



**FY 2023
FINANCIAL RESULTS
PRESENTATION**

20th March 2024

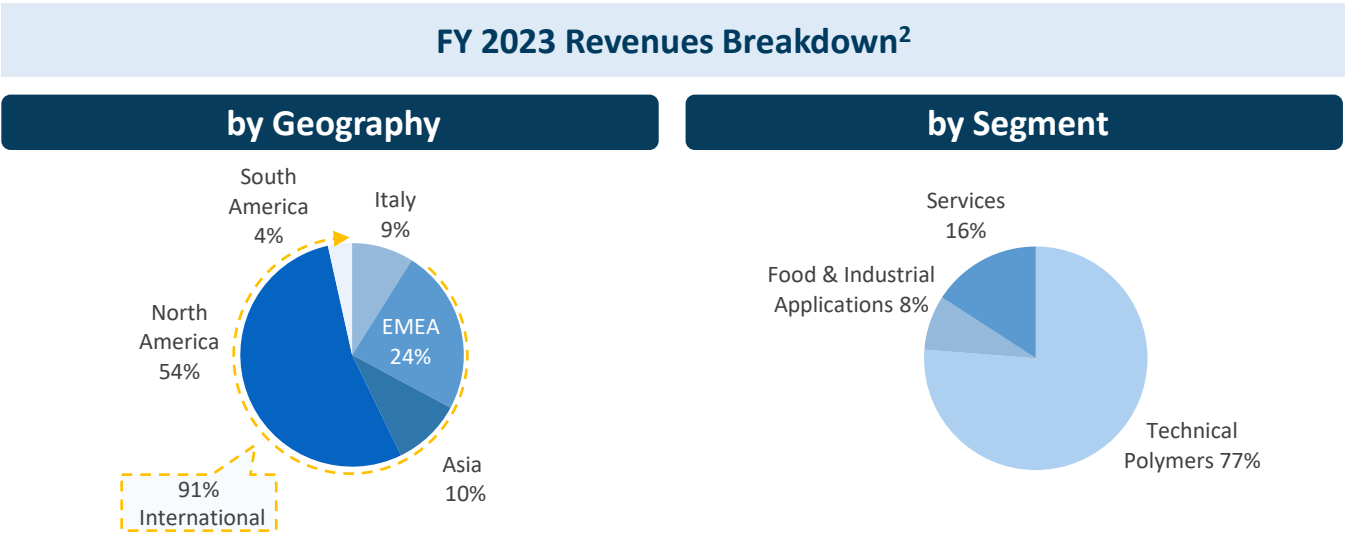


2023 KEY HIGHLIGHTS

PIOVAN GROUP AT A GLANCE – KEY FACTS AND FIGURES

What we do	<ul style="list-style-type: none">Engineering, development and installation of customized automation for production w/ virgin and recycled polymers, food powders and creams
Applications	<ul style="list-style-type: none">Global leader in technical polymers and recycled plasticGrowing presence in food and industrial applications (e.g. powder ingredients)
Our customers	<ul style="list-style-type: none">Global and diversified customer base across several end-markets>7,100 customers¹
Global footprint	<ul style="list-style-type: none">14 manufacturing sites in 4 continents43 services & sales companies worldwide as of 31 December 202370+ countries covered
Innovation DNA	<ul style="list-style-type: none">C. 3.6% of Revenues invested in R&D and Engineering³294 dedicated employees³

FY 2023 Key Financials				
Revenues	Adj. EBITDA	EBIT	Net Income	Cash Conv. ⁴
€570.5m (>€580m at constant fx) +17.8% <small>CAGR vs. FY 2017</small>	€78.9m (~€80m at constant fx 13.8% Margin) +16.0% <small>CAGR vs. FY 2017</small>	€64.7m (11.3% Margin) +14.0% <small>CAGR vs. FY 2017</small>	€48.9m (8.6% Margin) +15.9% <small>CAGR vs. FY 2017</small>	~94.5% ca 0.8% <small>Recurring Capex / Revenues</small>



Source: Company information
¹In 2023 above 1.000€ T/O. ² Excluding other sales & other income. ³As of FY 2023. ⁴Defined as Adj. EBITDA – Recurring Capex / Adj. EBITDA.

