



FINANCIAL RESULTS 9M 2020

12 November 2020

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Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“**MiFID II**”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “**MiFID II Product Governance Requirements**”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the ordinary shares and the warrants of Piovan S.p.A. (the “**Securities**”) have been subject to a product approval process, which has determined that such Securities are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the “**Target Market Assessment**”).

Notwithstanding the Target Market Assessment, Distributors should note that: the price of the Securities may decline and investors could lose all or part of their investment; the Securities offer no guaranteed income and no capital protection; and an investment in the Securities is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offer. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Manufacturers will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the securities.

Each distributor is responsible for undertaking its own target market assessment in respect of the securities and determining appropriate distribution channels.



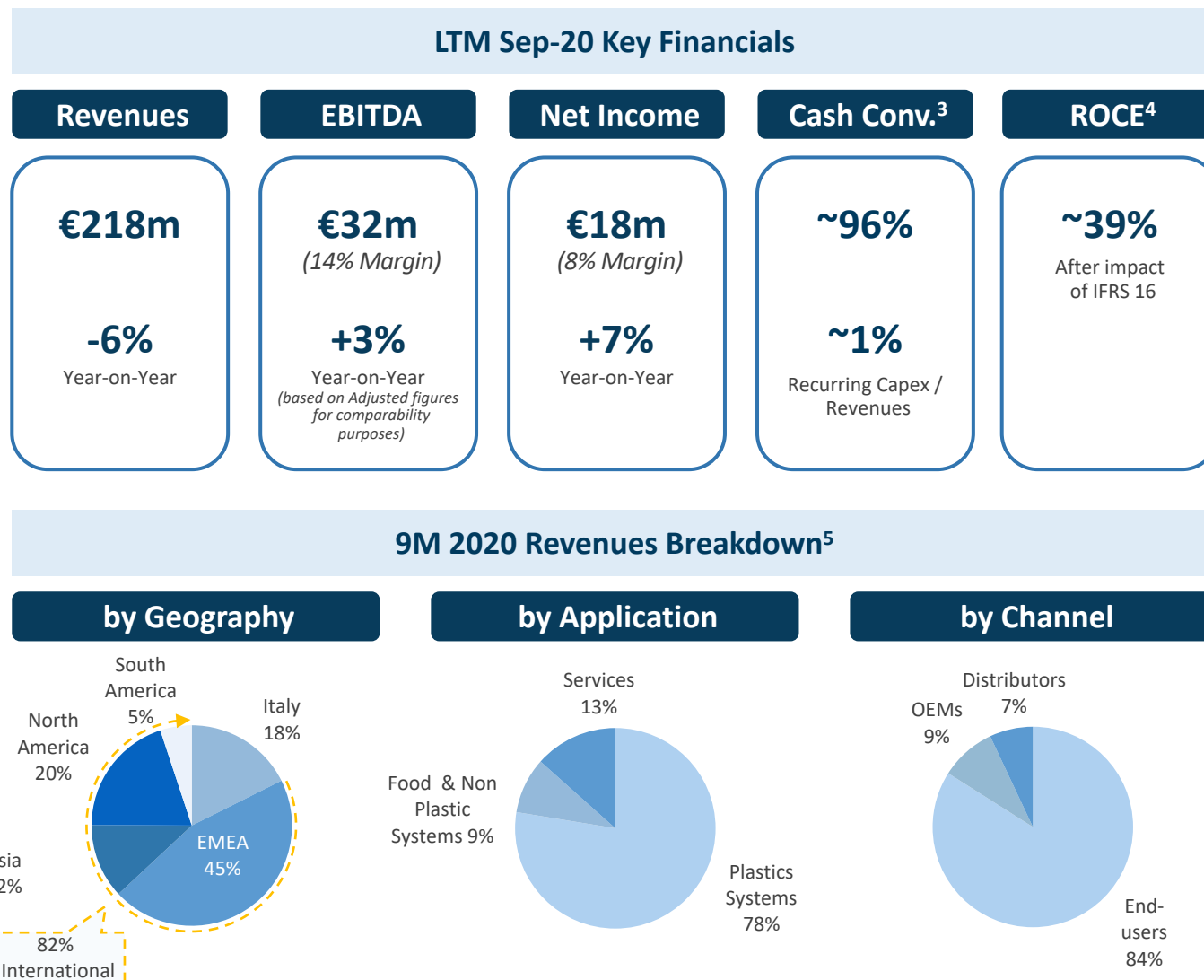
Piovan at a Glance

The Leading Automation Solutions Provider for Plastic, Food & non plastic, Services

What we do	<ul style="list-style-type: none"> Engineering, production and installation of customized automation solutions
Applications	<ul style="list-style-type: none"> Global leader in plastic and plastic compounds Growing presence in food and non plastic (e.g. powder ingredients)
Our customers	<ul style="list-style-type: none"> Global and diversified customer base across several end-markets Over 2,300 customers¹
Global footprint	<ul style="list-style-type: none"> 8 manufacturing sites in 4 continents 22 services & sales companies worldwide² 70 countries covered
Innovation DNA	<ul style="list-style-type: none"> C. 4% of Revenues invested in R&D and Engineering² 175 dedicated employees²

Source: Company information

¹In 2020. ²As of June 2020. ³Defined as EBITDA – Recurring Capex / EBITDA. ⁴Computed as EBIT / Net Invested Capital excluding Goodwill and Put and Call Options. Net Invested Capital adjusted for the application of IFRS 16. ⁵Excluding other sales & other income.



