

PIOVAN TO ACQUIRE IPEG

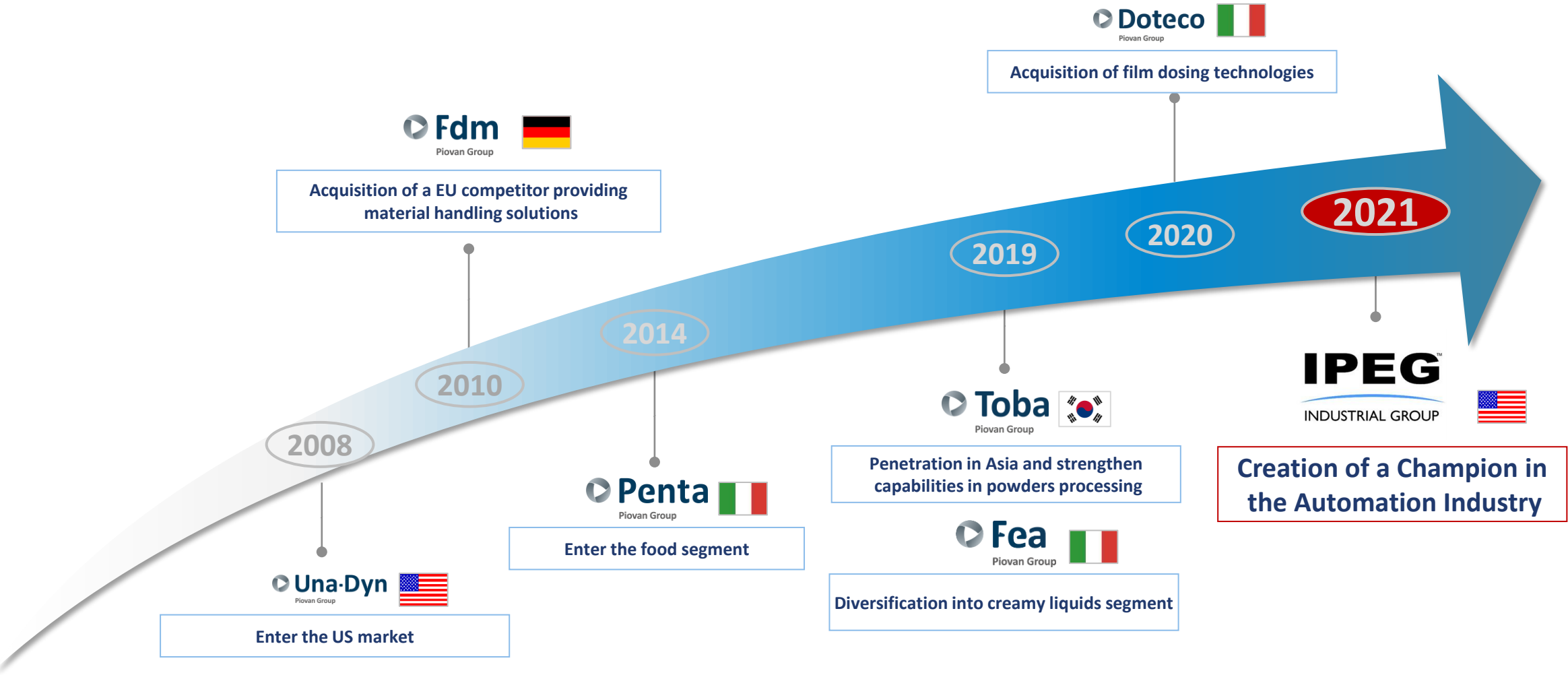
A KEY MILESTONE IN THE GROUP'S GROWTH STORY

13th December 2021



TRANSACTION HIGHLIGHTS

A NEW MILESTONE IN PIOVAN GROUP' SUCCESSFUL HISTORY OF GROWTH



TRANSACTION HIGHLIGHTS

Transaction Key Terms	<ul style="list-style-type: none">Piovan S.p.A. ("Piovan") and IPEG, Inc. ("IPEG" or the "Target") announce the signing of an agreement (the "Transaction") providing for the acquisition by Piovan of 100% of the outstanding shares of Sewickley Capital, Inc. ("Sewickley Capital"), the owner of 100% of IPEG, from the selling shareholders of Sewickley Capital (the "Selling Shareholders"). The purchase price consists of:<ul style="list-style-type: none">An initial payment of approximately USD 125 million, on a cash free / debt free basis; andthe payment of a potential earn-out ("Earn-out"), up to a maximum of approximately USD 22 million, to be paid in 2024 to the extent the Target achieves certain EBITDA growth targets over the time period 2021-2023.
Transaction Structure	<ul style="list-style-type: none">The Transaction will be effected through a merger by incorporation whereby Sewickley Capital will be merged into a Delaware corporation wholly owned by Piovan, with the result that IPEG will become an indirect subsidiary of PiovanThe Transaction has been unanimously approved by the board of directors of Piovan and the board of directors of Sewickley Capital and has already received the consent of more than 90% of the shareholders of Sewickley Capital
Strategic rationale	<ul style="list-style-type: none">The Transaction results in the creation of a global champion in the reference sector, with a leadership position in both the European and North American market