FY 2023 KEY OPERATING HIGHLIGHTS

- ▶ Reached historical record financial results at €570m in revenues and €79m adjusted EBITDA
- ▶ Acquired assets of ProTec Polymer Processing GmbH out of liquidation to strengthen services & market share with key German OEMs
- ▶ Established new branches / local service & commercial activity in Indonesia, S. Korea and Nigeria continuing in organic expansions
- ▶ Announced simplification of Group brand architecture, reducing brand from 14 to 5 industry-recognized brands (plus 4 cobranding)
- ▶ 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
- ▶ Approved first set of ambitious ESG targets designed to guide the Group towards a more sustainable and responsible future
- ▶ Group Academy initiated 1st cycle of training program aimed at teaching how to manufacture quality packaging from recycled plastic

GROUP BRAND ARCHITECTURE SIMPLIFICATION

OUR LEGACY AND INORGANIC GROWTH

The intensity of acquisitions
has increased over the years



GROUP BRANDS EVOLUTION

FROM 14 TO 5

Pre-reorganization

 **Piovan**

Piovan Group

 **Fdm**

Piovan Group

 **Penta**

Piovan Group

 **Progema**

Piovan Group

 **DOTECA**
ART OF CONTROL

 **CONAIR**

 **pe:etron**

 **Aquatech**

Piovan Group

 **Una-Dyn**

Piovan Group

 **Fea**

Piovan Group

 **Energys**

Piovan Group

 **IPEG**

INDUSTRIAL GROUP

 **Republic Machine**

 **THERMAL CARE**

Today

Piovan

Conair

Doteco

Pelletron

Thermal Care

+ 4 co-branding

ACQUISITION OF A MAJORITY STAKE IN NU-VU

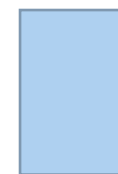
Key Takeaways

- Transaction with **strong strategic rationale**, with a **limited upfront investment**
- Indian market is **among the fastest growing market** in the world for polymers
- Possibility to **expand perimeters of products** thanks to technology transfer from Piovan to NuVu
- **Manufacturing base** to supply future markets of Middle east and a central Africa

Key Financials 2023

Revenues

approx. €20m



Net Income

approx. €2.5m



Nu-Vu at a Glance



Based In
Piplaj, Ahmedabad, India



250 employees



150k sq. ft. facility
(+ future 80k sq. ft.)

The Transaction will drive significant value creation and represent another important growth milestone for the Group

OUR COMMITMENT TO SUSTAINABILITY

SELECTED 2023 SUSTAINABILITY KPIS

ENVIRONMENTAL



ENERGY SAVING



Low consumption of energy, water and CO₂ emissions in assembling production activities



2023 scope 1 & 2 emissions down 23% and 7% respectively vs. 2022 on an organic basis



+24% electrical energy auto-produced in 2023 vs 2022 thanks to installation of PV plant in HQ site

SOCIAL



TRAINING & DIVERSITY

% of the Group's employees trained in 2023



80+%

29 hrs avg training per employee (+8% vs. 2022 or 2 hrs. more each)

% of vulnerable categories on tot. FTEs



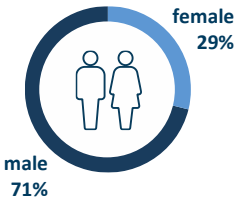
7%

GOVERNANCE

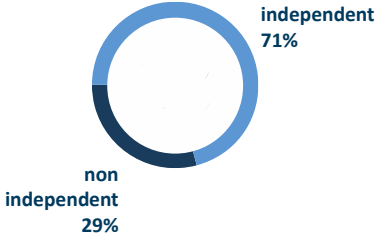


BOD COMPOSITION & MGMT CONTROL

BoD by gender



BoD members, Independent vs. non independent



Global management structure organized by geographic area and sector matrix

OUR COMMITMENT TO SUSTAINABILITY

APPROVAL OF SELECTED ESG TARGETS



Mitigation of climate change

Key Targets

- Supply at least **50%** of electricity from renewable sources **by 2030 (Group target)**
- Reduction of **CO2 emissions by 40% (Scope 2) by 2030**
- **Ambition 2050 – Carbon Neutrality**

Diversity & Inclusion

Key Targets

- Increase **female representation in managerial roles by 5p.p. by 2026**
- Increase the **presence of minorities among workers by 1 p.p. by 2028**
- **Foster internal growth** through employee training actions by developing a procedure in 2024



Training



Key Targets

- Increase avg. training hours **up to 4 days a year by 2025 (Group target)**
- **Extend accessibility to the Group's Academy to all companies** within the consolidation perimeter progressively by 2025

Key ESG Targets

Governance



Key Targets

- **Enrich the panel of ESG policies** currently adopted by the Group and roll them out to all subsidiaries