PIOVAN COMPETITIVE ADVANTAGES



Global leader in attractive market



Strong innovation DNA and focus on the environment and circular economy



Turn-key solutions for complex customer needs



Truly global presence with local service network



Diversified and long-standing customer base




































Track record of profitable growth and cash generation

Growth strategy based on both organic and M&A expansion and new technologies

Exploiting Strong Technological Synergies Across Different Materials

Developed For Plastics, Piovan Technological Platforms Can Have Multiple Applications

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

Source: Company information
¹Sugar, Flour, Coco and Milk in Powder

DIVERSIFIED RANGE OF END-MARKETS SERVED



Source: Company information

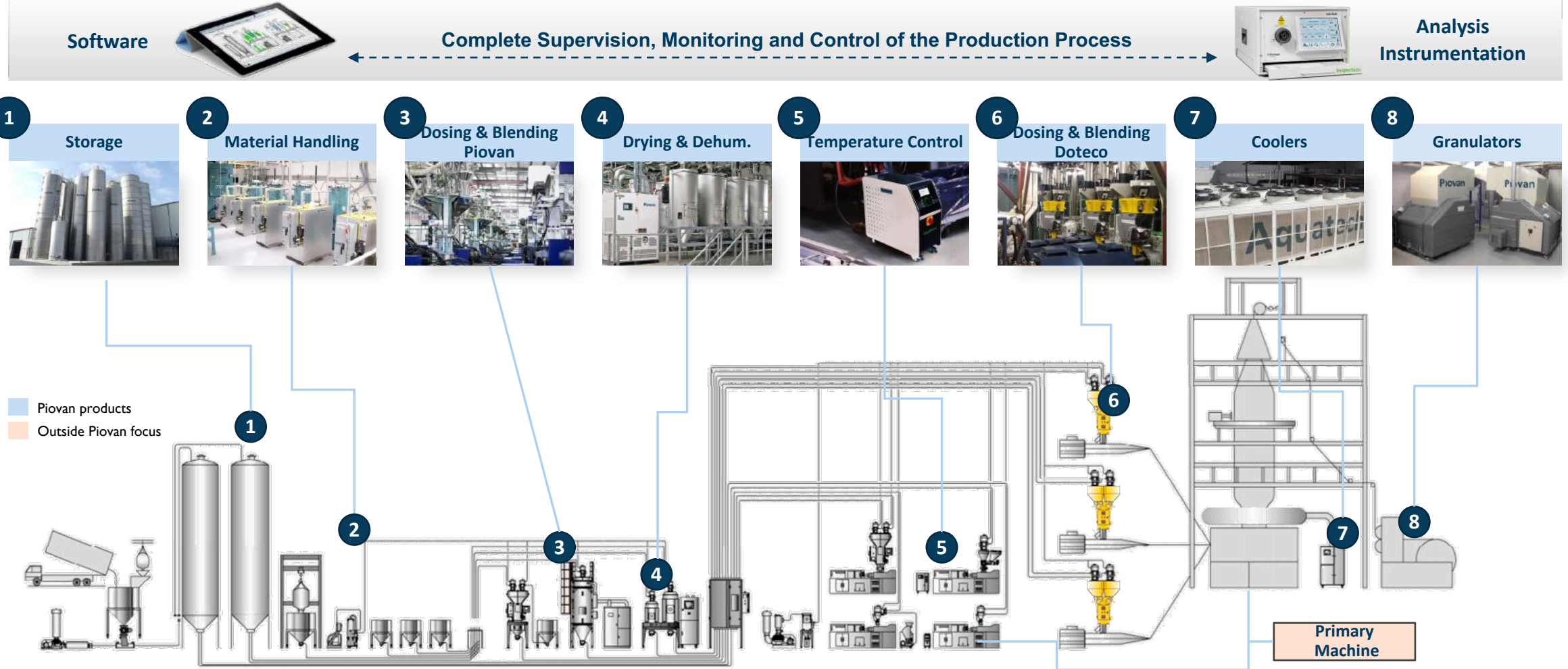


9M 2020 Financial Results

PIOVAN 3Q 2020 KEY BUSINESS HIGHLIGHTS

- ▶ Acquisition of 100% of Dotecco SpA
- ▶ The rapid decision-making process allowed the Company to reorganize the cost structure and adapt to the new conditions
- ▶ Acquisition of the 10% of the minority of Penta Srl, which now is owned 100% by Piovan Group
- ▶ Strong resilience in less cyclical areas like medical and recycled packaging
- ▶ R&D efforts in packaging recycle technologies
- ▶ Strong activity in food business with increase of both orders and customer base
- ▶ The presence of local structures of the group allowed us to gain market share in times of travel restrictions
- ▶ Approval of dividend distribution