Financing	<ul style="list-style-type: none">At closing, the Transaction is expected to be entirely funded with a mix of newly committed debt facilities and cash on balanceInitial pro-forma leverage of approx. 2.0x Net Financial Position over Adj. EBITDA LTM 3Q-2021 PF¹
Timing	<ul style="list-style-type: none">Estimated closing on or about end of January 2022, subject to completion of required regulatory approvals
Management	<ul style="list-style-type: none">Kirk Winstead (Current CEO) and John G. Erkert (Current CFO) and the businesses' respective management teams will remain in their roles at the helm of IPEG, contributing to the development of the combined group in the US and globally

1) Aggregated data. Data have not been audited nor reviewed on a limited basis. Net financial position pro-forma as of 30-Sep-2021, calculated excluding the impact of any earn-out and compared to pro forma adjusted EBITDA LTM 9M-2021 - including the impact of IFRS 16 and excluding the contribution of Nu-Vu Conair consolidated using the equity method. Impact of US PPP Loans forgiveness has been excluded from EBITDA calculation

IPEG, INC. AT A GLANCE

Activities

- HQ in Cranberry Township – PA, United States
- Family of leading businesses serving the global plastics-processing, waste recycling, and industrial heat-transfer markets

Key Brands



Key Facts

- IPEG employs more than 700 people worldwide and operates 1 HQ with an R&D lab, 4 production plants located in the US and 1 in India (operated by its Indian JV – NuVu Conair)

Key Geographies



Ca 88% of 2020 Sales

Asia / EU

Ca 5% of 2020 Sales

Ca 7% of 2020 Sales



Ca \$5m of 2020 Sales (cons. with equity method)

LTM 30-Sep-2021 Key Financials

Revenues

\$191.6m

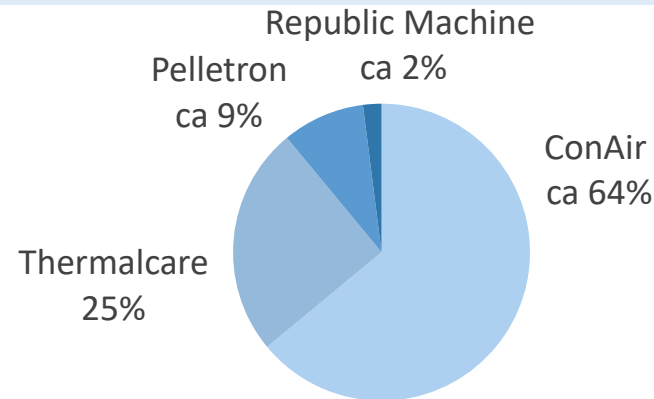
EBITDA (ex. IFRS 16)

