



# H1 2024 FINANCIAL RESULTS PRESENTATION

8<sup>th</sup> August 2024



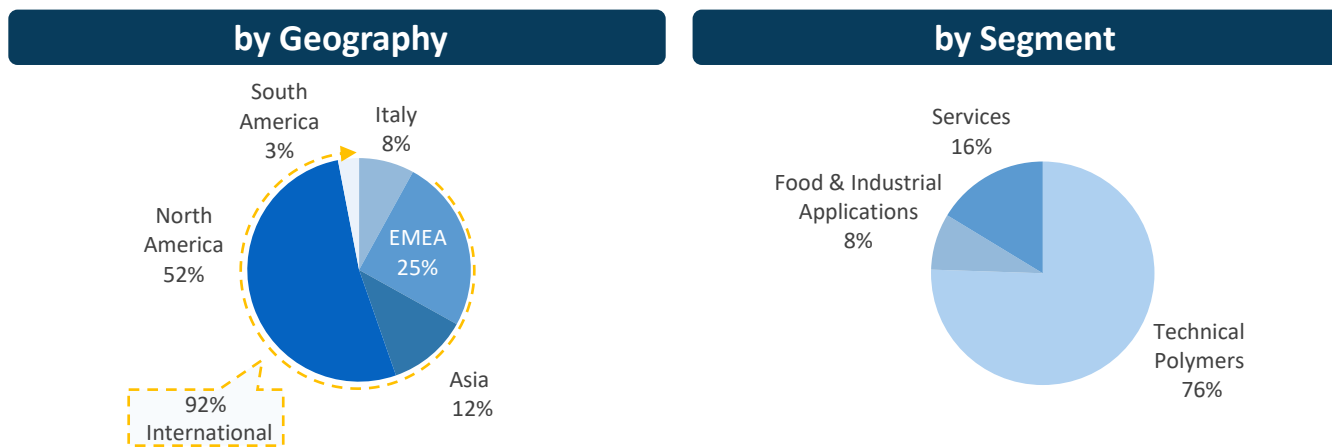
# H1 2024 KEY HIGHLIGHTS

# PIOVAN GROUP AT A GLANCE – KEY FACTS AND FIGURES

<b>What we do</b>	<ul style="list-style-type: none"> <li>Engineering, development and installation of <b>customized automation for production w/ virgin and recycled polymers, food powders and creams</b></li> </ul>
<b>Applications</b>	<ul style="list-style-type: none"> <li>Global leader in <b>technical polymers and recycled plastic</b></li> <li>Growing presence in <b>food and industrial applications</b> (e.g. powder ingredients)</li> </ul>
<b>Our customers</b>	<ul style="list-style-type: none"> <li><b>Global and diversified</b> customer base across several end-markets</li> <li>&gt;7,100 customers<sup>1</sup></li> </ul>
<b>Global footprint</b>	<ul style="list-style-type: none"> <li><b>14 manufacturing sites</b> in 4 continents</li> <li><b>43 services &amp; sales companies</b> worldwide as of 30 June 2024</li> <li><b>70+ countries</b> covered</li> </ul>
<b>Innovation DNA</b>	<ul style="list-style-type: none"> <li><b>C. 3.9% of Revenues</b> invested in R&amp;D and Engineering<sup>3</sup></li> <li><b>303 dedicated employees</b><sup>3</sup></li> </ul>

H1 2024 LTM Key Financials (incl. 5 months of NuVu)				
Revenues	Adj. EBITDA	EBIT	Net Income	Cash Conv. <sup>4</sup>
<b>€567.8m</b>  <b>+ 16.3%</b> <small>CAGR vs. FY 2017</small>	<b>€ 80.0m</b> <small>(14.1% Margin)</small>  <b>+ 14.6%</b> <small>CAGR vs. FY 2017</small>	<b>€ 64.7m</b> <small>(11.4% Margin)</small>  <b>+ 12.8%</b> <small>CAGR vs. FY 2017</small>	<b>€ 55.3m</b> <small>(9.7% Margin)</small>  <b>+ 16.7%</b> <small>CAGR vs. FY 2017</small>	<b>~ 95.0%</b>  <b>ca 0.6%</b> <small>Recurring Capex / Revenues</small>

## H1 2024 Revenues Breakdown<sup>2</sup>



Source: Company information

<sup>1</sup>In 2023 above 1.000€ T/O. <sup>2</sup> Excluding other sales & other income. <sup>3</sup>As of 1H 2024. <sup>4</sup>Defined as Adj. EBITDA – Recurring Capex / Adj. EBITDA.