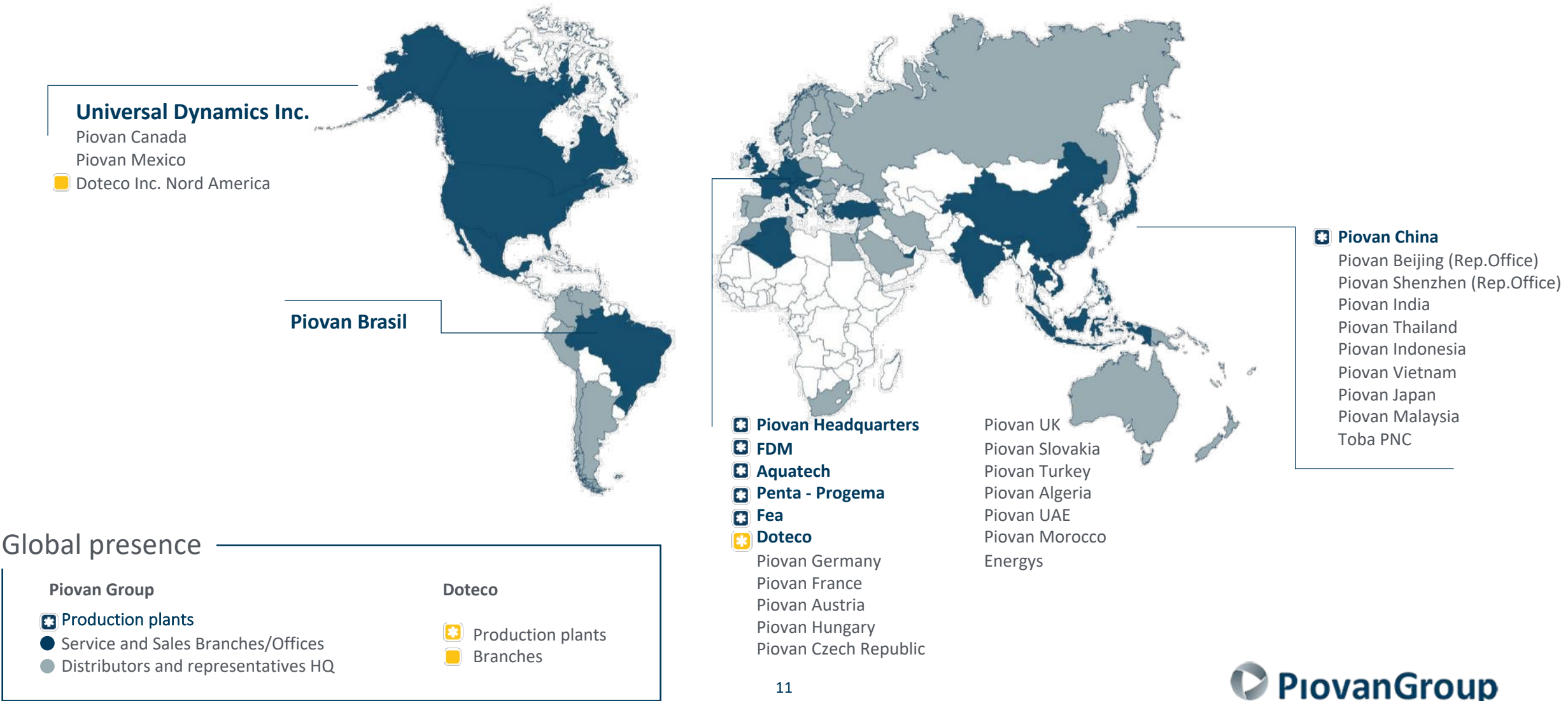
PIOVAN GROUP AND DOTEKO TECHNOLOGICAL SYNERGIES



Automating The Whole Process From Silos To Primary Machines

PIOVAN GROUP AND DOTEKO

GEOGRAPHICAL SYNERGIES



Our Contribution to Circular Economy



Solutions for **post consumed plastic and biopolymers**



Systems for **reduction and control of contaminants**



Safe, traceable and stable processes



Service team for **CAPEX life maximisation**



8 patents registered in 2020
“recycling related”



22.5 % of revenues in Packaging, Fibres, Recycling and Compound is “**circular economy related**”



Putting People First

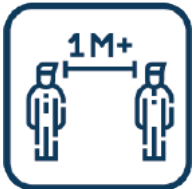
- Piovan Groups has implemented **worldwide** the **highest Safety and Monitoring protocols and Mitigation Actions** to limit the development of COVID-19
- The Group's facilities have been **always fully operative** assuring high quality products in time to our Customers
- Tangible actions include, but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



