



FINANCIAL RESULTS Q1 2021

14 May 2021

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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

- Engineering, production and installation of **customized automation solutions**

Applications

- Global leader in **plastic** and **plastic compounds**
- Growing presence in **food and non plastic** (e.g. powder ingredients)

Our customers

- **Global and diversified** customer base across several end-markets
- Over **4,000 customers**¹

Global footprint

- **9 manufacturing sites** in 4 continents
- **31 services & sales companies** worldwide²
- **70 countries** covered

Innovation DNA

- **C. 4% of Revenues** invested in R&D and Engineering³
- **206 dedicated employees**³

Source: Company information

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

LTM Mar-2021 Key Financials

Revenues

€237.7m

+5.5%

FY20-LTM Mar- 21

EBITDA

€35.3m
(14.8% Margin)

+9.4%

FY20-LTM Mar- 21

Net Income

€20.3m
(8.5% Margin)

+16.5%

FY20-LTM Mar- 21

Cash Conv.⁴

~95.6%

~0.7%

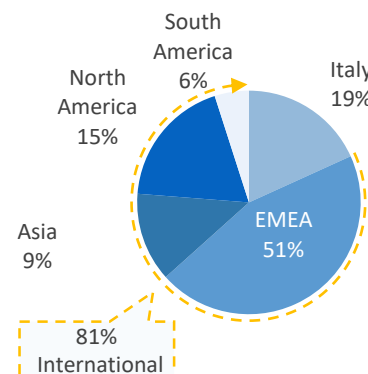
Recurring Capex /
Revenues

ROCE⁵

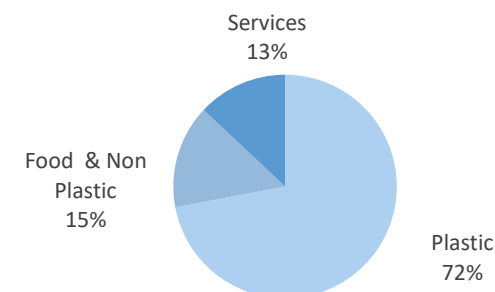
~52%

Q1 2021 Revenues Breakdown⁶

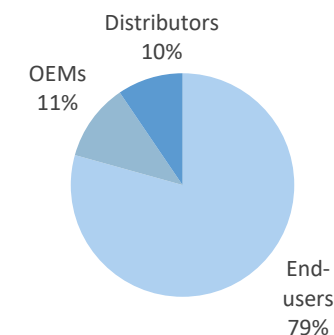
by Geography



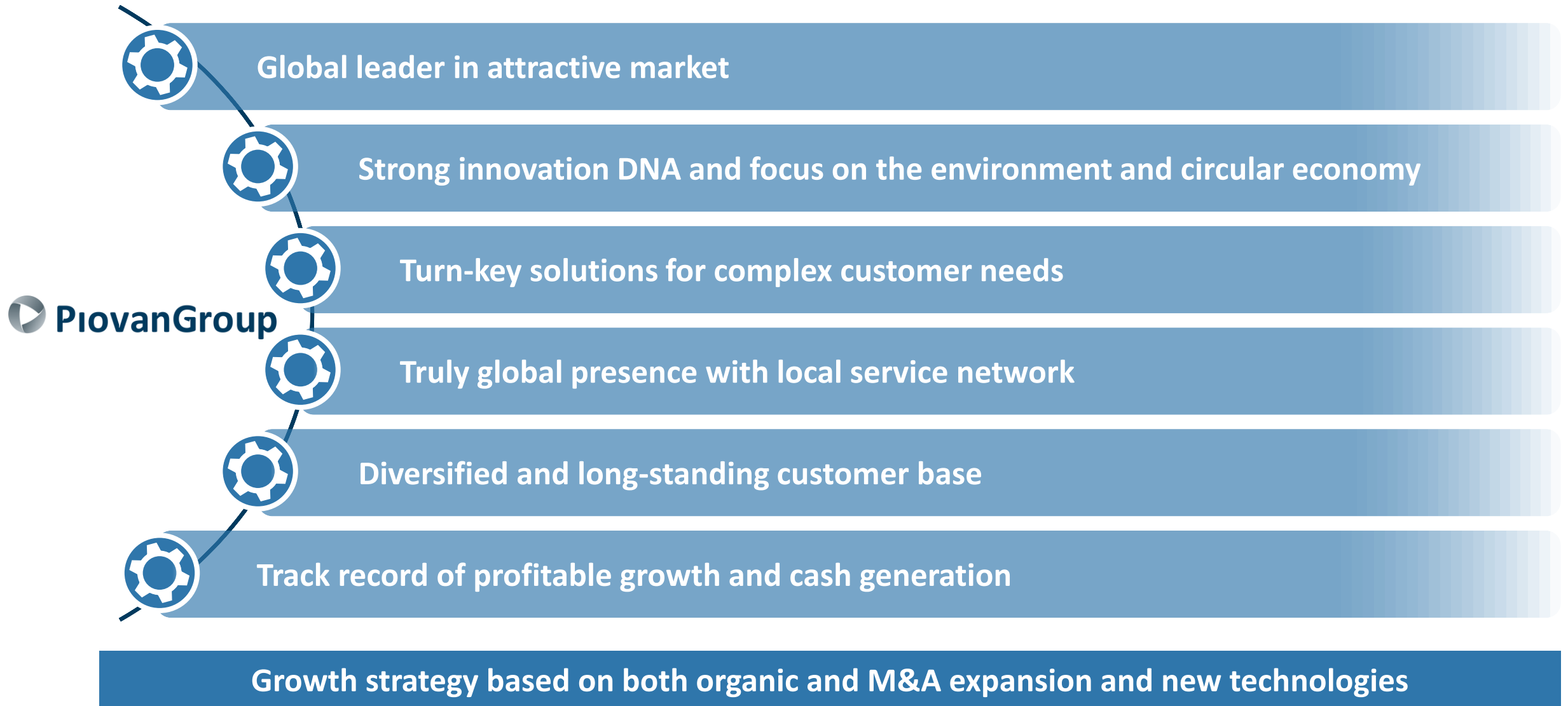
by Segment



by Channel

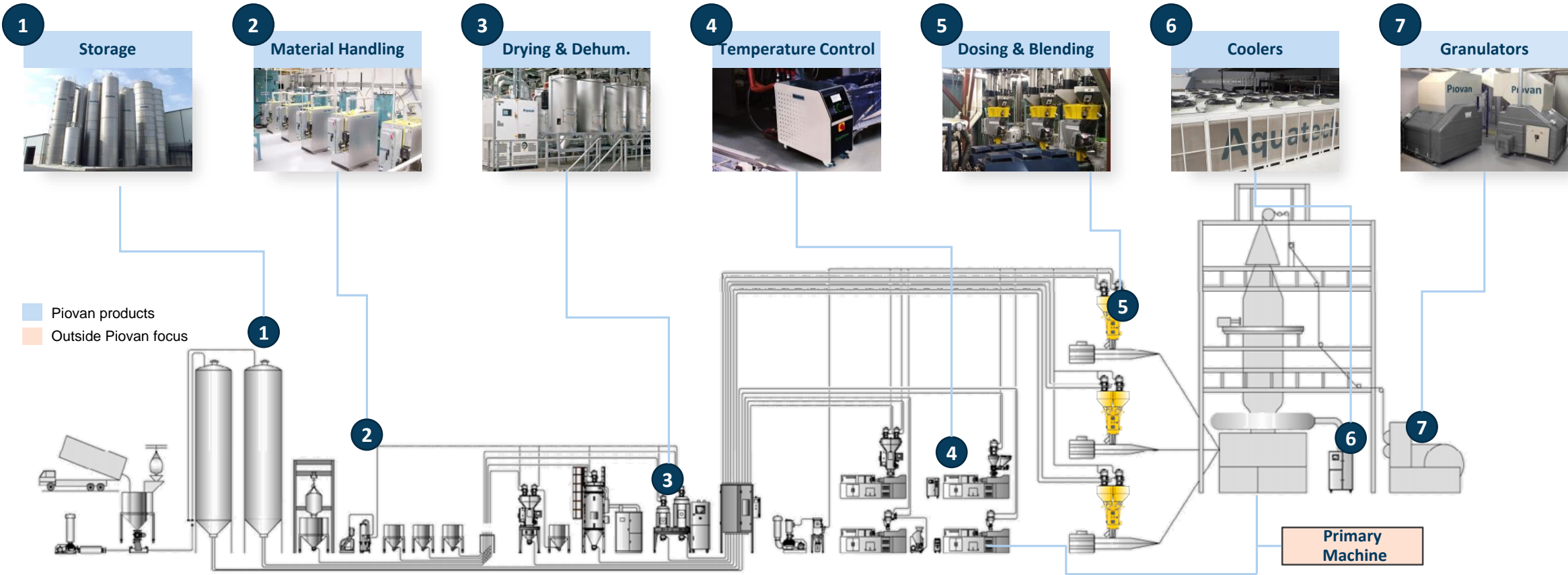


PIOVAN COMPETITIVE ADVANTAGES



PIOVAN GROUP

TECHNOLOGICAL INTEGRATION

















Automating The Whole Process From Silos To Primary Machines

Source: Company information

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		✓	✓	✓	✓	✓	✓	✓	✓	✓
		✓ 	 ✓ 		 ✓ 		 ✓	 ✓		 ✓
Recently Added Creamy Liquids		✓	✓							✓

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