# H1 2024 KEY HIGHLIGHTS

Completed relocation of Piovan China manufacturing facility to a temporary location, in the midst of the new site construction

Launched strategic initiative to shape global division on Heat transfer/Chiller solutions under the Thermal Care brand

In Feb-2024, reached 51% stake in Nu-Vu Conair paving the way for future growth opportunities in the strategic Indian market

In Apr-2024, paid 100% of IPEG earn-out equal to \$21.8m thanks to the significant overperformance vs. contractual targets

In May-2024, the Company paid approximately €13.8m dividends to shareholders

In Jul-2024, increased ownership stake in Fea from 68% to 100% through a dedicated capital increase

Automation Systems SpA (Investindustrial) announced agreement to acquire 67.96% of the Company from Pentafin and 7-Industries

# REBOUND IN FOOD, GROWTH IN SERVICES AND NUVU CONSOLIDATION CONTRIBUTE TO MAINTAINING A FLAT PERFORMANCE IN H1 24 VERSUS A PARTICULARLY STRONG H1 23

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

H1 24 vs. H1 23 (0.9)%

*YoY Perf.*

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

H1 24 vs. H1 23 (0.9)%

*YoY Perf.*

## Comments

**ORGANIC REVENUES:** Excluding the contribution of NuVu Revenues would have been €279.3m, (3.7)% YoY

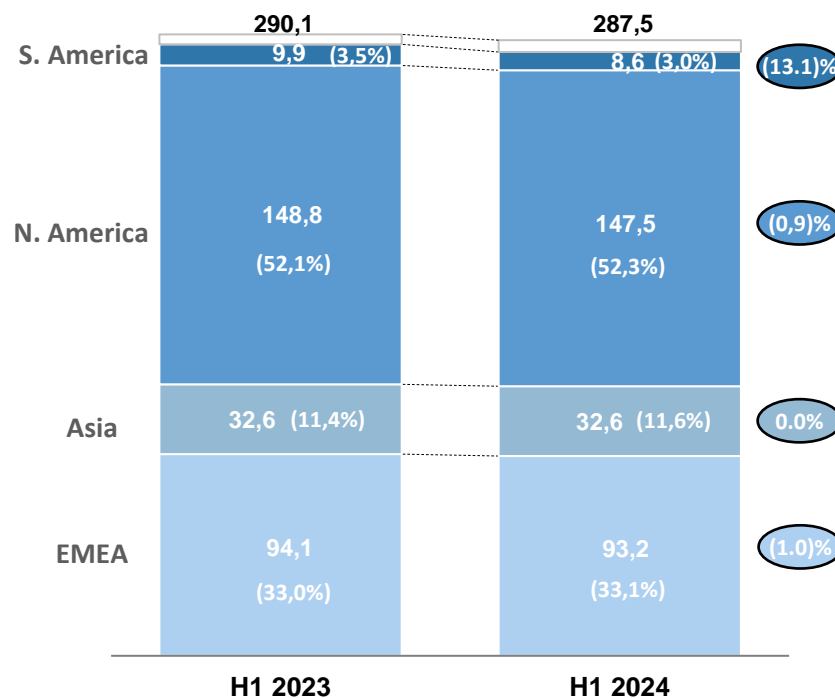
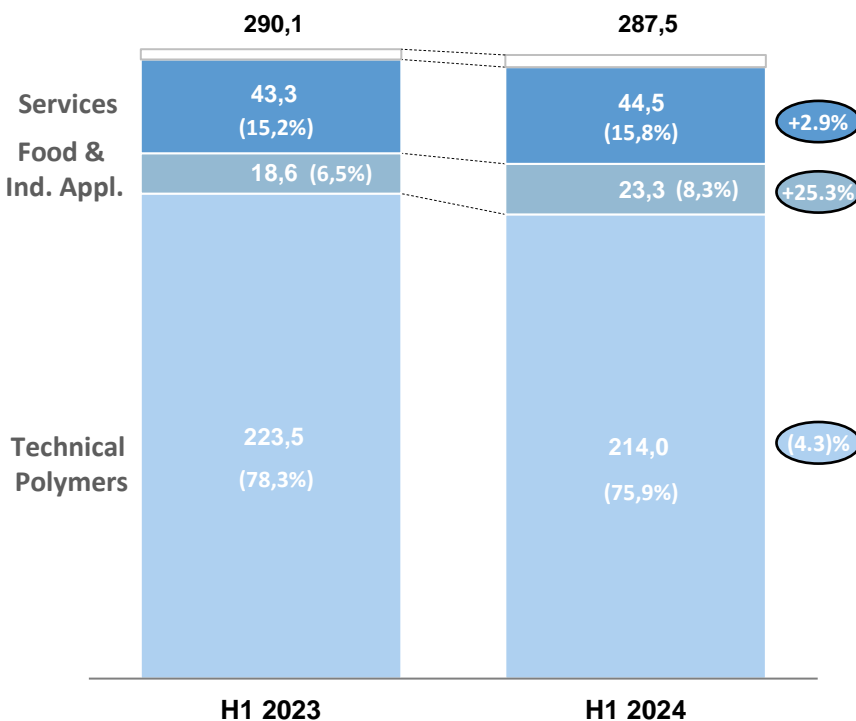
**FX ANALYSIS:** Revenues (excl. other rev. and income) at constant FX would have been €0.7m higher for a decline of 1.0% YoY

