed. These instruments were measured at fair value (level 1) at

March 31, 2022 as required by IFRS 9 and were classified as current financial assets in line with the purpose of using part of the available liquidity in low-risk and readily available instruments.

The total effect of the fair value measurement in the first quarter of 2022 is a net gain of Euro 29 thousand.

[10] Tax receivables

They amounted to Euro 5,167 thousand at March 31, 2022, compared to Euro 4,517 thousand at December 31, 2021.

Tax receivables	31.03.2022	31.12.2021
VAT receivables	4,484	4,005
Other current tax assets	683	512
Tax receivables	5,167	4,517

[11] Other current assets

They amounted to Euro 13,208 thousand at March 31, 2022, compared to Euro 5,290 thousand at December 31, 2021. A breakdown follows:

Other current assets	31.03.2022	31.12.2021
Advances to suppliers	4,461	3,572
Receivables from parent	165	0
Prepayments and accrued expenses	7,481	972
Other receivables	1,101	747
Other current assets	13,208	5,290

The increase in prepayments and accrued expenses is due to the inclusion of the IPEG Inc. Group within the consolidation scope.

[12] Cash and cash equivalents

They amount to Euro 108,414 thousand at March 31, 2022 compared to Euro 118,505 thousand at December 31, 2021.

Cash and cash equivalents	31.03.2022	31.12.2021
Current accounts and post office deposits	108,385	118,474
Cash	30	31
Cash and cash equivalents	108,414	118,505

The reduction in this item is primarily due to the use of part of the liquidity to complete the acquisition of the IPEG group. For an analysis of the variations in cash and cash equivalents, reference should be made to the statement of cash flow and the comments on the Group performance.

Current accounts and postal deposits are classified as current assets, highly liquid and convertible into cash with an exchange rate risk that is considered not significant.

At March 31, 2022, there were no restrictions on the availability of the Group's current accounts.

[13] Equity attributable to the owners of the parent

Shareholders' Equity is made up as follows:

Equity attributable to the owners of the parent	31.03.2022	31.12.2021
Share capital	6,000	6,000
Legal reserve	1,200	1,200
Reserve for own shares in portfolio	(2,250)	(2,250)
Translation reserve	1,643	(1,104)
Other Reserves and retained earnings	93,267	64,811
Net profit (loss)	7,859	28,347
Equity attributable to the owners of the parent	107,720	97,004

The Company's share capital approved, subscribed and paid-in amounted to Euro 6,000,000, divided into 53,600,000 ordinary shares with no par value.

There are no changes compared to December 31, 2021 and therefore the Company and the Group as at March 31, 2022 hold 2,670,700 treasury shares, equal to 4.98% of the share capital of Piovan S.p.A., directly through Piovan S.p.A. with a value of Euro 2,250 thousand at March 31, 2022.

The Translation reserve includes exchange rate differences arising from the translation of the opening shareholders' equity of foreign companies included in the consolidation scope at the exchange rates prevailing at the end of the period and from the translation of their net income at the average exchange rates for the period.

The item Other reserves and retained earnings mainly includes the other profit and capital reserves of the Parent Company, in addition to the consolidated profit for previous years and the effects of adjustments resulting from the adoption of international accounting standards. This item changed during 2022 following the allocation of the previous year's result.

[14] Basic and diluted earnings per share

At March 31, 2022, the shares in circulation numbered 53,600,000 and the treasury shares held by Piovan S.p.A. amounted to 2,670,700.

The average number of shares relevant for the calculation of earnings per share is 50,929,300 shares corresponding to existing shares (53,600,000) less the number of treasury shares in portfolio (2,670,700).

Earnings per share was calculated by dividing the net profit attributable to the shareholders of the Parent Company by the weighted average number of ordinary shares in circulation during the reporting period. No ordinary shares were repurchased or issued during the years in question, nor are there any potential ordinary shares in circulation that could be converted with a dilutive effect. However, it should be noted that under the 2020 - 2022 Performance Shares Plan, there are ordinary shares that could be granted at the end of the vesting period, drawing on treasury shares held in portfolio, which could have a dilutive effect.