DIVERSIFIED RANGE OF END-MARKETS SERVED



Source: Company information

PIOVAN GROUP

GLOBAL FOOTPRINT

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

* **Piovan Brasil**

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

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

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

Global presence

Piovan Group

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

OUR CONTRIBUTION TO CIRCULAR ECONOMY



Solutions for **post consumed plastic and biopolymers**



Systems for **reduction and control of contaminants**



Safe, traceable and stable processes



Service team for **CAPEX life maximisation**



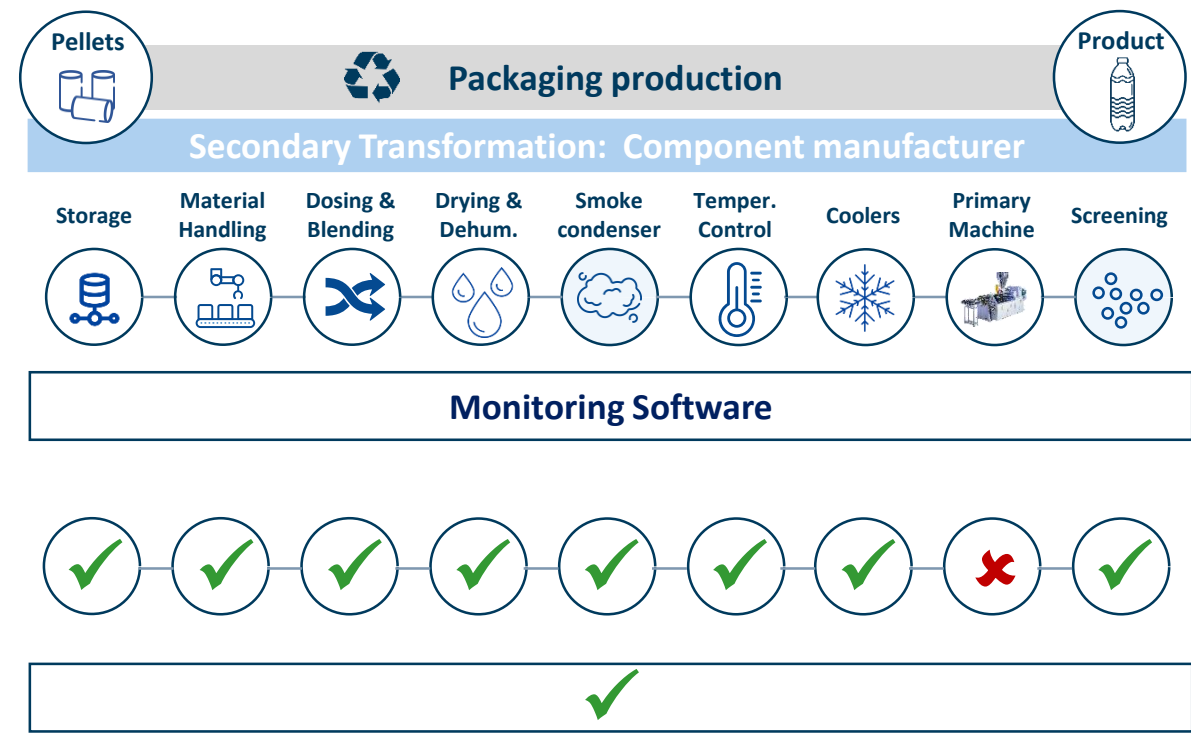
9 patents registered in 2020
“recycling related”



20.2 % of Q1 FY21 revenues in Packaging, Fibres, Recycling and Compound is “**circular economy related**” (21.6% in 2020)