Supply Chain

Key Targets

- Include ESG considerations in the **periodic supplier performance assessment** (Italy by 2025 – Group by 2027)



FY 2023 FINANCIAL RESULTS

REVENUES SHOW STRONG PERFORMANCE ACROSS ALL GEOGRAPHIES AND CONTINUED GROWTH IN TECH. POLYMERS & SERVICES. FOOD RECOVERING VS. 1H 2023

Revenues by Application (€m)¹

Revenues by Geography (€m)¹

Comments

FX ANALYSIS

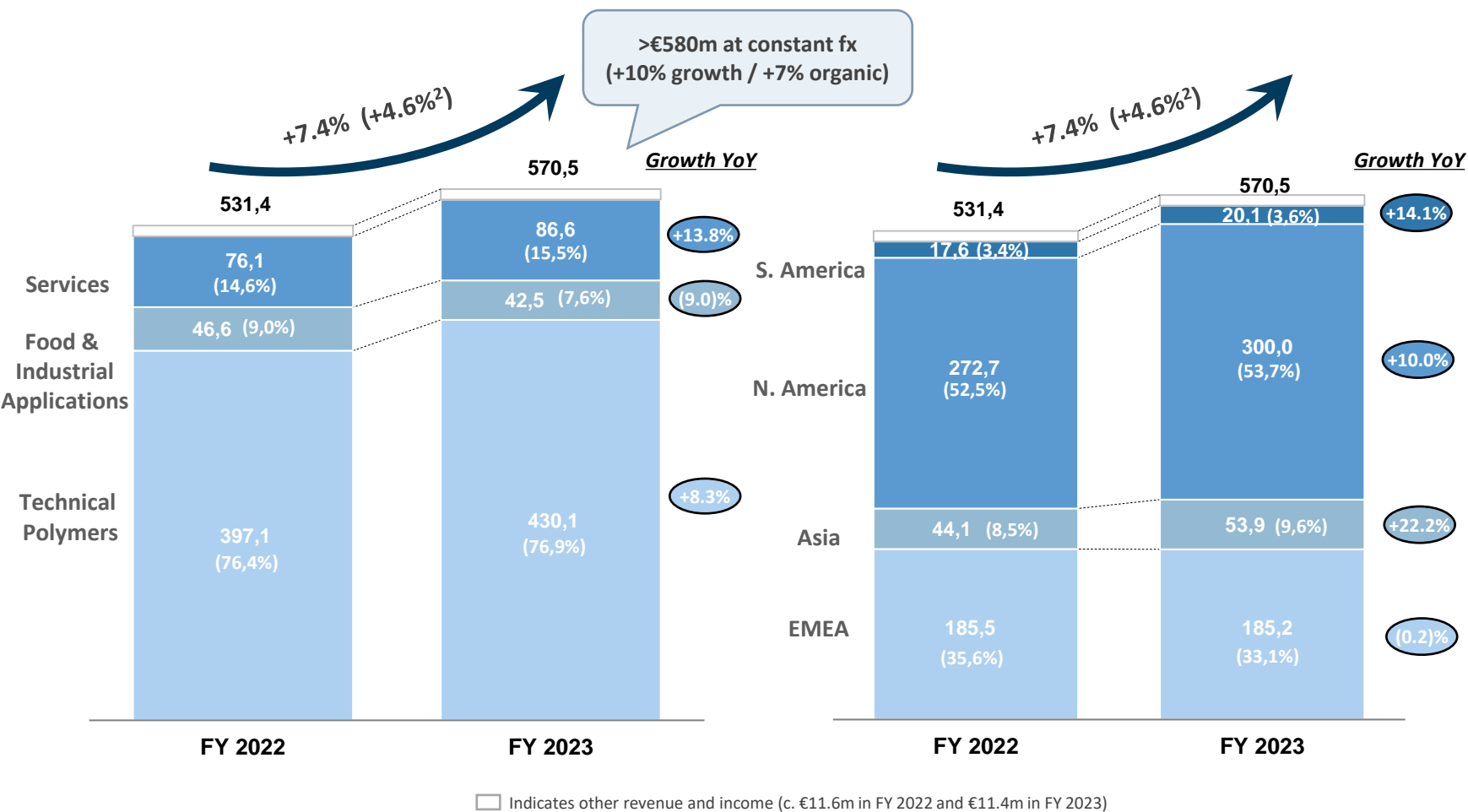
- Revenues (excl. other revenues and income) at constant FX would have been €11.3m higher for a growth of 9.7% YoY