The calculation of the basic earnings per share is as follows:

Earnings per share	31.03.2022	31.12.2021
Net Profit Attributable to Owners of the Parent (in thousands of Euros)	7,859	28,347
Weighted average number of ordinary shares (in thousands of units)	50,929	50,929
Basic and dilutive earnings per share (in Euros)	0.15	0.56

The diluted earnings per share is as follows:

Earnings per share	31.03.2022	31.12.2021
Net Profit Attributable to Owners of the Parent (in thousands of Euros)	7,859	28,347
Weighted average number of ordinary shares (in thousands of units)	51,533	51,533
Basic and dilutive earnings per share (in Euros)	0.15	0.55

[15] Equity attributable to non-controlling interests

The minority interest shareholders' equity at March 31, 2022 amounted to Euro 1,473 thousand compared to Euro 1,447 thousand at December 31, 2021. The account includes the minority interests in the subsidiaries Progema S.r.l., FDM GmbH, FEA, Toba and Studio Ponte S.r.l.. The profit in the first three months of 2022 mainly concerned the minority interest share of the subsidiaries Fea and Progema S.r.l., which reported profits in the period.

The dividends to be distributed concern that accruing to the minority shareholders of FDM GmbH.

Equity attributable to non-controlling interests					
31.12.2021	Net profit	Dividends to be paid	Changes in %	Changes in consolidation scope	31.03.2022
1,447	125	(100)	-	-	1,473

[16] Current and non-current financial liabilities

The account is broken down as follows:

Current financial liabilities	31.03.2022	31.12.2021
Short-term bank borrowings	27,000	29,001
Current portion of long-term loans	20,411	20,584
Loans for leases	39	39
Other loans and borrowings	3,942	2,407
Current financial liabilities	51,392	52,031

Non-current financial liabilities	31.03.2022	31.12.2021
Medium to long-term bank loans	129,117	32,480

Non-current financial liabilities	31.03.2022	31.12.2021
Loans for leases	153	163
Other loans and borrowings	16,645	9,277
Non-current financial liabilities	145,915	41,920

At March 31, 2022 and December 31, 2021, the main details of bank loans by maturity are detailed below:

Current financial liabilities	31.12.2021	Net cash flow	Increases for new loans	Change in consolidation scope	Increase for new rent/lease	31.03.2022
Short-term bank borrowings	29,001	(2,001)	-	-	-	27,000
Current portion of long-term loans	20,584	(173)	-	-	-	20,411
Other current financial liabilities	2,447	(33)	-	1,493	74	3,980
Current financial liabilities	52,031	(2,207)	-	1,493	74	51,392

Non-current financial liabilities	31.12.2021	Net cash flow	Increases for new loans	Change in consolidation scope	Increase for new rent/lease	31.03.2022
Medium to long-term bank loans	32,480	(2,947)	99,585	-	-	129,117
Bonds	-	-	-	-	-	-
Other non-current financial liabilities	9,440	(566)	122	7,639	163	16,798
Non-current financial liabilities	41,920	(3,513)	99,707	7,639	163	145,915

[17] Employee benefits plans

The item mainly includes (Euro 6,535 thousand at March 31, 2022 and Euro 6,454 thousand at December 31, 2021) the liabilities for the Post-employment benefit provision recorded in the companies of the Group qualifying as defined benefit plans according to IAS 19 and thus subject to actuarial calculation.

The remaining part of the balance (Euro 82 thousand at March 31, 2022 and Euro 58 thousand at December 31, 2021) concerns employee benefits paid by foreign branches individually and in aggregate not significant.

Compared to the actuarial assumptions outlined in the Explanatory Notes to the Consolidated Financial Report at December 31, 2021, no developments occurred which would require an update to the actuarial calculation and to the underlying assumptions.

[18] Provisions for risks and charges

The provision for risks and charges at March 31, 2022 amounted to Euro 5,239 thousand compared to Euro 2,681 thousand at December 31, 2021. The composition and the movements of the item are shown in the following table:

Provisions for risks and charges	31.12.2021	Accruals	Releases/ Reclassification s	Exchange rate difference s	Consolidatio n area change	Reclassification	31.03.2022
Provision for legal and tax risks	1,510	600		5			2,115
Provision for product warranties	884	69		29	1,519		2,501
Provision for agents' termination benefits	189	-					189
Pension provision	57	5					62
Provision for investments' losses	16						16
Other provisions for risks	25	7	(115)	66	373		356
Provisions for risks and charges	2,681	681	(115)	100	1,892	-	5,239

The provision at March 31, 2022 has increased on the one hand due to the change in the consolidation scope with the inclusion of the IPEG group's balances, amounting to Euro 1,892 thousand, and on the other due to accruals for the quarter of Euro 681 thousand. In addition, the item decreased due to releases of approximately Euro 115 thousand and increased by approximately Euro 100 thousand due to the weakening of the US Dollar and the Brazilian Real.