\$15.9m

India JV-50%

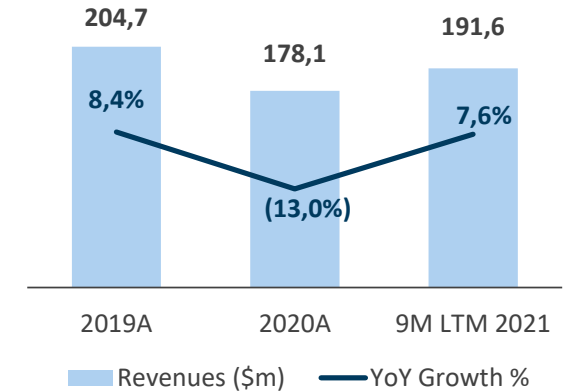
ca\$1.5m

Est. Revenues Breakdown by Brand

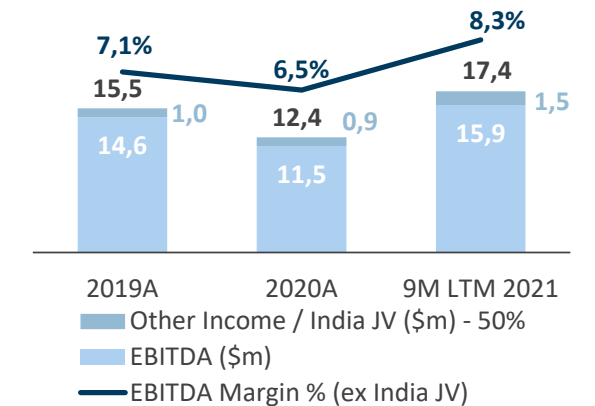


Financial Evolution

Reported Revenues (\$m)