### BY APPLICATION

- **Technical Polymers** shows a 4.3% decline across all end markets due to a relative weak market but improving sequentially versus Q1 2024. Results are impacted by the continued high-interest rate environment which is penalizing particularly construction and consumer goods sectors. Recycling market also shows a slowdown due to the temporary uncertainty in European regulations
- **Food & Industrial Applications** showing a rebound vs. H1 2023 thanks to a solid order collection. Further acceleration expected in the second part of 2024
- **Services** up by 2.9% confirming the success of the Group's plans in growing the sector

### BY GEOGRAPHY

- **N. America** presents stable performance particularly supported by the evolution of the Group in Mexico and to the stability of automotive sector in the area
- **EMEA** performance limited by timing of the development of certain orders and by a temporary decline in recycling business as illustrated above
- **Asia** benefits from the contribution of NuVu Organically the region has been impacted by the relocation of the Chinese plant to a temporary location
- **S. America** performance reflects general contraction in demand



□ Indicates other revenue and income (c. €4.7m in H1 2023 and €5.6m in H1 2024)

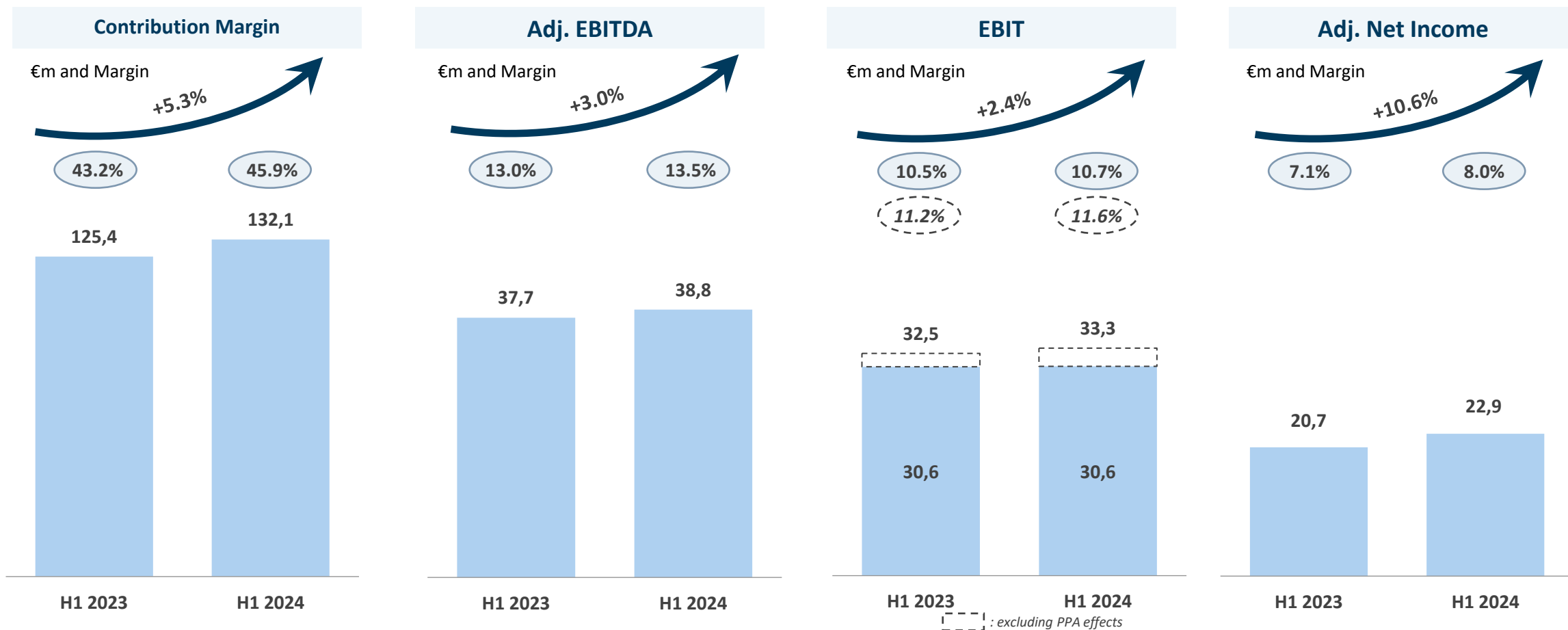
SOURCE: COMPANY INFORMATION

<sup>1</sup> REVENUES % BREAKDOWN EXCLUDES OTHER REVENUE AND INCOME.

# H1 2024 PERFORMANCE CONFIRMS CONTINUED GROWTH IN FOOD AND SERVICES. TECHNICAL POLYMERS DIVISION SHOWS ACCELERATION IF COMPARED WITH Q1 2024



# IMPROVEMENT IN PROFITABILITY DESPITE NEGATIVE OPERATING LEVERAGE EFFECT DEMONSTRATES DISCIPLINE IN PRICING AND BENEFITS OF INTEGRATION



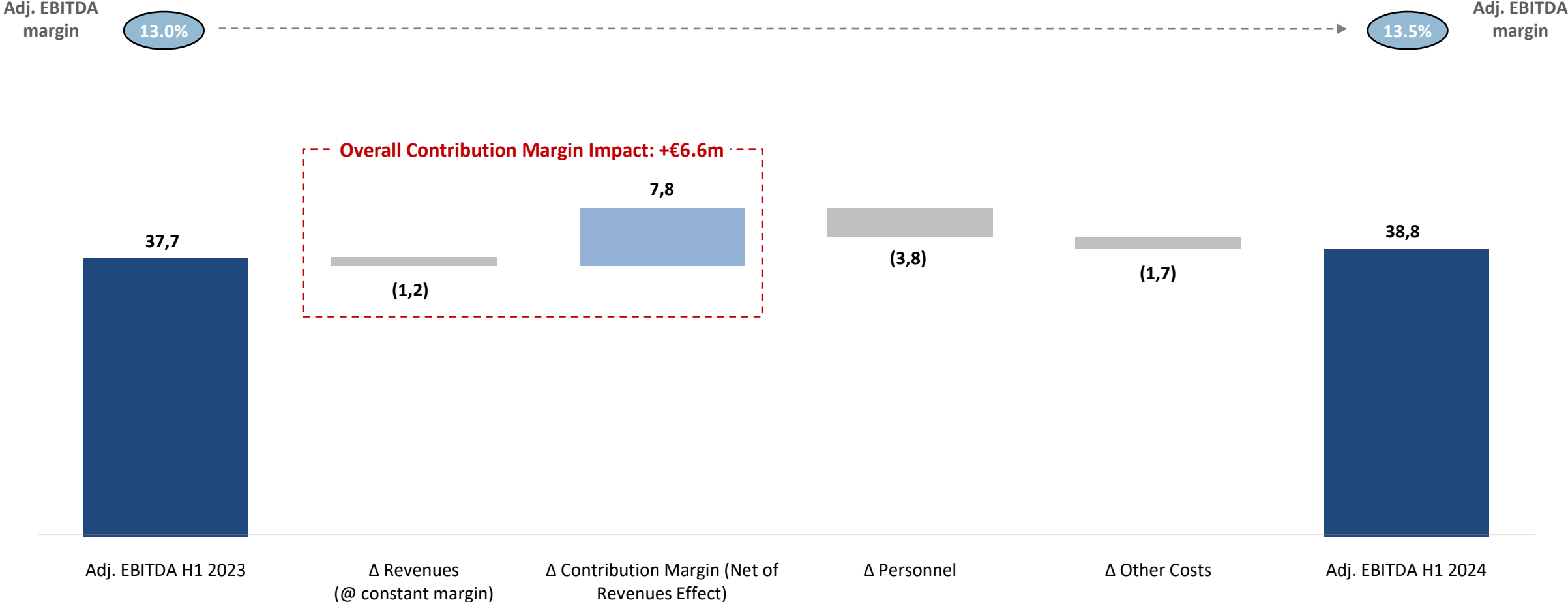
- Excluding the contribution of NuVu Contribution Margin €129.0m (46.2% on total revenues)