SOLUTIONS FOR PRIMARY RECYCLING AND SECONDARY TRANSFORMATION CONTRIBUTION TO CIRCULAR ECONOMY



Legend

- ✗ Outside Piovan Scope
- ✓ Within Piovan Scope
- Typical process of the Recycling Phase
- Typical process of the Packaging production Phase

Source: Company Information
¹Crystallization could be either in primary or secondary transformation depending on the process features



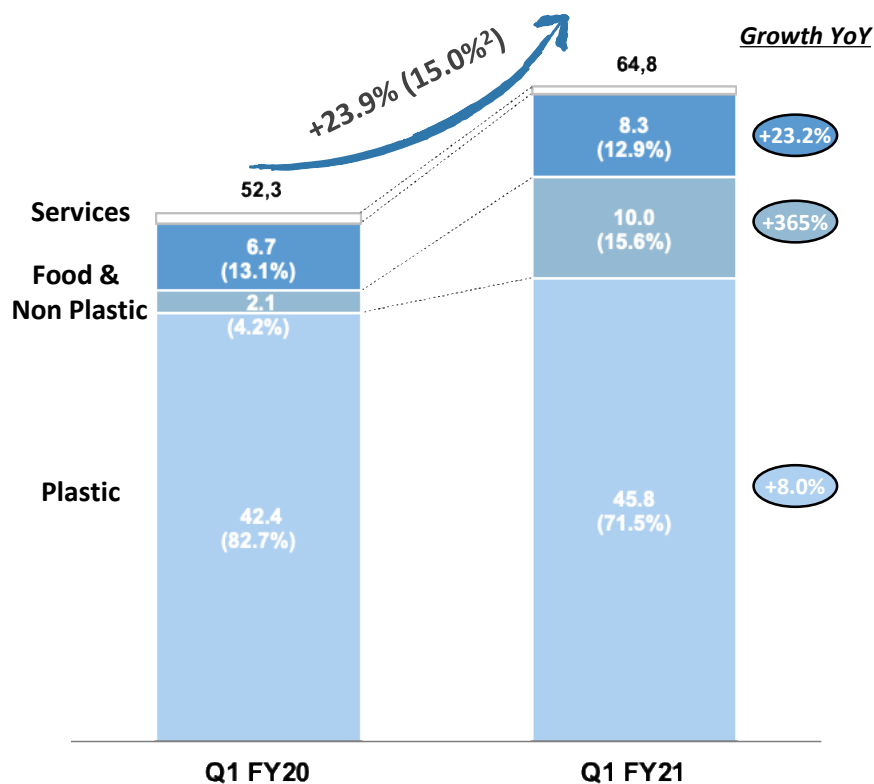
Q1 2021 Results

PIOVAN Q1 2021 KEY BUSINESS & FINANCIALS HIGHLIGHTS

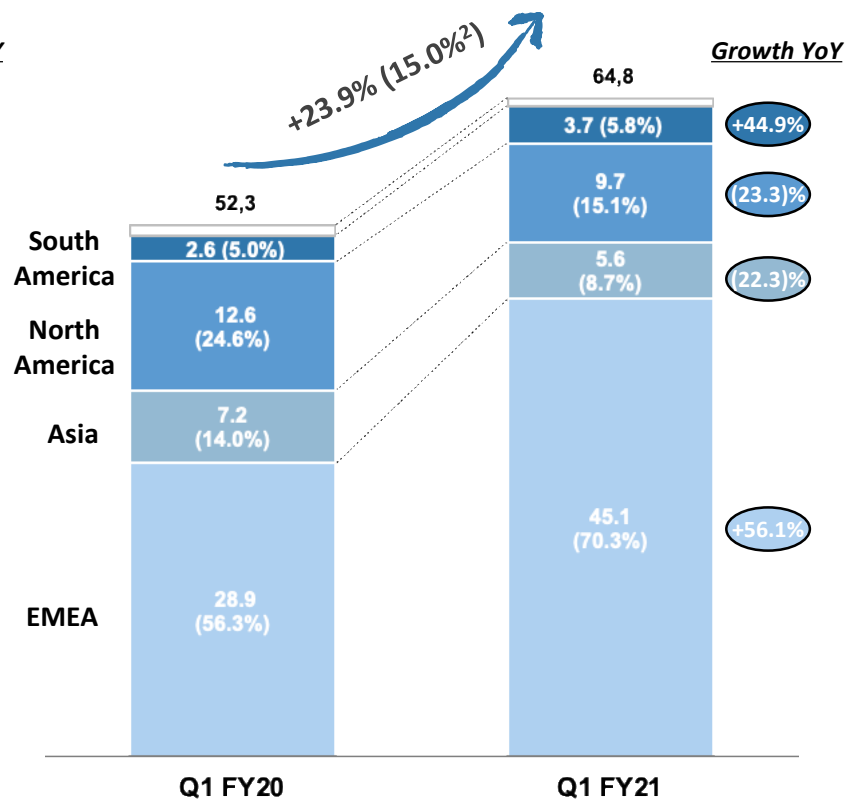
- ▶ Solid financial performance in Q1 FY21 vs. Q1 FY20 with double digit growth at sales revenues and 50% growth in EBITDA
- ▶ Positive market situation across most of business sectors and geographic areas
- ▶ Initiated a positive integration process of Doteco
- ▶ Reinforced organisation structure in food
- ▶ Increased Share Of Market (SOM) thanks to local presence in most of key markets
- ▶ First post Covid exhibition ChinaPlast 100% executed by local team with successful participation
- ▶ Rolled out a plan to limit the effect of commodities fluctuation