The provision for legal and tax risks at March 31, 2022 mainly includes:

- a provision of Euro 119 thousand of the subsidiary Piovan France Sas set aside in 2017 associated with the reorganization of the commercial network in the French market;
- a provision of Euro 312 thousand of the subsidiary Piovan Do Brasil was accrued in previous years against a potential liability that could arise as a result of a more restrictive interpretation of the tax regulations for the calculation of taxes. The subsidiary appointed highly qualified tax consultants to analyze the case and quantification of the accrual. The value of this provision at March 31, 2022, on the one hand, it decreased due to the release for 65 thousand euro; and on the other hand it increases due to the provision of 7 thousand euros and due to the depreciation of the Brazilian currency against the euro;
- provision set aside in 2018 for a total amount at December 31, 2021 of USD 300 thousand (Euro 270 thousand) against a potential liability linked to indirect taxation in various states;
- a provision set aside during the first three months of 2022 for an amount equal to 604 thousand euros, against potential risks associated with the commercial activity of some group companies.

The Provision for product warranty was set up to cover estimated warranty service charges to be incurred in the future, calculated on the basis of historical costs and expected costs relating to the machines and plants sold and still within the initial warranty period.

The provision for agents' termination benefits represents the estimated liability resulting from the application of current legislation and contractual clauses regarding the termination of agency relationships.

The provision for risks on investments includes the charges and income relating to the valuation of investee companies at equity and not consolidated.

[19] Non-current and current liabilities for options granted to non controlling-interest

The items in question refer to liabilities for put options granted to the minority shareholders of FEA and Toba. Specifically:

- with reference to FEA, the liability recognized concerns a 49% holding of minority shareholders. The contract stipulates that the minority shareholders may exercise a put option on all, and not part, of their share capital in the period between 30.04.2022 and 30.04.2024. Piovan S.p.A., on the other hand, may exercise a call option - also in a single transaction and in the period between 30.04.2022 and 30.04.2024 - on the 12% of share capital held by FEA's historic shareholders. The value of the share is determined when exercising the option based on certain financial parameters defined in the agreements between the parties. The liability, estimated on the basis of the expected performance of these parameters, was unchanged on December 31, 2020.
- with reference to Toba, the liability concerns a 49% holding of minority shareholders. The contract states that the ToBaPNC shareholders may exercise a put option on their shares up to 49% of the share capital in the period between 01.01.2023 and 31.12.2024, in one or more tranches and Piovan S.p.A. may exercise a call option with the same characteristics. The value of the share is determined when exercising the option based on certain financial parameters defined in the agreements between the parties. The liability was eliminated following the measurement at December 31, 2021.

At the investees' acquisition date, in 2019, the liability for the put option was recognized with a similar entry in the Group's shareholders' equity, as they related to minority interests that would have been taken over only after the acquisition of control of the investee (thus qualifying them as transactions between shareholders). For further details on the accounting policies, reference should be made to the Basis of preparation paragraph of the Annual Financial Report at December 31, 2021.

	31.12.2021	Reclassifications	Increases	Decreases	Purchase	Charges (Income) from valuation	31.03.2022
Put Option FEA (49%)	741						741
Total Put Options	741						741

With reference to the subsidiary FDM, the minority shareholder of the latter holds a put option on its share (33.33%). This option has not been measured as it is subordinate to actions that the Parent Company must implement and therefore under the control of the latter.

[20] Other non-current liabilities

They amounted to Euro 20,862 thousand at March 31, 2022, compared to Euro 2,416 thousand at December 31, 2021 and particularly concern the IPEG earn-out.

[21] Trade payables

They amounted to Euro 64,798 thousand at March 31, 2022, compared to Euro 50,022 thousand at December 31, 2021.

The movement in this item on December 31, 2021 derives from the normal fluctuation in relation to the business activities of the various companies, in addition to the inclusion of the IPEG group in the consolidation scope.

[22] Advances from customers

At March 31, 2022, Advances from customers amounted to Euro 54,739 thousand, compared to Euro 31,042 thousand at December 31, 2021. This item refers to advances received by customers and relating to contracts where performance obligations are met at a point in time.