BY APPLICATION

- Technical Polymers** shows an 8.3% organic increase with a good performance in all geographies. Growth driven by an increase in investments in new technical materials, a growth in the automotive sector due to the transition towards electric mobility and a continuous growth in medical applications
- Food & Industrial Applications** showing a reduction vs. FY 2022 but with a recovery vs. H1 2023, due to timing of development of certain projects and to order intake in the plastic powders market, which took some capacity away from food powders
- Services** up by 13.8% confirming the success of the Group's plans in growing the sector

BY GEOGRAPHY

- N. America** presents a solid performance with positive contribution of reshoring activities and from the performance of Thermal Care
- EMEA** performance limited by Food projects developed in Europe but with the North American market as final destination. General business remains positive with increases in share of market in the region
- Asia** presents a positive performance vs. FY 2022 also thanks to large projects collected between end of 2022 and beginning of 2023 and a positive development of Indian activities
- S. America** in good health thanks to solid backlog at the beginning of the year



SOURCE: COMPANY INFORMATION

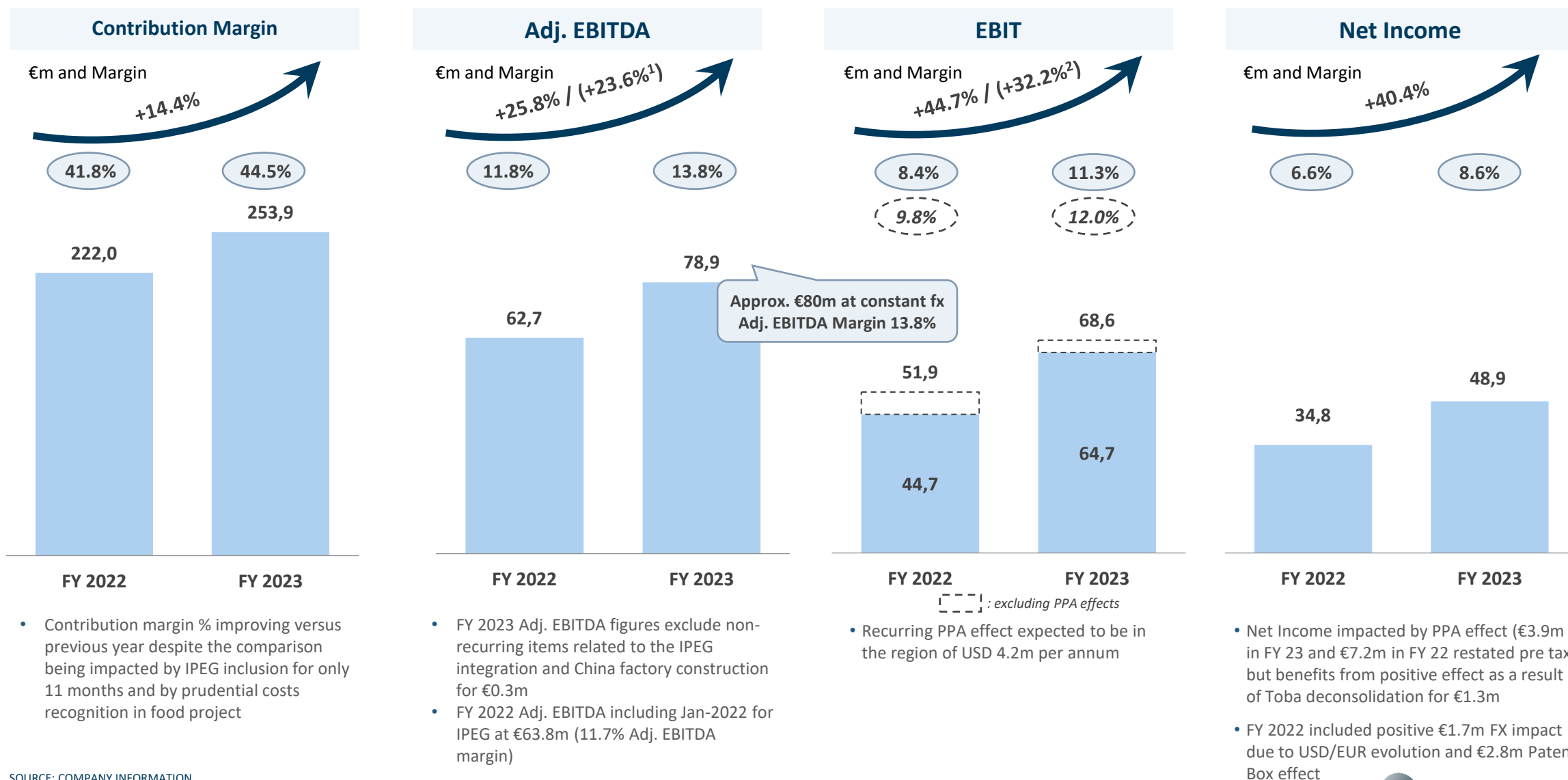
¹ REVENUES % BREAKDOWN EXCLUDES OTHER REVENUE AND INCOME.