EXCELLENT PERFORMANCE ACROSS SEGMENTS, WITH FOOD & NON PLASTIC SYSTEMS LEADING THE WAY

Revenues by Application (€m)¹



Revenues by Geography (€m)¹



□ Indicates other revenue and income (c. €1.1m in Q1 FY20, €0.7m in Q1 FY21)

Comments

DOTECO ACQUISITION

- Doteco contribution in Q1 FY21 accounted for €4.6m in absolute value

BY APPLICATION

- **Plastic** grew by 8% compared to the same period of the previous year despite a lower contribution from Penta which in the quarter was focused mainly on food activities
- **Food & Non-Plastic** area growing strongly YoY (+365%), thanks to the completion in the quarter of some important orders started in 2020
- **Services** revenues up by 23.2% YoY. Reduction in terms of % contribution on tot. revenues as a result of the growth of the Food sector which has a lower incidence of spare parts

BY GEOGRAPHY

- **EMEA** revenues up 56.1% (70.3% of tot.) mainly due to the Food area and the acquisition of Doteco
- Excellent growth in **South America**, which would have been over 70% YoY at constant exchange rates, mainly linked to strong growth in the Food area
- **Asian market** affected by a temporary slowdown in Southeast Asia in finalizing some important orders.
- **North American** market down by 23.3% YoY to the postponement to the second quarter of some orders in the United States and a still weak Mexican market

Source: Company Information

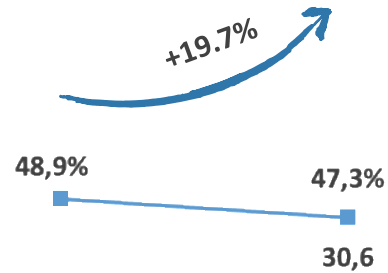
¹ Revenues % breakdown excludes other revenue and income.

² Growth rate based on metric excluding the impact of Doteco.

STRONG IMPROVEMENT IN PROFITABILITY VS. Q1-20

Contribution Margin

€m and Margin



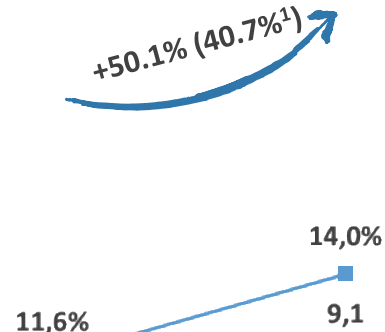
Q1 FY20

Q1 FY21

- Contribution Margin evolution mainly ascribable to the increase in sales partly counterbalanced by a combination of mix effect and the increase in the cost of raw materials

EBITDA

€m and Margin



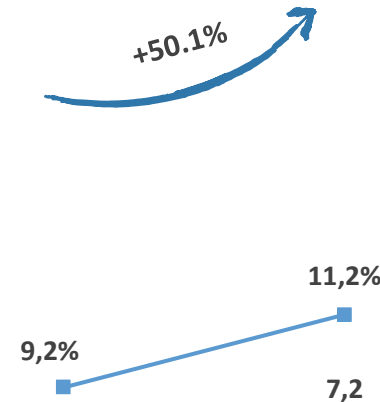
Q1 FY20

Q1 FY21

- Increase in profitability both at EBITDA and EBIT level as a result of operating leverage effect
- On a like-for-like basis, excluding the impact of Doteco, EBITDA would have amounted to €8,5m, up by 40.7%