[23] Tax liabilities and social security contributions

They amount to Euro 7,959 thousand at March 31, 2022, compared to Euro 8,531 thousand at December 31, 2021. The account is broken down as follows:

	31.03.2022	31.12.2021
Social security contributions	3,072	3,708
VAT liabilities	1,657	1,558
Tax withholdings for employees	1,183	1,773
Income tax liabilities (IRES and IRAP)	1,198	920
Others	850	572
Tax liabilities and social security contributions	7,959	8,531

[24] Other current liabilities

They amounted to Euro 27,322 thousand at March 31, 2022, compared to Euro 17,309 thousand at December 31, 2021. The account is broken down as follows:

	31.03.2022	31.12.2021
Payables to employees	10,800	5,527
Payables to parent company	1,830	2,407
Accrued income and deferred expense	4,377	3,059
Other payables	10,314	6,317
Other current liabilities	27,322	17,309

Employee payables refer to wages and salaries and accruals for vacation and leave accrued.

Payables to parent companies mainly refer to the parent company Piovan S.p.A. and derive from the tax consolidation contract in place with the parent company Pentafin S.p.A.

Other payables include payables to employees (the increase due to the entry of the IPEG group amounts to Euro 2,574 thousand).

Explanatory Notes to the Consolidated Statement of Profit and Loss

[25] Revenue

Revenues totaled Euro 105,294 thousand in the first three months 2022, compared to Euro 64,081 thousand in the first three months 2021, increasing 64.3%. At like-for-like consolidation scope, the increase was 12.8%.

In order to provide adequate disclosure a breakdown of revenues by market and region is provided below. This breakdown is the analysis regularly monitored by Group Management.

The breakdown of revenue by market is as follows:

	First quarter 2022	First quarter 2022 (IPEG excluded)	First quarter 2021	Change Q1 2022 vs. Q1 2021	%	Change Q1 2022 (IPEG excluded) vs. Q1 2021	%
Plastic	78,076	53,393	45,832	32,244	70.4%	7,561	16.5%
Food & non plastic	11,532	9,423	9,970	1,562	15.7%	(547)	-5.5%
Services	15,686	9,445	8,279	7,407	89.5%	1,166	14.1%
Revenue	105,294	72,260	64,081	41,213	64.3%	8,179	12.8%

Part of the revenues of the Plastic Systems and the Food and non plastics Systems markets derive from contracts with customers where the performance obligations, as well as the recognition of the related revenues, are met over time, as described in the section “Accounting policies” of the Annual Financial Report at December 31, 2021. These revenues amounted to Euro 7,989 thousand in the first three months of 2022, while in the first three months of 2021 totaled Euro 8,179 thousand. These revenues mainly relate to the subsidiaries Penta S.r.l., FEA S.r.l. and Pelletron Corp., part of the IPEG group.

The breakdown of revenue by region is as follows:

	First quarter 2022	First quarter 2022 (IPEG excluded)	First quarter 2021	Change Q1 2022 vs. Q1 2021	%	Change Q1 2022 (IPEG excluded) vs. Q1 2021	%
EMEA	46,286	45,005	45,078	1,208	2.7%	(73)	-0.2%
ASIA	8,941	7,524	5,590	3,351	59.9%	1,934	34.6%
NORTH AMERICA	46,591	16,385	9,698	36,893	380.4%	6,687	69.0%
SOUTH AMERICA	3,476	3,346	3,715	(239)	-6.4%	(369)	-9.9%
Revenue	105,294	72,260	64,081	41,213	64.3%	8,179	12.8%

Revenues in EMEA include revenues in Italy which amounted to Euro 11,395 thousand in the first three months of 2022 and Euro 12,389 thousand in the first three months of previous year.

For further information, reference should be made to the “Group operating performance” section.

[26] Other revenue and income

Other revenue amounts to Euro 2,692 thousand, increasing Euro 1,960 thousand compared to the first three months of 2021 and which break down as follows:

	First quarter 2022	First quarter 2021
Accessory transport services for sales	1,601	486
Machinery rent	43	26
Grants related to income	350	39
Reversal of expenses accrued in previous periods and not incurred	337	50
Gains for disposal of tangible and intangible assets	15	14
Insurance compensation	4	3
Agency commissions	66	-
Sale of scrap materials	0	11
Increase in fixed assets for internal works	3	5
Other	275	98
Other revenue and income	2,692	732

Accessory transport services for sales mainly refers to revenues from transport ancillary services related to sales transactions with customers.

Machinery rent refers to income from the rental of assets produced internally generally for demonstration purposes or for the time until delivery of the system ordered by the customer.

Grants related to income are mainly represented by grants for research and development of Piovan S.p.A.

Other Revenue mainly includes recharges and penalties applied to customers.