Wearing protective masks



Cleaning the hands frequently with the appropriate gel



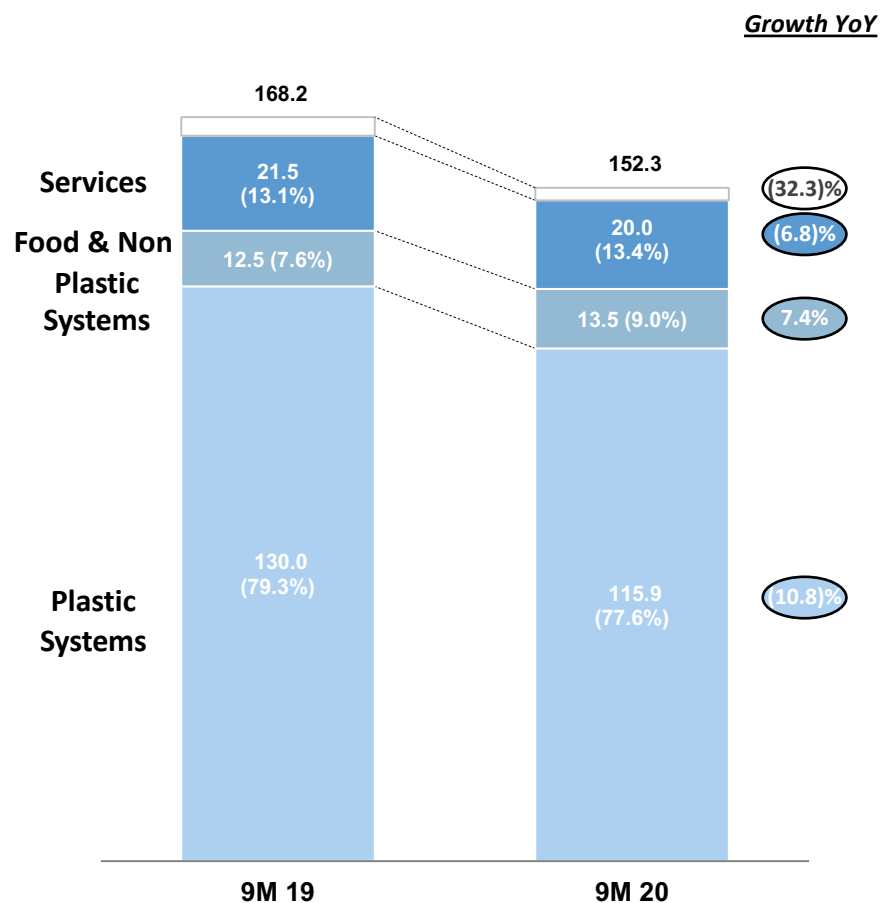
Keeping the minimum safety distance from other people

Separation Barriers

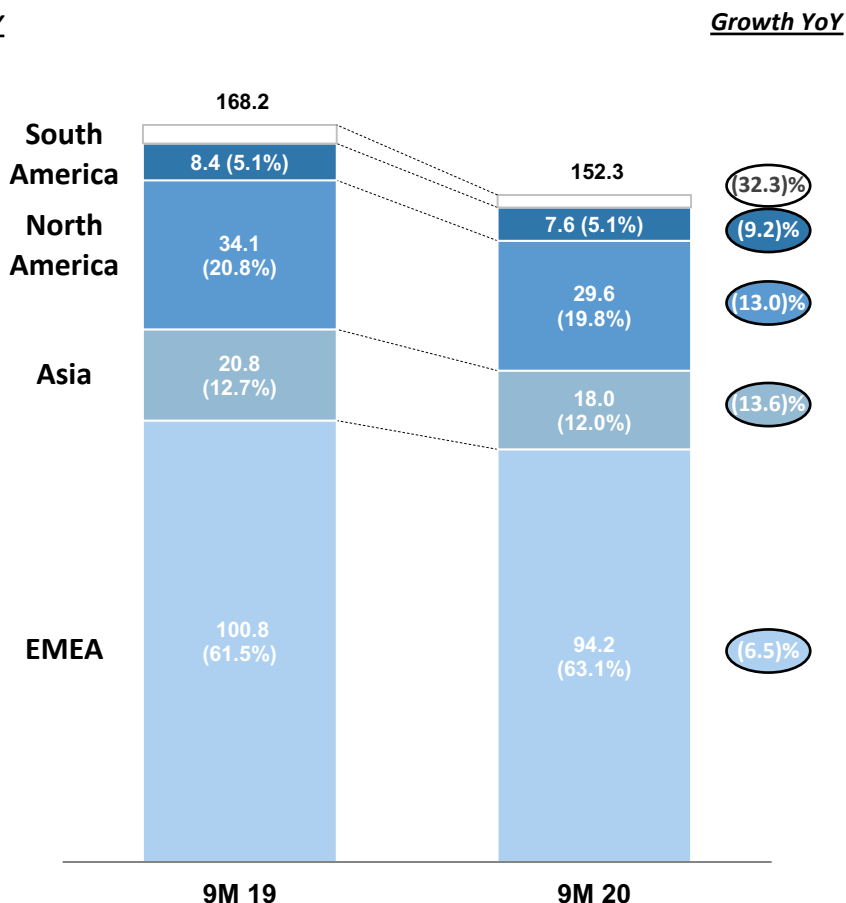


Resilient Plastic and Service & Spare Parts, While Food & Other Powders is Back to Growth