- Excluding the contribution of NuVu Adj. EBITDA would have been €37.5m (13.4% EBITDA Margin)
- Non-recurring costs refer to acquisitions costs and expenses related to reorganizations and integration processes

- PPA adjustment in 1H 2024 reflects also impact of NuVu PPA and equals €2.7m vs. €2.0m in 1H 2023 (related only to IPEG)

- Net Income adjusted to reflect i) one-off costs, ii) the impact of Toba deconsolidation in 2023 (€1.4m) and iii) the positive impact of NuVu consolidation effect in 2024 (approx. €6.0m net of fx effect)

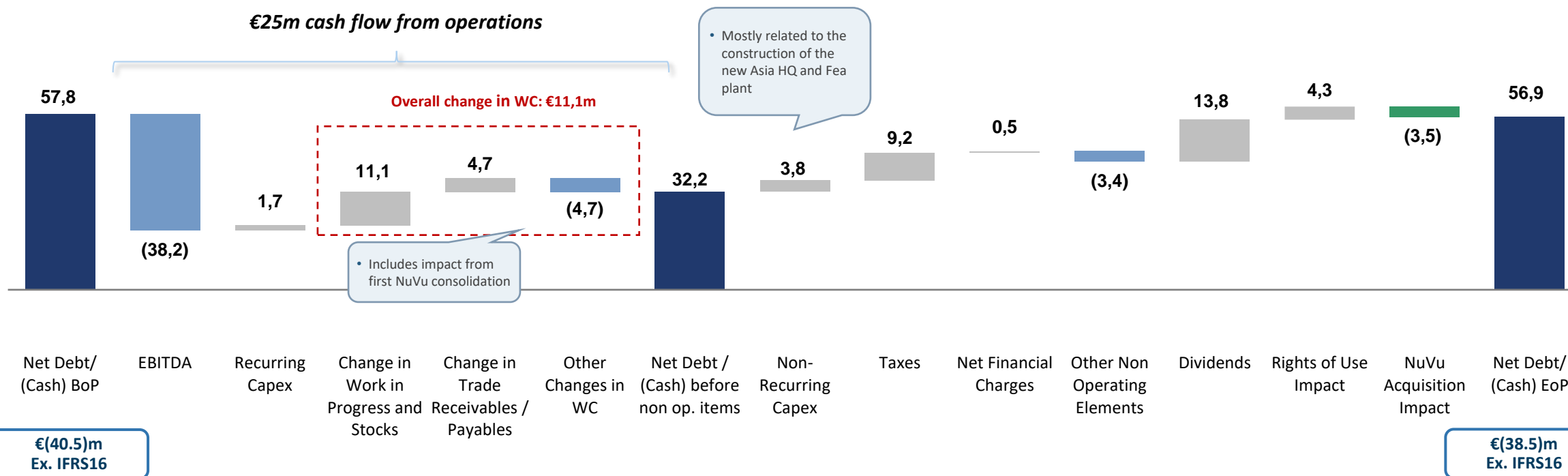
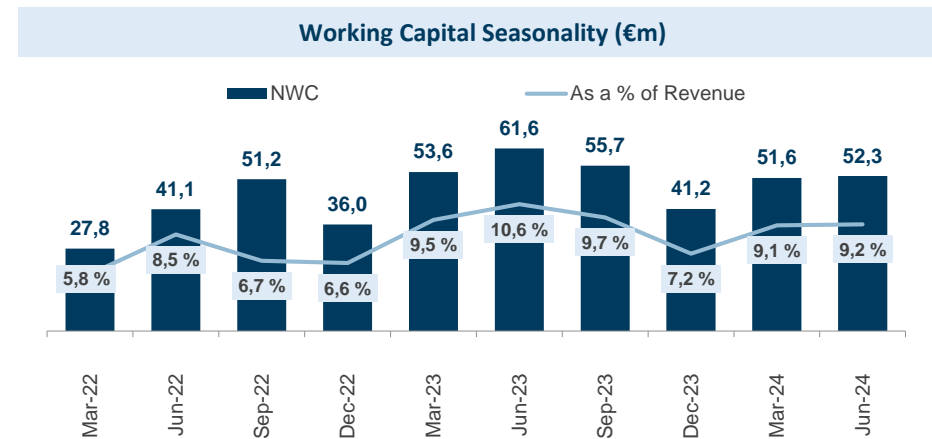
# Adj. EBITDA BRIDGE FROM H1 2023 TO H1 2024