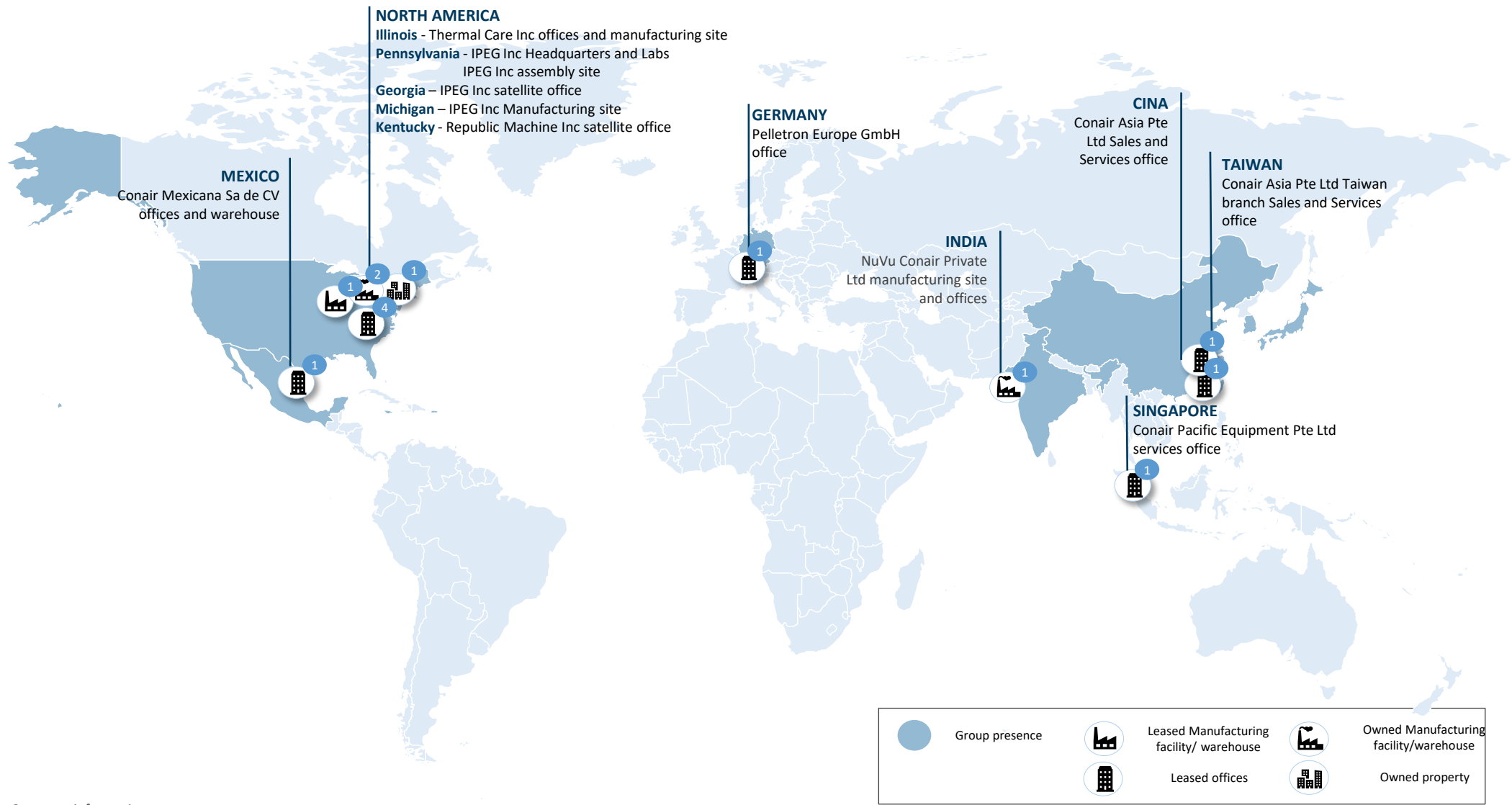


Reported EBITDA (ex. IFRS 16) (\$m)



Source: Company information

CARIBOU GEOGRAPHIC PRESENCE



Source: Company information




TRANSACTION RATIONALE & COMBINED ENTITY OVERVIEW

TRANSACTION RATIONALE

- ▶ Enhancing Piovan Group leadership position in the automation solutions for material handling worldwide
- ▶ Possibility of serving large US corporates' international investments leveraging Piovan global service structure
- ▶ Access to a large US customer base with the possibility of developing the market for recycled plastic technologies, powder solutions and digital solutions
- ▶ Enriching the product perimeter by adding – among others - special downstream solutions, shredders for recycling, chillers
- ▶ Strengthening the position in strategic sectors such as the medical one
- ▶ Leading manufacturing position in the strategic Indian market
- ▶ Creation of a leading company in the strategic Mexican market with access to both European and American customers

PRELIMINARY COMBINED FINANCIAL FIGURES

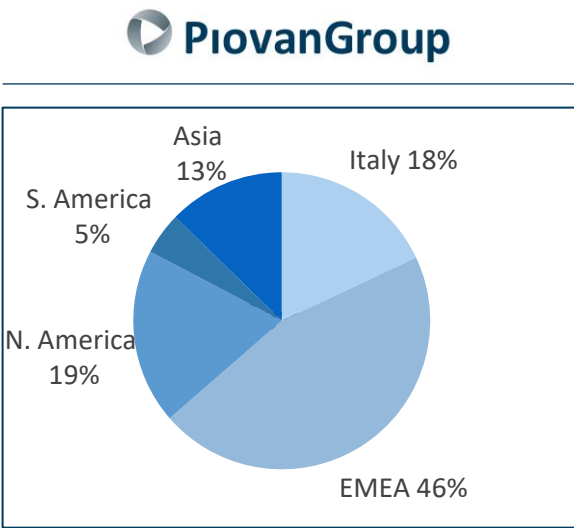
LTM 9M21 FIGURES (€m)	 PiovanGroup	IPEG	Combined Entity
Revenues	€282m	€169m	€451m
EBITDA (incl. IFRS 16)	€42m 14.7% margin	€16m 9.6% margin	€58m 12.8% margin

Source: Company information. Aggregated data. Data have not been audited nor reviewed on a limited basis. Piovan Group financials according to IFRS, Caribou according to US GAAP (adjusted for IFRS 16). Figures as reported except for clean up of US PPP loan effect at EBITDA level. USD figures converted in EUR at USD/EUR fx rate of 1,133 as of 10-Dec-2021. EBITDA figures exclude contribution of Indian JV consolidated as per equity account method.