[27] Cost of raw materials, components, goods and change in inventories

This item amounted to Euro 46,812 thousand in the first three months of 2022, compared to Euro 26,676 thousand in the first three months of the previous year. It is broken down as follows:

	First quarter 2022	First quarter 2021
Costs of raw materials, components and goods	52,120	26,468
Costs of consumables	1,550	893
Change in raw materials and goods	(2,314)	(763)
Change in finished goods and semi-finished products	(4,543)	77
Costs of raw materials, components and goods and changes in inventories	46,812	26,676

The increase in purchases of raw materials, components and goods is primarily due to the effect of including the costs of the IPEG group in the consolidation scope from February 2022. On a like-for-like basis, thus excluding the impact of the IPEG group, the value of this item at March 31, 2022 would increase 11.9% compared to the same period of 2021, as a result of strong pressures on raw material costs.

[28] Services

Service costs amounted to Euro 21,489 thousand in the first quarter of 2022, compared with Euro 12,162 thousand in 2021.

The increase in service costs is primarily driven by the effect of including the costs of the IPEG group in the consolidation scope from February 2022. On a like-for-like basis, thus excluding the impact of the IPEG group, the value of this item at March 31, 2022 would increase 25.9% compared to the same period of 2021.

It is broken down as follows:

	First quarter 2022	First quarter 2021 ^(*)
Outsourcing	9,083	5,203
Transport	2,142	1,540
Business trips and travel	1,060	643
Agency commissions	2,562	765
Fees to directors, statutory auditors and independent auditors	625	510
Consultancies	1,396	660
Maintenance and repairs	897	484
Marketing and advertising	641	326
Utilities	762	388
Insurance	286	259
Telephone and connections	188	146
Other costs for services	1,270	888
Rental expenses	283	61
Leases	103	120
Hires	192	169
Services	21,489	12,162

(*) Data restated following the merging of the items "Costs for use of third party assets" within the items "Service costs".

The most significant service costs concern the parent company Piovan S.p.A., the IPEG group and the subsidiaries Universal Dynamics and Penta S.r.l.

The main cost accounts also from an industrial process viewpoint refer to:

- outsourcing costs amounting to Euro 9,083 thousand in the first three months of 2022 (42.3% of total *Service costs*) determined by the production methods of the Group, which concentrates internally processing and high value added and

core activities. In the first three months of 2021, this item amounted to Euro 5,203 thousand (42.8% of total *Service Costs*);

- transport costs on purchases and sales, whose amount increased by about Euro 601 thousand if compared with the same period of the previous year;
- business trips and travel relating to both commercial activities and customer relations, and travel to customers' production sites to carry out installation and start-up and customer assistance. During the first three months of 2022 the account increased if compared with March 31, 2021 due, on the one hand, to the inclusion of the costs of the IPEG group, and on the other, to the effect of greater movement of personnel when compared with 2021, year in which there were more restrictions imposed as a result of the COVID pandemic.

The items Rent payable, Lease payments and Rentals include costs relating to rental contracts which, due to their characteristics, do not fall within the scope of application of the IFRS 16 principle.

[29] Personnel expenses

Personnel expense amounted to Euro 25,709 thousand compared with Euro 16,223 thousand in the first three months of 2021. A breakdown of personnel expenses and the workforce by category is provided below:

	First quarter 2022	First quarter 2021
Wages and salaries	20,396	12,336
Social security contributions	3,576	3,208
Costs for defined benefit plans	484	389
Other expenses	1,253	289
Personnel expenses	25,709	16,223

The increase in personnel expense is primarily due to the effect of the inclusion of the IPEG group's costs in the consolidation scope from February 2022.

At like-for-like consolidation scope, personnel expense in the first three months of 2022 was Euro 18,108 thousand.

	First quarter 2022		First quarter 2021	
	period end	average	period end	average
Managers	36	29	29	28
Junior managers	111	72	72	72
White collars	996	658	658	660
Blue collars	583	396	396	393
Total	1,726	1,155	1,155	1,153

The table at March 31, 2022 indicates the increased headcount on March 31, 2021. At like-for-like consolidation scope, the headcount is still growing.

[30] Other expenses

This item amounted to Euro 1,048 thousand, compared with Euro 663 thousand in the previous year. It is broken down as follows:

	First quarter 2022	First quarter 2021 (*)
Other taxes and duties	390	247
Bad debt provision accrual/release	(202)	221
Entertainment costs	71	65
Provision for legal and tax risks	543	-
Provision for product warranty	69	27
Provision for additional client expenses	5	6
Other	173	97
Other expenses	1,048	663

(*) Data restated following the merging of the items "Provisions for risks and charges" within the items "Other operating costs".