Revenues by Application (€m)¹



Revenues by Geography (€m)¹



Comments

BY APPLICATION

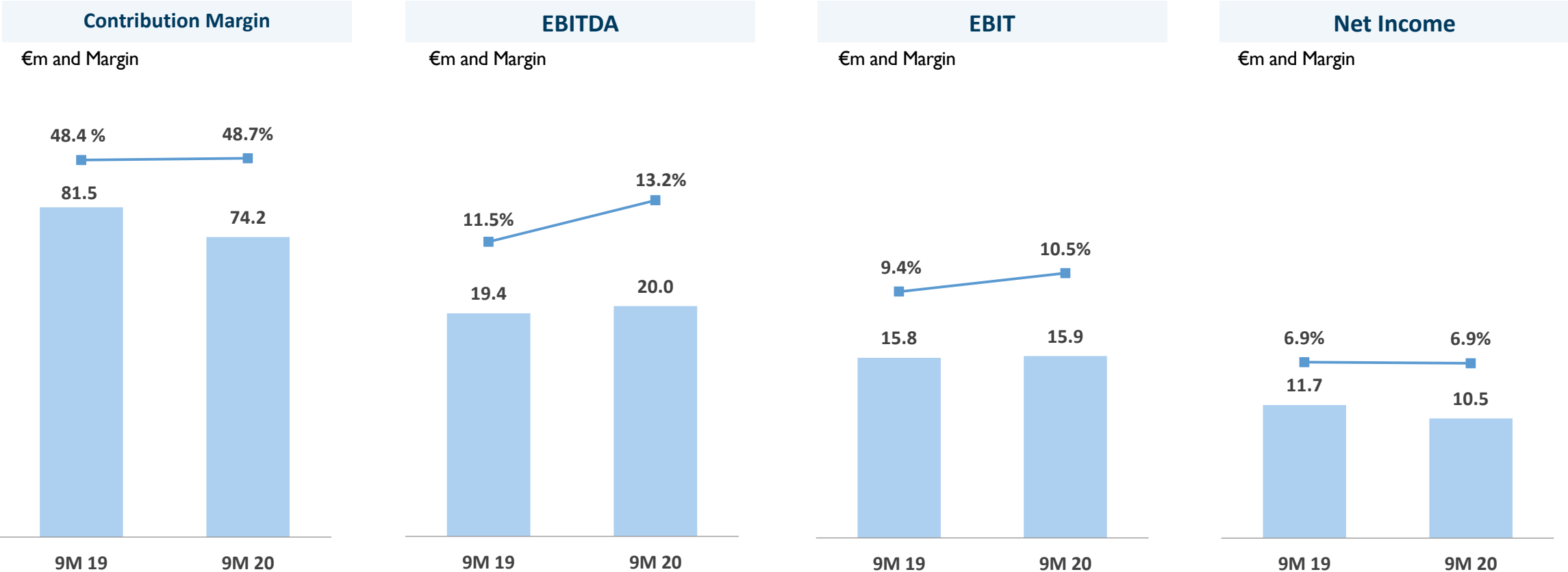
- **Plastic Systems:** Below 9M 2019 due to COVID19 restrictions on mobility (in particular in 1H), which delayed deliveries and installations.
- **Food Systems:** Ahead 9M 2019, as a consequence of positive order intake during the year resulting in strong Q3.
- **Services:** Slight decrease due to restrictions on mobility particularly in Q2.

BY GEOGRAPHY