EBIT

€m and Margin

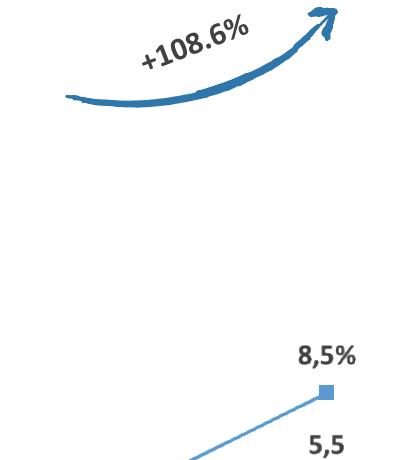


Q1 FY20

Q1 FY21

Net Income

€m and Margin



Q1 FY20

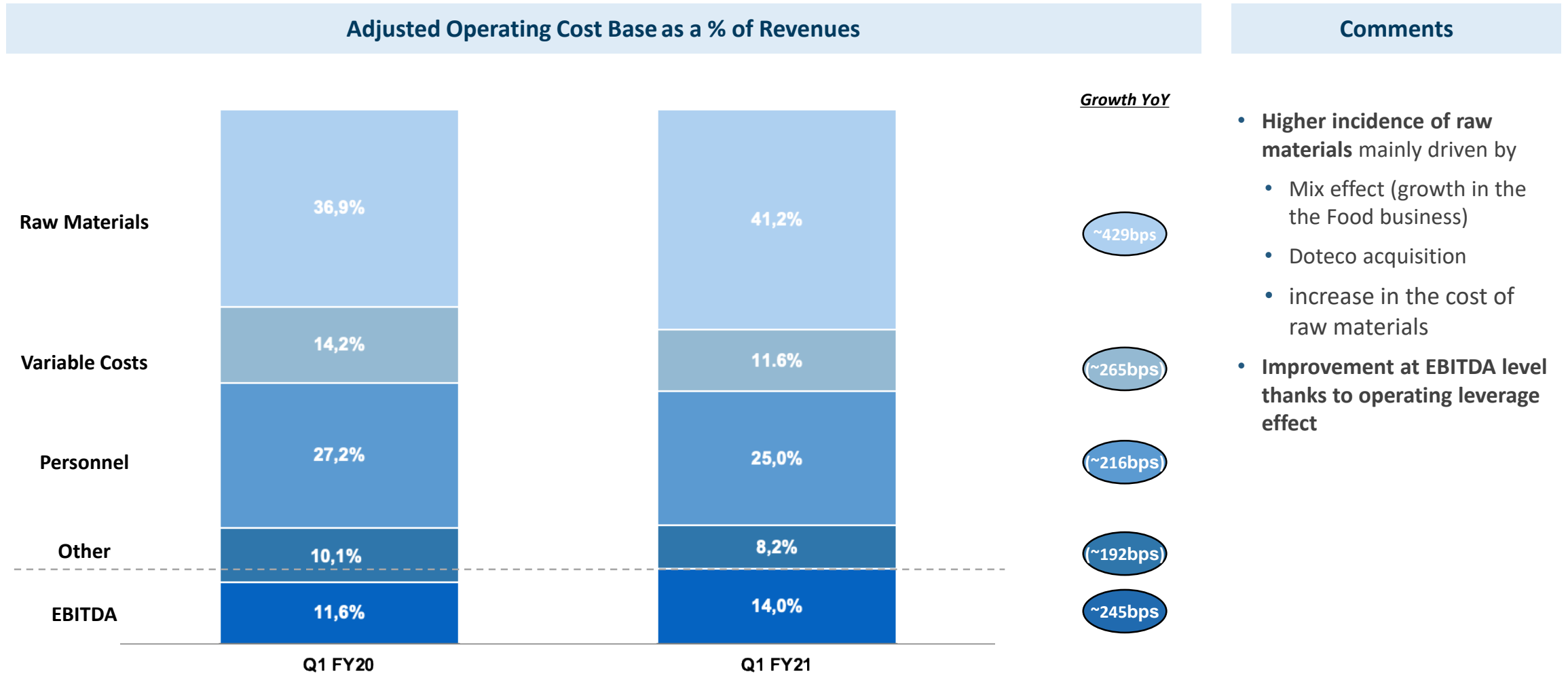
Q1 FY21

- Net Income more than double over the period

Source: Company Information

¹ Growth rate based on metric excluding the impact of Doteco

...DRIVEN BY STRONG OPERATING LEVERAGE



Source: Company Information

EBITDA BRIDGE FROM Q1 FY-20 TO Q1 FY-21

Q1 FY-20 to Q1 FY-21 EBITDA bridge (€m)