Other taxes and duties mainly include indirect taxes on property and local taxes in the various countries and in particular with reference to the new group acquired in the United States, with reference to the parent company Piovan S.p.A. and to other subsidiaries in Brazil and, again, in the United States.

The account "Provisions for risks and tax risks" shows a balance of 543 thousand euros, against new provisions recorded during the first three months of 2021 mainly related to potential charges relating to the commercial activity of some group companies.

[31] Amortization and depreciation

This item amounted to Euro 2,143 thousand, compared with Euro 1,857 thousand in the first three months 2021. It is broken down as follows:

	First quarter 2022	First quarter 2021
Amortisation	380	514
Depreciation	1,763	1,343
Depreciation & amortisation	2,143	1,857

The increase in this item is primarily due to the effect of the inclusion of the IPEG group's amortization and depreciation in the consolidation scope from February 2022. On a like-for-like basis, and therefore excluding the impact of the IPEG group, this item in the first quarter of 2022 is in line with the amount of March 31, 2021.

[32] Financial income and expenses

The item reports a net expense of Euro 398 thousand in the first three months of 2022, compared to an expense of Euro 37 thousand in the first three months of 2021. It is broken down as follows:

	First quarter 2022	First quarter 2021
Interest income	42	69
Income on financial assets	38	19
Other financial income	82	23
Financial income	161	112
Bank interest expenses	289	66
Other interest expenses	163	32
Other financial expenses	108	50
Financial expense	560	149
Net financial income (charges)	(398)	(37)

Bank interest expense increased significantly in the period as a consequence of to the accrual of interests related to the 100 million euros loan taken out in January 2022 at a fixed rate (with an annual coupon of 1.335%), for the purposes of the IPEG acquisition.

[33] Net exchange rate gain (losses)

The item reported a positive balance of Euro 997 thousand in the first three months of 2022, compared to Euro 439 thousand in the first three months of 2021. It is broken down as follows:

	First quarter 2022	First quarter 2021
Exchange rate gains	1,683	1,391
Exchange rate losses	(687)	(952)
Net exchange rate gain (losses)	997	439

Unrealised foreign exchange gains included under *Foreign Exchange gains* amounted to Euro 1,277 thousand in first three months 2022 (76% of foreign exchange gains for the period) and Euro 1,350 thousand in the first three months of 2021 (79% of foreign exchange gains for the period).

Unrealised foreign *Exchange losses* included under *Foreign exchange losses* amounted to Euro 326 thousand in the first three months of 2022 (47% of foreign exchange losses for the period) and Euro 1,690 thousand in the first three months of 2021 (86% of foreign exchange losses for the period).

[34] Gain (losses) on liabilities for options granted to non controlling interests

There is no valuation income or expense during the reporting period. For further details, reference should be made to Note [19].

[35] Profit (Losses) from equity investments carried at equity

In the first quarter, the gain from investments measured at equity amounted to Euro 216 thousand and refers to the company NuVu Conair Private LTD. Reference should be made to note [3] for further information.

[36] Income Taxes

This item amounted to Euro 3,615 thousand in the first three months of 2022 compared to Euro 2,121 thousand in the first three months of the previous year. Income taxes have been determined taking into account the best estimate of the average annual tax rate expected for the whole year.

	First quarter 2022	First quarter 2021
Current tax liabilities	3,690	2,002
Deferred/advance taxes	(75)	119
Income taxes	3,615	2,121

Other Information

Segment information

IFRS 8 requires that disclosures regarding operating segments be prepared in such a way as to provide the information necessary to assess the nature and effects on the financial statements of business activities and operating environments. This is done based on internal reporting and operating activities that generate revenues and costs, whose results are reviewed periodically by the chief operating decision maker in order to make decisions about resources to be allocated and to assess performance; operating segments were not identified other than the Group as a whole.

The disclosures also required for entities that have a single segment to report on products sold and services provided and geographical areas are provided in note [25].

Classes of financial instruments and fair value hierarchy

With reference to the breakdown of financial assets and liabilities required by IFRS 7, there were no transfers between the fair value levels indicated in IFRS 13 and those reported in the Annual Financial Report at December 31, 2021, to which reference should be made for further information.

Related party transactions

During 2021 and 2022, the Group had commercial relations with some related parties of the Group.