- **North America:** COVID19 impact in 9M 2020, particularly in Q2 and Q3.
- **ASIA:** Decreased due COVID19 impact in China at the beginning of the year and in South East Asia later in the year.
- **EMEA:** Slow down due to COVID19 restrictions, mainly in Q2, business recovered in Q3 thanks also to good performance of food market.
- **South America:** Slow down in Q3 due to COVID19 impact.

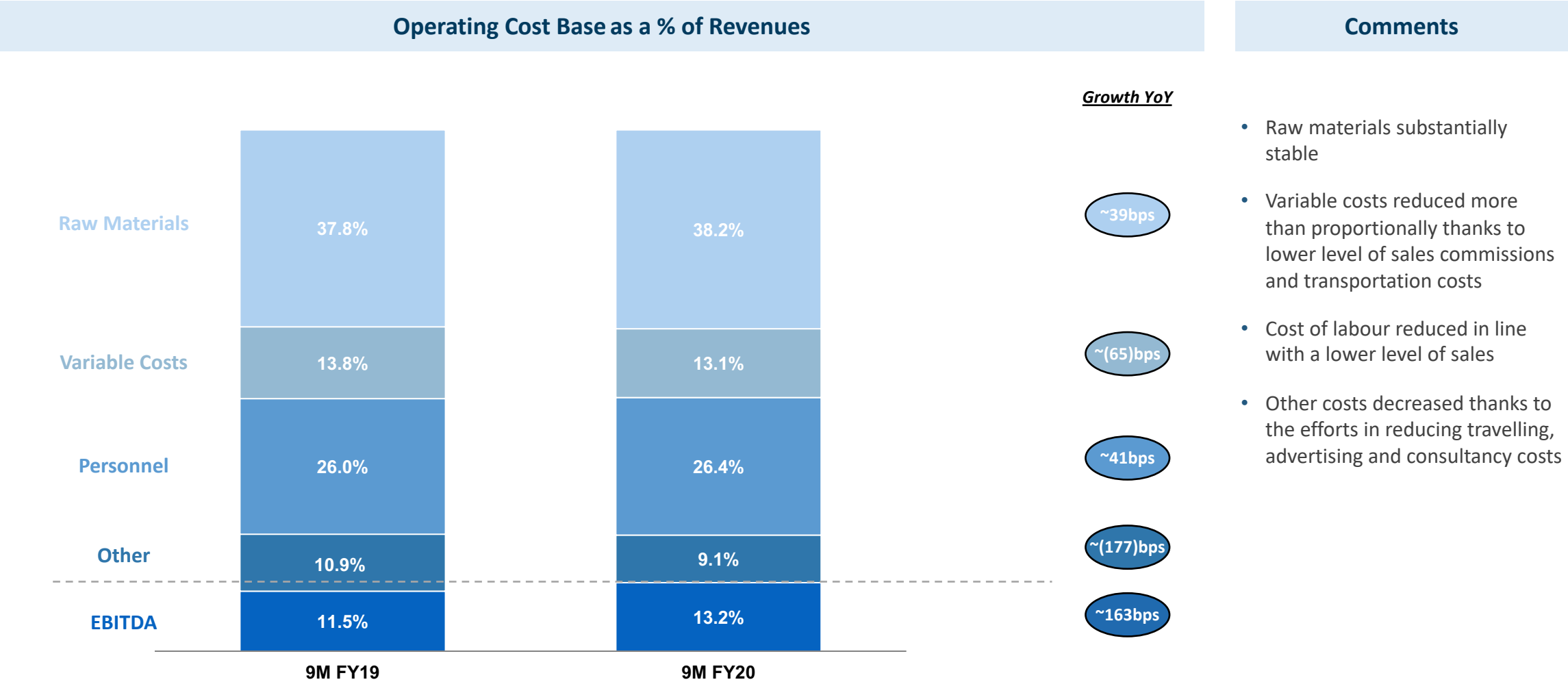
□ Indicates other revenue and income (c. €4.2m in 9M 2019 and €2.8m in 9M 2020)