EBITDA
margin

11.6%

+2.4% EBITDA margin

14.0%

+50.1% EBITDA growth

Overall Contribution Margin Impact: 5.0

6,1

(1,1)

• On a like-for-like basis, excluding the impact of Dotecco, EBITDA would have amounted to €8,5m, up by 40.7%

(2,0)

(0,0)

9,1

• Volume effect resulting in improvement at Contribution Margin level despite impact of mix effect / increase in cost of raw materials

EBITDA Q1 FY20

Δ Revenues (@ constant
margin)

Δ Contribution Margin (Net of
Revenues Effect)

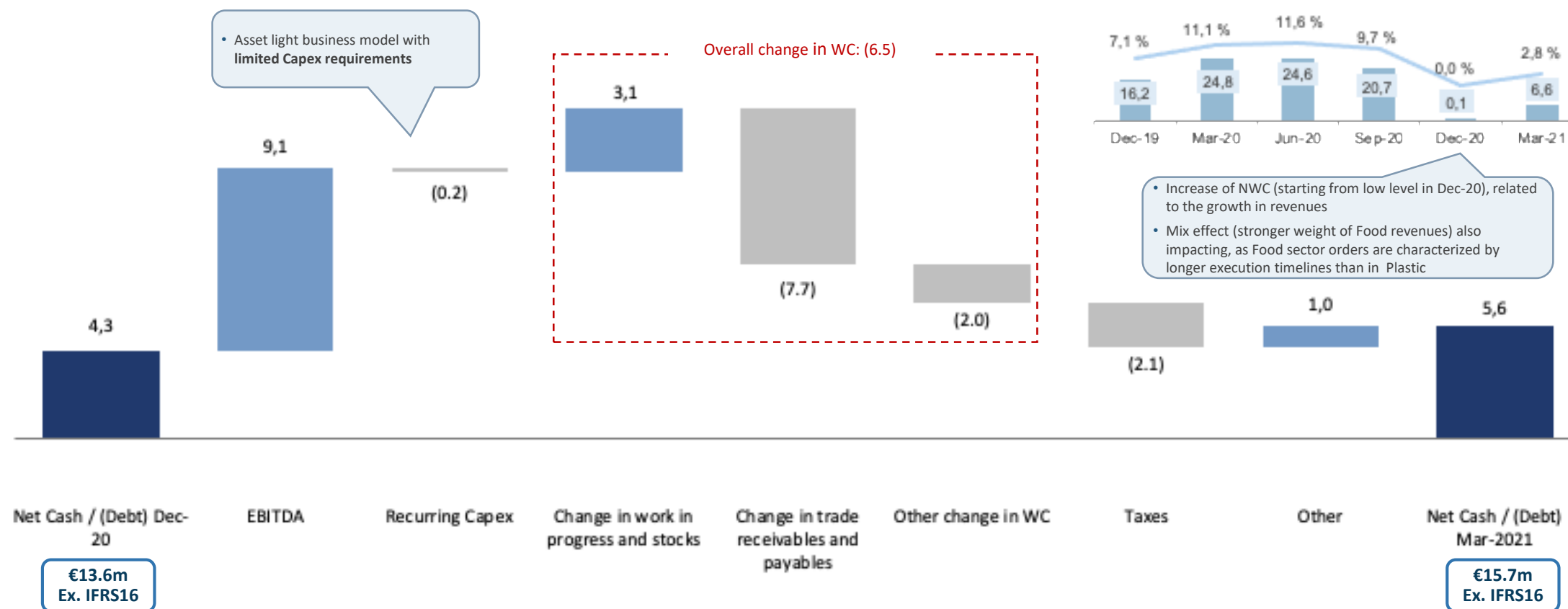
Δ Personnel

Δ Other Costs

EBITDA Q1 FY20

NET DEBT WALK FROM DEC-20 TO MAR-21

Dec-20 to Mar-21 Net Debt bridge (€m)