In accordance with the provisions of IAS 24, the following entities are considered Related Parties: (a) companies that directly or indirectly through one or more intermediate companies, control, or are controlled or are under common control with the reporting entity; (b) associated companies; (c) natural persons who directly or indirectly have voting power in the reporting entity that gives them a dominant influence over the company and their immediate family members; (d) key management personnel, i.e. those who have the power and responsibility for planning, directing and controlling the activities of the reporting entity, including directors and officers of the company and the immediate family members of such persons; (e) companies in which any natural person described under (c) or (d) has, directly or indirectly, significant voting power, or over which such person has such power. Case (e) includes undertakings owned by the directors or major shareholders of the reporting entity and undertakings which have a manager with strategic responsibilities in common with the reporting entity.

All transactions are regulated at market conditions for goods and services of equal quality. For the balances at December 31, 2021, reference should be made to the Annual Financial Report at December 31, 2021, while for the balances at March 31, 2022 there are no transactions and balances of significant amounts with the exception of the tax consolidation payable due to Pentafin S.p.A. described in note [24].

List of investments included in the consolidated financial statements and other investments

The table below lists the companies in which the Parent Company has a direct or indirect interest, together with the disclosures required by law for the preparation of consolidated financial statements.

Company name	Registered office	Country	Currency	Share capital at 31/03/2022	% shareholding 31/03/2022	Shares held Shareholder-Partner	Consolidation method
Equity investments in subsidiary companies:							
Piovan India Private Ltd	Mumbai	India	INR	350,000	100.00%	Piovan S.p.A.	Full
Piovan Plastics Machinery Ltd	Suzhou (CN)	China	CNY	5,088,441	100.00%	Piovan S.p.A.	Full
Piovan Do Brasil Ltda	Osasco (BRA)	Brasil	BRL	11,947,356	99.99%	Piovan S.p.A.	Full
Piovan Mexico S. A.	Queretaro (MX)	Mexico	MXN	706,540	99.99%	Piovan S.p.A.	Full
Piovan Central Europe GmbH	Brunn am Gebirge (A)	Austria	EUR	35,000	100.00%	Piovan S.p.A.	Full
Piovan UK Ltd	Bromsgrove (GB)	Great Britain	GBP	25,000	100.00%	Piovan S.p.A.	Full
Piovan Czech Republic s.r.o.	Praga (CZ)	Czech Republic	CZK	200,000	100.00%	Piovan Central Europe GmbH (90%) Piovan S.p.A. (10%)	Full
Piovan France Sas	Chemin du Pognat (F)	France	EUR	1,226,800	100.00%	Piovan S.p.A.	Full
Universal Dynamics Inc.	Fredericksburg, Virginia (U.S. A.)	USA	USD	3,500,000	100.00%	Piovan S.p.A.	Full
Piovan GmbH	Garching (D)	Germany	EUR	102,258	100.00%	Piovan S.p.A.	Full
Piovan Canada Ltd	Mississauga - Ontario (CAN)	Canada	CAD	10	100.00%	Piovan S.p.A.	Full
Piovan Asia Pacific Ltd	Bangkok (TH)	Thailand	THB	8,010,000	100.00% (*)	Piovan S.p.A.	Full
FDM GmbH	Troisdorf (DE)	Germany	EUR	75,000	66.67%	Piovan S.p.A.	Full
Piovan Muhendslik Ltd	Beikoz (TR)	Turkey	TRY	10,000	100.00%	Piovan S.p.A.	Full
Penta S.r.l.	Ferrara (IT)	Italy	EUR	100,000	100.00%	Piovan S.p.A.	Full
Energys S.r.l.	Venezia (IT)	Italy	EUR	10,000	100.00%	Piovan S.p.A.	Full
Piovan Japan Inc.	Kobe (J)	Japan	JPY	6,000,000	100.00%	Piovan S.p.A.	Full
Piovan Gulf FZE	Dubai (UAE)	United Arab Emirates	AED	1,000,000	100.00%	Piovan S.p.A.	Full
Aquatech S.r.l.	Venezia (IT)	Italy	EUR	40,000	100.00%	Piovan S.p.A.	Full
Piovan Vietnam Company Ltd	Mai Chi Tho (Vietnam)	Vietnam	VND	1,136,500,000	100.00%	Piovan S.p.A.	Full
Progema S.r.l.	San Felice sul Panaro (MO)	Italy	EUR	25,000	81.00%	Penta S.r.l.	Full
Piovan Hungary Kft	Budapest	Hungary	HUF	3,000,000	100.00%	Piovan Central Europe GmbH	Full
Piovan Maroc Sarl. AU	Kenitra	Maroc	MAD	1,000,000	100.00%	Piovan S.p.A.	Full
FEA Process&Technological Plants S.r.l.	Scarnafigi (CN)	Italy	EUR	20,400	51.00%	Piovan S.p.A.	Full
Studio Ponte S.r.l.	Poggio Renatico (FE)	Italy	EUR	10,000	51.00%	Penta S.r.l.	Full
Penta Auto Feeding India Ltd	Navi Mumbai (India)	India	INR	10,000,000	50.00%	Penta S.r.l.	Equity method
Piovan South Est Asia Ltd (in liquidazione)	Bangkok (Tailandia)	Thailand	THB	9,000,000	100.00%	Piovan S.p.A.	Equity method
CMG America Inc.	Clio	Michigan	USD	70,000	100.00%	Piovan S.p.A.	Equity method
TOBA PNC	Seoul	South Korea	KRW	500,000,000	51.00%	Piovan S.p.A.	Full
Doteco S.p.A.	Modena (IT)	Italy	EUR	1,000,000	100.00%	Piovan S.p.A.	Full