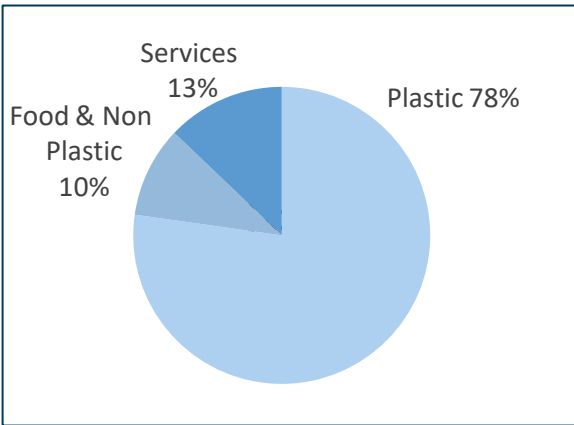
PRELIMINARY COMBINED BUSINESS PROFILE

2020A FIGURES

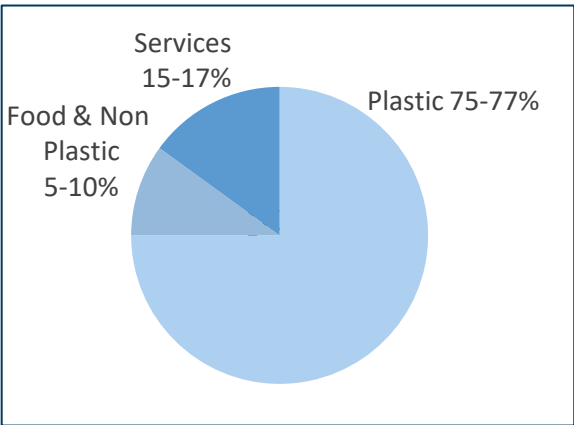
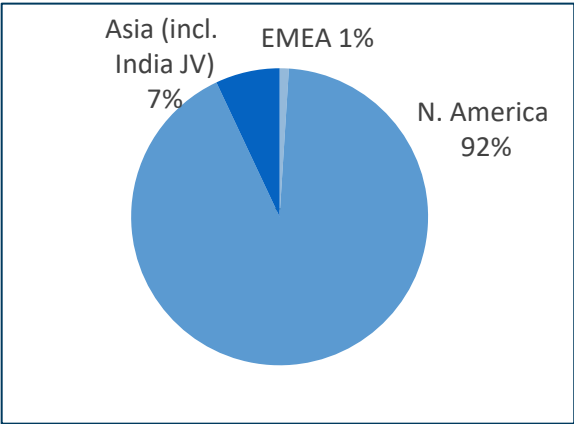
Revenues Breakdown
by Geography