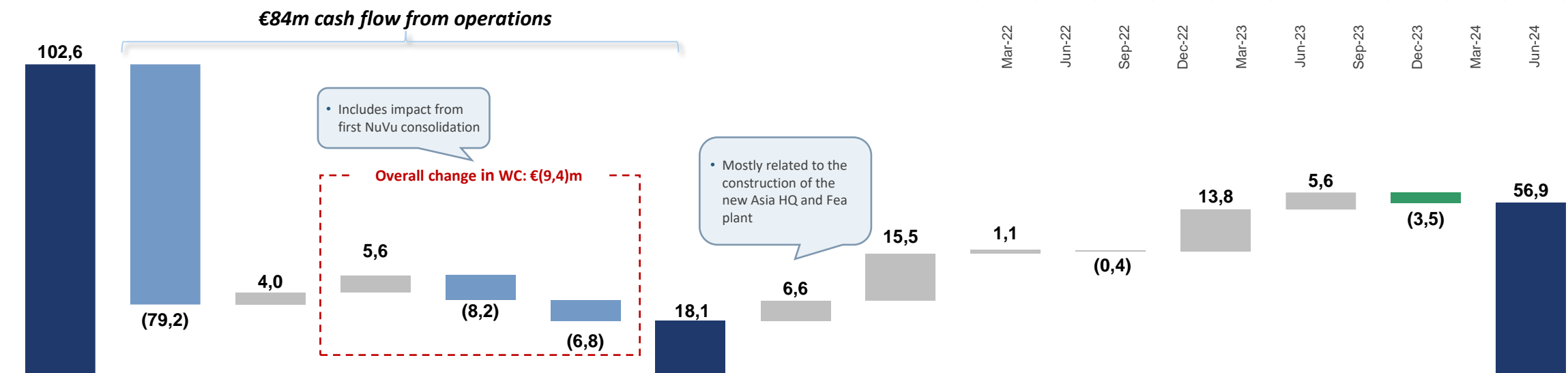
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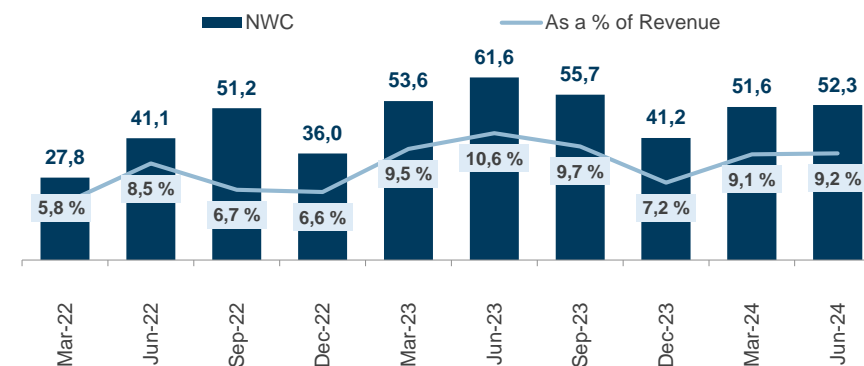
# NET DEBT WALK FROM DEC-23 TO JUN-24