Company name	Registered office	Country	Currency	Share capital at 31/03/2022	% shareholding 31/03/2022	Shares held Shareholder-Partner	Consolidation method
Doteco INC	Dalton, Georgia (U.S.A.)	USA	USD	75,000	100.00%	Doteco S.p.A.	Full
Piovan Nord America Llc	Delaware (USA)	USA	USD	-	100.00%	Piovan S.p.A.	Full
IPEG Holdings Inc.	Delaware (USA)	USA	USD	21,038,000	100.00%	Piovan Nord America Llc	Full
IPEG Inc.	Franklin, Pennsylvania (USA) Pinconning, Michigan (USA)	USA	USD	4,502,000	100.00%	IPEG Holdings Inc.	Full
Republic Machine Inc.	Kentucky (USA)	USA	USD	100	100.00%	IPEG Inc.	Full
Thermal Care Inc.	Illinois (USA)	USA	USD	1,000	100.00%	IPEG Inc.	Full
Pelletron Corp.	Pennsylvania (USA)	USA	USD	1,000	100.00%	IPEG Inc.	Full
Conair Mexicana S.A. de C.V.	Guadalupe (Mexico)	Mexico	MXN	52,739,210	100.00%	IPEG Inc.	Full
International Plastics Equipement Group S.A. de C.V.	Guadalupe (Mexico)	Mexico	MXN	50,000	100.00%	IPEG Inc.	Full
Pelletron Europe GmbH	Bodnegg (Germany)	Germany	EUR	-	100.00%	IPEG Inc.	Full
Conair Pacific Equipement Pte Ltd	(Singapore)	Singapore	SND	10,000	100.00%	IPEG Inc.	Full
Conair Trading (Shanghai) Co Ltd	Shanghai (China)	China	CNY	-	100.00%	IPEG Inc.	Full
Conair Asia Pte Ltd	(Singapore)	Singapore	SND	10,000	100.00%	IPEG Inc.	Full
Conair Asia Pte Ltd	Taiwan	Taiwan	TWD	17,900,000	100.00%	IPEG Inc.	Full
Equity investments in affiliated companies:							
NuVu Conair Private LTD	Ahmedabad (India)	India	INR	19,915,000	100.00%	IPEG Inc.	Equity method

(*) The investment in Piovan Asia Pacific Ltd is wholly owned, through direct control for 49% and indirectly through a trust for the remaining share, in order to bring the company structure in line with local regulations in relation to the activity carried out by the Company.

Subsequent events to the end of the period

Reference should be made to the “Operating performance” paragraph.

Santa Maria di Sala (Venice), May 11, 2022

For the Board of Directors

Executive Chairman

Nicola Piovan

Statement of the Executive Officer for Financial Reporting in accordance with paragraph 2 of Article 154-*bis* of Legislative Decree No. 58/1998 (Consolidated Finance Act)

The undersigned Giovanni Rigodanza, as Executive Officer for financial reporting, states that the Periodic Financial Statements at March 31, 2022 correspond to the underlying accounting documents, records and entries.

The Executive Officer for Financial Reporting

Giovanni Rigodanza



Periodic financial statements at March
31, 2022 of Piovan S.p.A.

PIOVAN S.p.A.

Via delle Industrie 16 – 30036

S. Maria di Sala VE - Italy