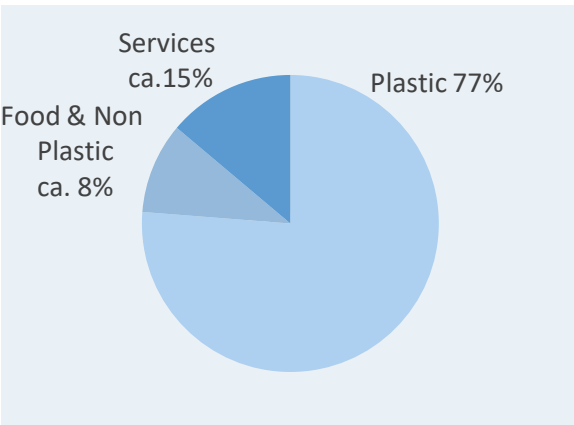
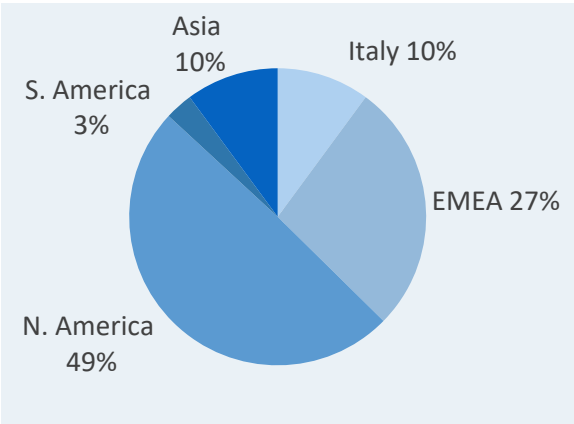
Revenues Breakdown
by Segment



Caribou



Combined Entity



Source: Company information
Note: Preliminary combination based on reported data. Piovan Group financials according to IFRS, Caribou according to US GAAP. USD figures converted in EUR at USD/EUR fx rate of 1,133 as of 10-Dec-2021. Revenues breakdown by Geography adjusted to include contribution of Indian JV (otherwise consolidated as per equity account method)

PRO-FORMA CAPITAL STRUCTURE

 **PiovanGroup Pro-forma NFP 30-Sep-21**

Net Debt
/ EBITDA

n.m.

2,0x

110,1

11,7

118,1

(3,7)

Net Debt / (Cash)
Sep-2021

€(14)m
Ex. IFRS16

Upfront EV

Transaction Costs and
Other Adj.

Pro-forma Net Debt / (Cash)
Sep-21

€97m
Ex. IFRS16

Considering the current financial structure and the good cash generation capacity of the Group, the Transaction will be financed through a mix of newly committed debt facilities and cash on balance

Source: Company information

Note: Piovan Group financials according to IFRS, Caribou according to US GAAP (but adjusted for IFRS 16). Net Financial Position calculated including the impact of IFRS 16, but excluding the impact from the Earn-out. Figures as reported except for clean up of US PPP loan effect at EBITDA level and USD figures converted in EUR at USD/EUR fx rate of 1,133. Figures exclude contribution of Indian JV consolidated as per equity account method.



CONCLUSIONS

KEY TAKE AWAYS

- Unique opportunity to enhance Piovan Group worldwide leadership in the automation solutions for material handling
- Key geographical expansion (US, Mexico, India), product perimeter expansion (solutions for recycling, downstream extrusion, chillers, digital), ability to serve large US corporations (IPEG customers) on global scale
- Strong cash flow generation will allow Piovan Group to retain a flexible capital structure to pursue future growth opportunities by external lines

The Transaction will drive significant value creation for all stakeholders



THANK YOU!

Disclaimer

THIS PRESENTATION AND ANY OTHER INFORMATION DISCUSSED AT THE PRESENTATION (THE “PRESENTATION”) IS BEING PROVIDED TO YOU SOLELY FOR YOUR INFORMATION. THIS PRESENTATION, WHICH HAS BEEN PREPARED BY PIOVAN S.P.A. (THE “COMPANY”), MAY NOT BE REPRODUCED IN ANY FORM, FURTHER DISTRIBUTED OR PASSED ON, DIRECTLY OR INDIRECTLY, TO ANY OTHER PERSON.