Appendix

Income Statement

€m	Q1 FY20	Q1 FY21	LTM Mar 2021	Δ% Q1 FY20 vs Q1 FY21
Sales	51,3	64,1	233,9	25,0%
Other sales & other income	1,0	0,7	3,8	(29,9%)
Revenues	52,3	64,8	237,7	23,9%
Raw materials	(19,3)	(26,7)	(93,8)	38,3%
Cost of services	(11,8)	(11,8)	(44,5)	0,4%
Use of Third Party Assets	(0,4)	(0,4)	(1,2)	(7,7%)
Personnel	(14,2)	(16,2)	(59,0)	14,0%
Other costs (incl. Provisions for risks and charges)	(0,6)	(0,7)	(4,0)	10,1%
EBITDA	6,1	9,1	35,3	50,1%
EBITDA Margin	11,6%	14,0%	14,8%	
D&A	(1,2)	(1,9)	(6,8)	50,1%
EBIT	4,8	7,2	28,4	50,1%
Finance income / (expenses)	(0,2)	(0,0)	(0,1)	
Exchange income (expenses)	(0,3)	0,4	(1,5)	
Gains (losses) on liabilities for options granted to non-controlling interests	(0,1)	-	0,6	
Gains (losses) from equity investments carried at	-	-	(0,1)	
EBT	4,3	7,6	27,4	79,6%
Taxes	(1,6)	(2,1)	(7,1)	32,0%
% Tax Rate	37,8%	27,8%	25,9%	
Net Income	2,6	5,5	20,3	108,6%
Attributable to Piovan shareholders	2,7	5,5	20,4	102,3%
Attributable to minority shareholders	(0,1)	(0,0)	(0,2)	nm

Balance Sheet

€m	Mar-20	Dec-20	Mar-21
Property Plant & Equipment	51,9	52,3	51,6
Intangible Assets (incl. Goodwill)	7,5	27,5	27,3
Financial Assets	0,3	0,2	0,2
Net Fixed Assets	59,7	80,0	79,0
Trade receivable	46,9	41,9	46,4
Inventory	30,9	36,9	37,8
Trade payables	(26,5)	(39,9)	(36,7)
Advanced payments from customers	(18,2)	(19,4)	(21,7)
Contract assets/(liabilities)	2,0	1,4	(0,3)
Net Trade Capital	35,1	20,9	25,5
Tax receivables	3,1	3,3	3,2
Other current activities	4,9	3,5	5,8
Tax payables	(5,5)	(9,4)	(6,5)
Other current liabilities	(12,8)	(18,2)	(21,4)
NWC	24,8	0,1	6,6
Other Credits	4,7	5,4	5,2
Other Debts	(4,8)	(6,9)	(6,9)
Pension Fund	(4,8)	(6,4)	(6,6)
Net Invested Capital before Option	79,5	72,2	77,4
Put & Call Option	(5,3)	(1,9)	(1,9)
Net Invested Capital	74,2	70,3	75,5
Total Shareholders' Equity	66,9	74,6	81,1
Net Debt / (Cash)	7,3	(4,3)	(5,6)
Total Sources	74,2	70,3	75,5

Cash Flow Statement

€m	Mar-20	Dec-20	Mar-21
EBITDA	6,1	32,2	9,1
Recurring Capex	(0,4)	(1,7)	(0,2)
% on Revenues	(0,6)%	(0,8)%	(0,1)%
Cash generation	5,7	30,5	8,9
Cash Conversion %	94,2%	94,7%	97,6%
Non-Recurring Capex	(0,2)	(0,5)	0,0
Disposal	0,1	0,1	0,0
Δ Net Working Capital	(8,5)	16,2	(6,5)
Corporate Taxes	(1,6)	(6,6)	(2,1)
Δ Funds	0,0	1,6	0,2
Non operating Items	(0,1)	2,6	(0,3)
Cash Flow from Operation	(4,6)	44,0	0,1
Δ Put and Call Option	0,1	(2,8)	-
Dividend distribution	-	(5,6)	-
Changes in equity	(0,9)	(2,3)	0,9
Other financial charges	(0,2)	(0,3)	(0,0)
Δ Exchange loss/gain	(0,3)	(2,2)	0,4
Income from equity method investments	(0,1)	(0,1)	-
Acquisitions	-	(21,3)	-
IFRS 16 impact in the period	(0,4)	(4,1)	(0,2)
Δ Net Financial Position	(6,3)	5,3	1,3
NFP BoP	0,9	0,9	(4,3)
Δ Net Financial Position	6,3	(5,3)	(1,3)
NFP EoP	7,3	(4,3)	(5,6)