# NET DEBT WALK FROM JUN-23 TO JUN-24



Working Capital Seasonality (€m)



Net Debt/  
(Cash) BoP

€(84,7)m  
Ex. IFRS16

EBITDA

(79,2)

Recurring  
Capex

4,0

Change in  
Work in  
Progress and  
Stocks

5,6

Change in  
Trade  
Receivables /  
Payables

(8,2)

Other  
Changes in  
WC

(6,8)

Net Debt /  
(Cash) before  
non op. items

18,1

Non-  
Recurring  
Capex

6,6

Taxes

15,5

Net Financial  
Charges

1,1

Other Non  
Operating  
Elements

(0,4)

Dividends

13,8

Rights of Use  
Impact

5,6

NuVu  
Acquisition  
Impact

(3,5)

Net Debt/  
(Cash) EoP

56,9

€(38,5)m  
Ex. IFRS16



Q&A



# Appendix A

## ADDITIONAL SUPPORTING MATERIALS

# Income Statement

€m	FY 2023	H1 2023	H1 2024	LTM Jun-24	Δ% H1 24 vs H1 23
Sales	559,1	285,4	281,9	555,5	(1,3%)
Other sales & other income	11,4	4,7	5,6	12,3	18,9%
<b>Revenues</b>	<b>570,5</b>	<b>290,1</b>	<b>287,5</b>	<b>567,8</b>	<b>(0,9%)</b>
Raw materials	(248,7)	(130,5)	(124,0)	(242,1)	(5,0%)
Cost of services	(108,1)	(53,9)	(53,7)	(107,9)	(0,4%)
Personnel	(130,6)	(66,0)	(69,8)	(134,4)	5,8%
Other costs (incl. Provisions for risks and charges)	(4,8)	(2,3)	(1,7)	(4,2)	(24,9%)
<b>EBITDA</b>	<b>78,4</b>	<b>37,5</b>	<b>38,2</b>	<b>79,2</b>	<b>2,1%</b>
<i>EBITDA Margin</i>	13,7%	12,9%	13,3%	13,9%	
One-off costs / (income)	0,4	0,2	0,6	0,8	nm
<b>Adjusted EBITDA</b>	<b>78,9</b>	<b>37,7</b>	<b>38,8</b>	<b>80,0</b>	<b>3,0%</b>
<i>Adj. EBITDA Margin</i>	13,8%	13,0%	13,5%	14,1%	
D&A	(13,8)	(6,9)	(7,6)	(14,5)	10,6%
<b>EBIT</b>	<b>64,7</b>	<b>30,6</b>	<b>30,6</b>	<b>64,7</b>	<b>0,2%</b>
<i>EBIT Margin</i>	11,3%	10,5%	10,7%	11,4%	
Finance income / (expenses)	(1,5)	(0,9)	(0,5)	(1,1)	nm
Exchange income (expenses)	(1,2)	(0,6)	0,5	(0,1)	(171,5%)
Gains (losses) on liabilities for options granted to non-controlling interests	0,5	-	-	0,5	nm
Gains (losses) from equity investments / HFS	2,5	2,5	6,8	6,8	nm
<b>EBT</b>	<b>64,9</b>	<b>31,5</b>	<b>37,4</b>	<b>70,8</b>	<b>18,6%</b>
Taxes	(16,0)	(9,7)	(9,2)	(15,5)	(5,5%)
<b>Net Income</b>	<b>48,9</b>	<b>21,8</b>	<b>28,2</b>	<b>55,3</b>	<b>29,3%</b>
Attributable to Piovan shareholders	49,4	22,6	27,6	54,4	22,1%
Attributable to minority shareholders	(0,5)	(0,8)	0,6	0,9	