² GROWTH RATE BASED ON A LFL BASIS INCLUDING IPEG ALSO FOR THE MONTH OF JAN-2022.

FY 2023 CONFIRMS REBALANCING TRENDS IN END-MARKETS DRIVEN BY STRONG PERFORMANCE IN RECYCLING & COMPOUND AND AUTOMOTIVE WITH FOOD RECOVERING



ACCELERATION IN PROFITABILITY PERFORMANCE THANKS TO PRICE INCREASES EFFECT, GROWTH IN SERVICES AND INITIAL BENEFITS OF INTEGRATION WITH IPEG



- Contribution margin % improving versus previous year despite the comparison being impacted by IPEG inclusion for only 11 months and by prudential costs recognition in food project

- FY 2023 Adj. EBITDA figures exclude non-recurring items related to the IPEG integration and China factory construction for €0.3m
- FY 2022 Adj. EBITDA including Jan-2022 for IPEG at €63.8m (11.7% Adj. EBITDA margin)

- Recurring PPA effect expected to be in the region of USD 4.2m per annum

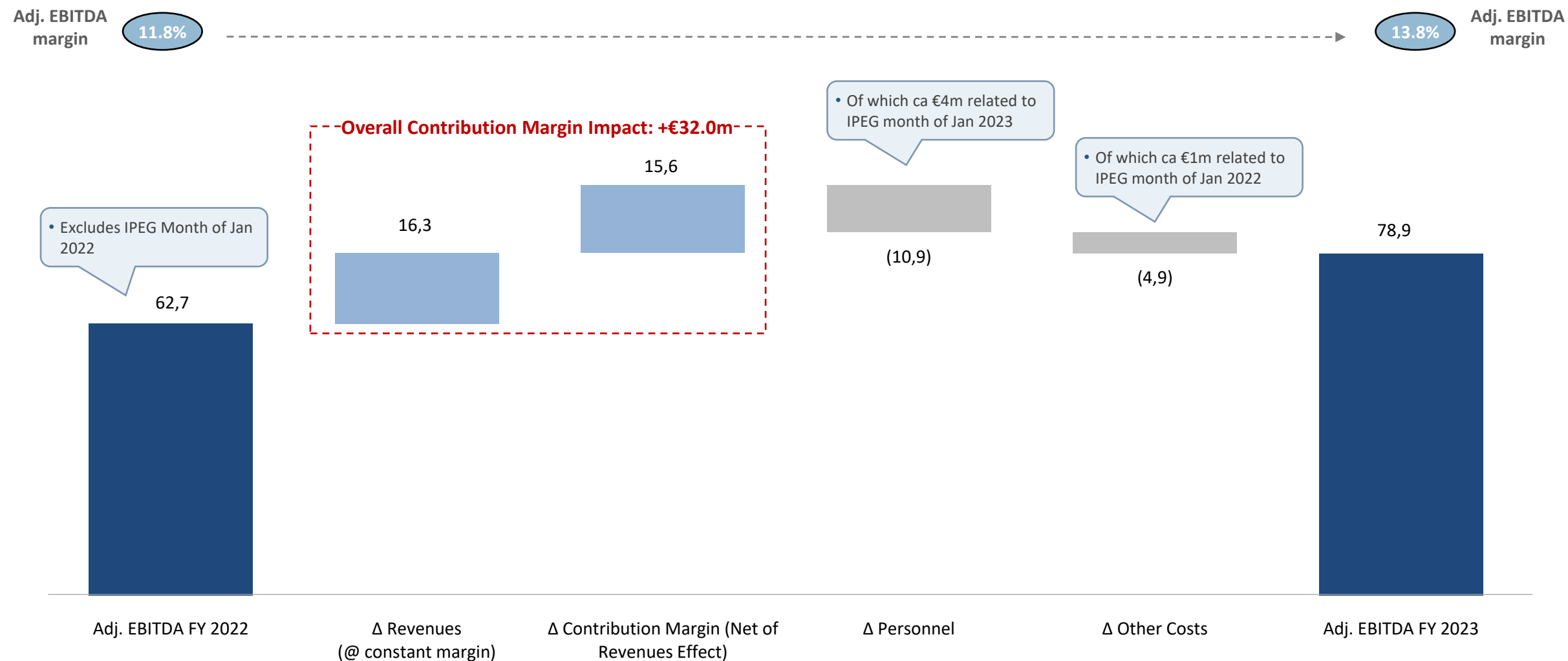
- Net Income impacted by PPA effect (€3.9m in FY 23 and €7.2m in FY 22 restated pre tax) but benefits from positive effect as a result of Toba deconsolidation for €1.3m
- FY 2022 included positive €1.7m FX impact due to USD/EUR evolution and €2.8m Patent Box effect