This Presentation does not, and is not intended to, constitute or form part of, and should not be construed as, an offer to sell, or a solicitation of an offer to purchase, subscribe for or otherwise acquire, any securities of the Company, nor shall it or any part of it form the basis of or be relied upon in connection with or act as any inducement or recommendation to enter into any contract or commitment or investment decision whatsoever. Neither this Presentation nor any copy of it nor the information contained herein is being issued or may be distributed or redistributed directly or indirectly to or into any jurisdiction where such distribution would be unlawful, including but not limited to, the United States, Canada, Australia and Japan. Any decision to invest in the Company should be made solely on the basis of information contained in any prospectus or offering circular (if any is published by the Company), which would supersede this Presentation in its entirety.

None of the Company or any of its partners, directors, officers, employees, agents, other representatives, consultants, legal counsel, accountants, financial or other advisors, auditors, direct or indirect shareholders, subsidiaries or other affiliates or any other person acting on behalf of any of the foregoing (collectively, the “Representatives”) makes any representation or warranty, expressed or implied, as to the fairness, quality, accuracy, relevance, completeness or sufficiency for any purpose whatsoever of any information contained in this Presentation.

By attending or otherwise accessing this Presentation, you acknowledge and agree not to be entitled to rely on the fairness, quality, accuracy, relevance, completeness or sufficiency for any purpose whatsoever of the information contained herein and that none of the Company or any of its Representatives will have any liability relating to, or resulting from, this Presentation, its inaccuracy or incompleteness, or the use of, or reliance upon, this Presentation.

By attending or otherwise accessing the Presentation, you acknowledge and agree that you will be solely responsible for your own independent evaluation and assessment of the Company and of the information contained in this Presentation and will rely solely on your own judgment and that of your qualified advisors in evaluating the Company and in determining the desirability of the possible acquisition of an interest in the Company.

To the extent applicable, the industry and market data contained in this Presentation has come from official or third-party sources. Third-party industry publications, studies and surveys generally state that the data contained therein have been obtained from sources believed to be reliable, but that there is no guarantee of the fairness, quality, accuracy, relevance, completeness or sufficiency of such data. The Company has not independently verified the data contained therein. In addition, certain of the industry and market data contained in this Presentation come from the Company’s own internal research and estimates based on the knowledge and experience of the Company’s management in the market in which the Company operates. Such research and estimates, and their underlying methodology and assumptions, have not been verified by any independent source for accuracy or completeness and are subject to change without notice. Accordingly, undue reliance should not be placed on any of the industry or market data contained in this Presentation.

The highlights of the Company and the outlook presented in this Presentation represent the subjective views of the management of the Company and are based on significant assumptions and subjective judgments which may or may not prove to be correct. Industry experts, business analysts or other persons may disagree with these views, assumptions and judgments, including without limitation the management’s view of the market and the prospects for the Company.

This Presentation may include statements that are, or may be deemed to be, forward-looking statements. Forward-looking statements typically use terms such as “believes”, “projects”, “anticipates”, “expects”, “intends”, “plans”, “may”, “will”, “would”, “could” or “should” or similar terminology. Any forward-looking statements in this Presentation are based on the Company’s current expectations and, by their nature, forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the Company’s control, that could cause the Company’s actual results and performance to differ materially from any expected future results or performance expressed or implied by any forward-looking statements. The Company undertakes no obligation to release the results of any revisions to any forward-looking statements in this Presentation that may occur due to any change in its expectations or to reflect events or circumstances after the date of this Presentation and the Company and its Representatives disclaim any such obligation.

Except where otherwise indicated, this Presentation speaks as of the date hereof and the information and opinions contained in this Presentation are subject to change without notice and do not purport to contain all information that may be required to evaluate the Company. The information in this Presentation has not been independently verified. The Company and its Representatives undertake no obligation to provide the recipients with access to any additional information or to update or revise this Presentation or to correct any inaccuracies or omissions contained herein that may become apparent. To the fullest extent permissible by law, such persons disclaim all and any responsibility or liability, whether arising in tort, contract or otherwise, which they might otherwise have in respect of this Presentation. Recipients should not construe the contents of this Presentation as legal, tax, regulatory, financial or accounting advice and are urged to consult with their own advisers in relation to such matters.