Improving Profitability Both at EBITDA and EBIT Level



Source: Company Information

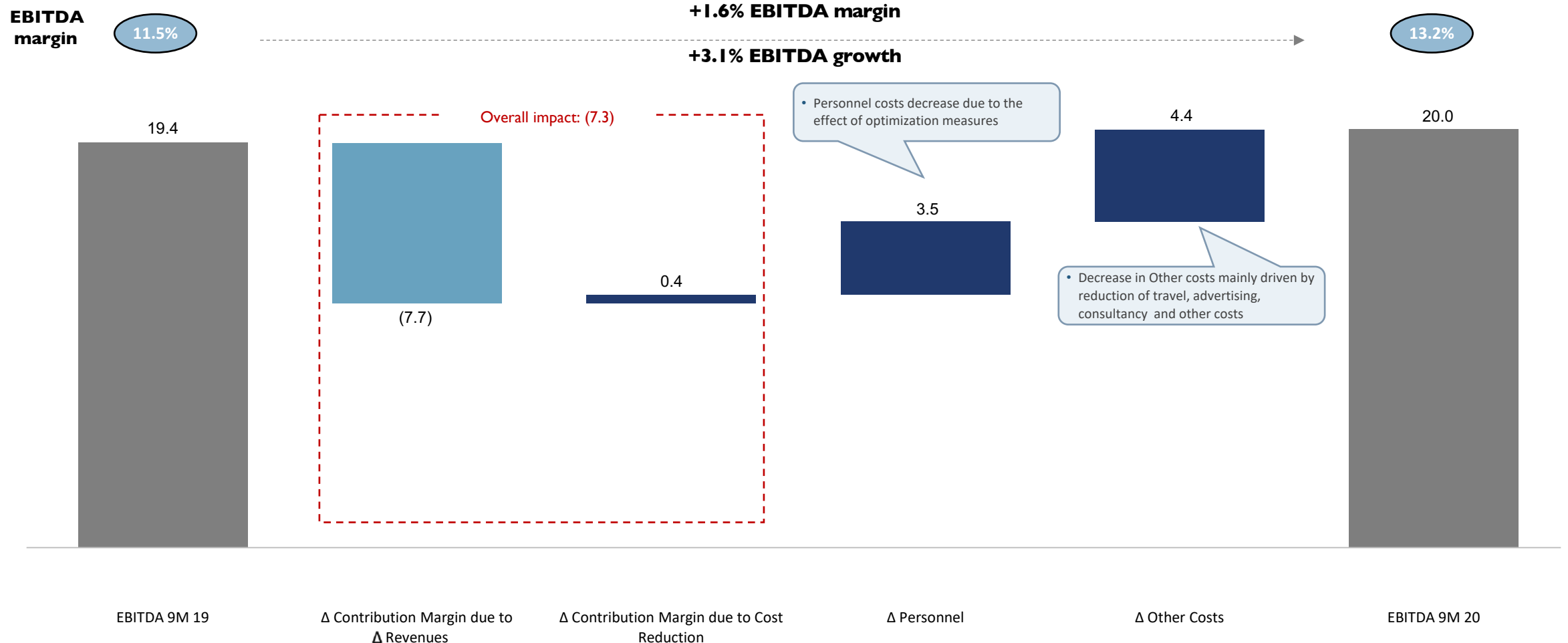
Overview of Operating Costs Breakdown



Source: Company Information

EBITDA Bridge from 9M 2019 to 9M 2020

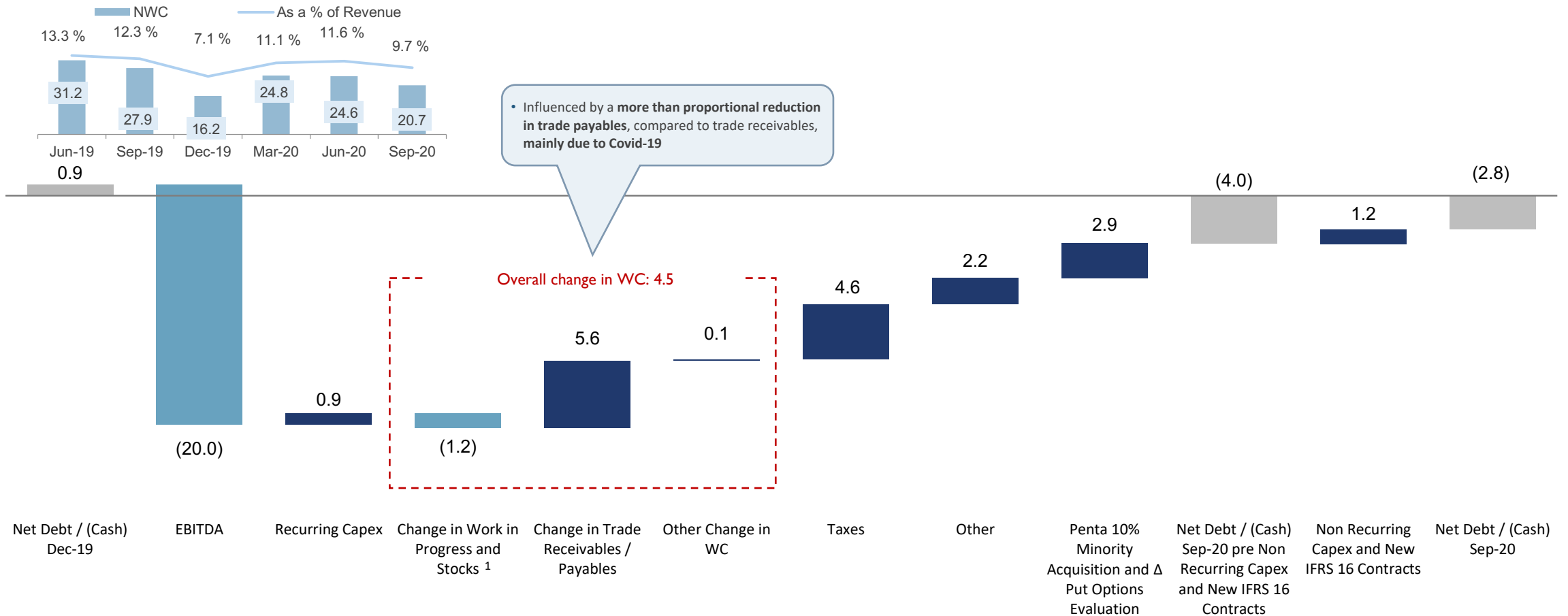
9M 19 to 9M 20 EBITDA bridge (€m)



Net Debt Walk from Dec-19 to Sep-20

Dec-19 to Sep-20 Net Debt bridge (€m)

Working Capital Seasonality (€m)



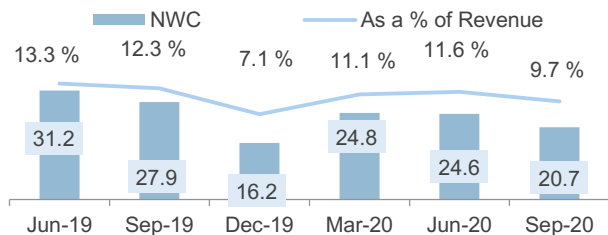
Source: Company Information

¹ Including advances and contract liabilities.