# Balance Sheet

€m	Jun-23	Dec-23	Jun-24
Property Plant & Equipment	65,8	67,6	76,3
Intangible Assets (incl. Goodwill)	124,5	120,3	146,5
Financial Assets	11,8	11,4	1,3
<b>Net Fixed Assets</b>	<b>202,2</b>	<b>199,3</b>	<b>224,1</b>
Trade receivable	89,0	80,0	78,0
Inventory	88,7	85,3	86,3
Trade payables	(67,8)	(71,7)	(65,0)
Advanced payments from customers	(36,0)	(37,4)	(30,7)
Contract assets/(liabilities)	4,8	4,1	7,4
<b>Net Trade Capital</b>	<b>78,6</b>	<b>60,3</b>	<b>76,0</b>
Tax receivables	7,6	6,3	6,2
Other current activities	12,6	13,2	14,2
Tax payables	(10,4)	(11,4)	(12,0)
Other current liabilities	(26,8)	(27,1)	(32,1)
<b>NWC</b>	<b>61,6</b>	<b>41,2</b>	<b>52,3</b>
Other Credits	11,1	12,5	12,9
Other Debts	(20,3)	(18,3)	(21,2)
Pension Fund	(5,3)	(5,6)	(5,5)
<b>Net Invested Capital before Option</b>	<b>249,3</b>	<b>229,1</b>	<b>262,5</b>
Put & Call Option	(0,5)	0,0	(26,2)
Assets & Liabilities Held for Sale	0,0	0,0	0,0
<b>Net Invested Capital</b>	<b>248,8</b>	<b>229,1</b>	<b>236,3</b>
Total Shareholders' Equity	146,2	171,3	179,4
Net Debt / (Cash)	102,6	57,8	56,9
<b>Total Sources</b>	<b>248,8</b>	<b>229,1</b>	<b>236,3</b>

SOURCE: COMPANY INFORMATION

# Cash Flow Statement

€m	Dec-23	Jun-24	LTM H1 2024
Adjusted EBITDA	78,9	38,8	80,0
EBITDA	78,4	38,2	79,2
Recurring Capex	(4,3)	(1,7)	(4,0)
<i>% on Revenues</i>	<i>(0,8)%</i>	<i>(0,6)%</i>	<i>(0,7)%</i>
Cash generation	74,1	36,6	75,2
<i>Cash Conversion % on EBITDA</i>	<i>94,5%</i>	<i>95,7%</i>	<i>94,9%</i>
<i>Cash Conversion % on Adj. EBITDA</i>	<i>94,5%</i>	<i>95,7%</i>	<i>95,0%</i>
Δ in Work in Progress and Stocks	(12,7)	(11,1)	(5,6)
Δ in Trade Payables and Receivables	4,2	(4,7)	8,2
Other Change in WC	3,3	4,7	6,8
Total Δ Net Working Capital	(5,2)	(11,1)	9,4
Cash Flow from Operations	68,9	25,5	84,5
Non-Recurring Capex	(5,4)	(3,8)	(6,6)
Disposal	0,9	(0,0)	(0,0)
Corporate Taxes	(16,0)	(9,2)	(15,5)
Δ Funds	0,2	(0,1)	0,2
Non operating Items	(4,0)	3,8	0,9
Cash Flow After Taxes and Non Operating Items	44,5	16,2	63,6
Δ Put and Call Option	0,0	-	(0,0)
Dividend distribution	(10,2)	(13,8)	(13,8)
Other financial charges	(1,5)	(0,5)	(1,1)
Δ Exchange loss/gain	(1,2)	0,5	(0,1)
Changes in equity (incl. Δ conversion)	0,1	(0,8)	(0,6)
Income from equity method investments	2,5	-	0,0
Rights of use impact	(3,8)	(4,3)	(5,6)
Cash Flow Before Acquisitions	30,4	(2,6)	42,3
NuVu Consolidation Impact		3,5	3,5
Δ Net Financial Position	30,4	0,9	45,7
<b>NFP BoP</b>	<b>88,1</b>	<b>57,8</b>	<b>102,6</b>
Δ Net Financial Position	(30,4)	(0,9)	(45,7)
<b>NFP EoP</b>	<b>57,8</b>	<b>56,9</b>	<b>56,9</b>

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