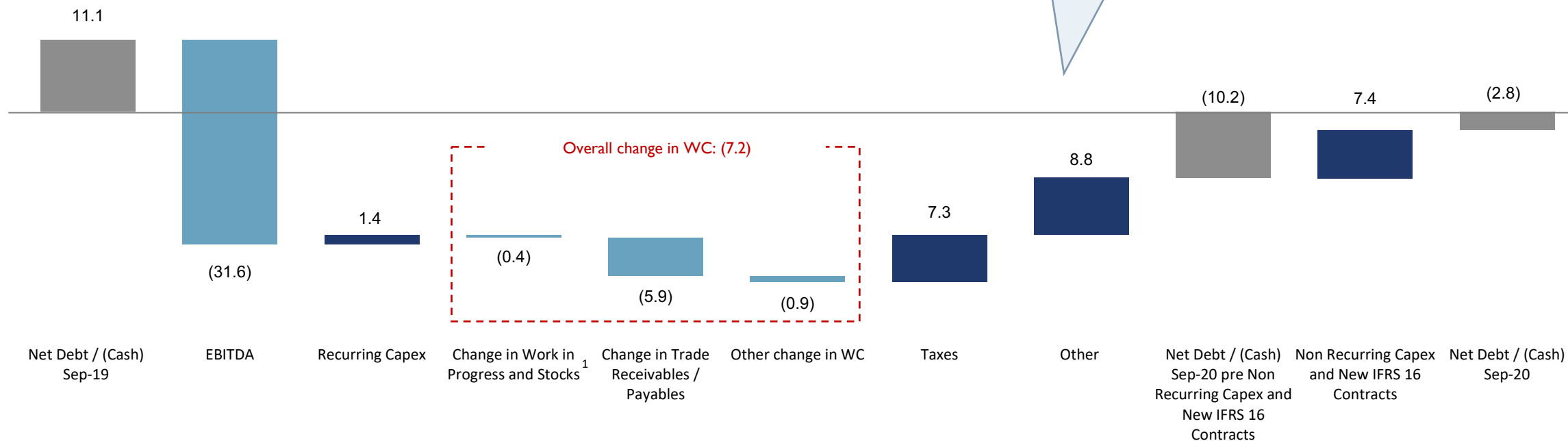
Net Debt Walk from Sep-19 to Sep-20

Sep-19 to Sep-20 Net Debt bridge (€m)

Working Capital Seasonality (€m)



• Includes translation reserve variation €(2.4)m, put options evaluation €(0.7)m, 10% Penta acquisition €(2.8)m, change in consolidation perimeter for Toba €(1.7)m and other liabilities changes



Source: Company Information

¹ Including advances and contract liabilities.



Appendix

Income Statement

€m	9M 2019	9M 2020 Reported	Δ% 9M 2019 vs 9M 2020
Sales	164.0	149.4	(8.9%)
Other sales & other income	4.2	2.8	(32.3%)
<i>o/w capital gain on asset disposal</i>	0.7	-	
Revenues	168.2	152.3	(9.5%)
Raw materials	(63.6)	(58.1)	(8.6%)
Cost of services	(37.7)	(31.3)	(17.1%)
<i>o/w extraordinary costs</i>	(0.8)	-	
Personnel	(43.7)	(40.2)	(8.1%)
Other costs	(3.8)	(2.7)	(30.7%)
EBITDA	19.4	20.0	3.3%
Capital gain on asset disposal	(0.7)	-	
Extraordinary costs	0.8	-	
Adjusted EBITDA	19.5	20.0	2.8%
<i>% Adjusted Margin</i>	<i>11.6%</i>	<i>13.2%</i>	
D&A and provisions	(3.6)	(4.1)	13.5%
EBIT	15.8	15.9	0.9%
Finance income / (expenses)	0.0	(0.1)	(251.2%)
Exchange income (expenses)	0.5	(0.9)	n.m.
Gains (losses) on liabilities for options granted to non-controlling interests	(0.1)	0.1	n.m.
Gains (losses) from equity investments carried at equity	0.1	-	
EBT	16.3	15.1	(7.1%)
Taxes	(4.6)	(4.6)	
Net Income	11.7	10.5	(10.1%)
Attributable to Piovan shareholders	11.8	11.1	(5.9%)
Attributable to minority shareholders	(0.1)	(0.6)	n.m.

Balance Sheet

€m	Dec-19	Sep-20
Property Plant & Equipment	52.4	50.0
Intangible Assets (incl. Goodwill)	7.5	7.2
Financial Assets	0.3	0.3
Net Fixed Assets	60.2	57.4
Trade receivable	52.8	43.8
Inventory	29.3	33.2
Trade payables	(40.6)	(25.9)
Advanced payments from customers	(16.1)	(19.9)
Contract assets/(liabilities)	1.2	(0.2)
Net Trade Capital	26.6	31.0
Tax receivables	3.7	2.5
Other current activities	3.7	4.5
Tax payables	(6.7)	(5.6)
Other current liabilities	(11.1)	(11.7)
NWC	16.2	20.7
Other Credits	4.9	4.5
Other Debts	(5.2)	(4.7)
Pension Fund	(4.8)	(5.0)
Net Invested Capital before Option	71.3	73.0
Put & Call Option	(5.3)	(2.3)
Net Invested Capital	66.1	70.7
Total Shareholders' Equity	65.2	73.5
Net Debt / (Cash)	0.9	(2.8)
Total Sources	66.1	70.7

Cash Flow Statement

€m	Dec-19	Sep-20
Adj. EBITDA	31.0	20.0
Recurring Capex	(2.7)	(0.9)
% on Revenues	(1.1)%	(0.6)%
Cash generation	28.4	19.1
Cash Conversion %	91.4%	95.4%
Non-Recurring Capex	(11.5)	(0.4)
Disposal	1.5	0.1
Δ Net Working Capital	(0.1)	(4.5)
Corporate Taxes	(7.3)	(4.6)
Δ Funds	0.9	0.2
Non operating Items	(1.9)	0.7
Cash Flow from Operation	10.0	10.6
Adjusting Items	(0.1)	-
Δ Put and Call Option	2.6	(3.0)
Dividend distribution	(7.7)	-
Changes in equity	(2.9)	(2.2)
Other financial charges	0.0	(0.1)
Δ Exchange loss/gain	(0.0)	(0.9)
Income from equity method investments	(0.1)	0.1
Acquisitions	(2.2)	-
IFRS 16 impact in the period	(3.2)	(0.9)
Δ Net Financial Position	(3.6)	3.8
NFP BoP	(2.6)	0.9
Δ Net Financial Position	3.6	(3.8)
NFP EoP	0.9	(2.8)