SOURCE: COMPANY INFORMATION

¹ GROWTH RATE BASED ON a LFL Basis INCLUDING IPEG ALSO FOR THE MONTH OF JAN-2022.

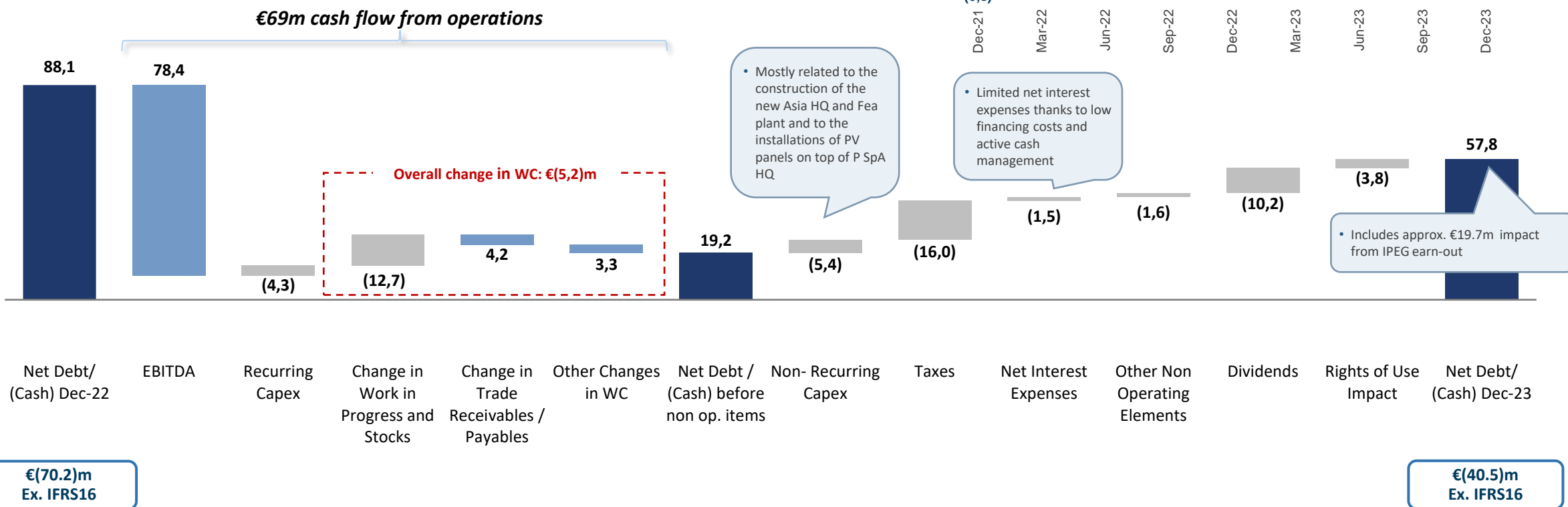
² FY 2023 VS. FY 2022 FIGURES EXCLUDING IMPACT OF PPA EFFECT

Adj. EBITDA BRIDGE FROM FY 2022 TO FY 2023



SOURCE: COMPANY INFORMATION

NET DEBT WALK FROM DEC-22 TO DEC-23



Extremely positive cash generation resulting in Net Debt / Adj. EBITDA at 0.7x, benefiting from very favorable finance costs (avg. cost of debt @Dec23 of ~1.8%) and with ~€100m in liquid assets



KEY INVESTMENT HIGHLIGHTS

LEADERSHIP POSITION IN AN INDUSTRY DRIVEN BY FAVOURABLE UNDERLYING TRENDS

Technical Polymers

- A** INCREASED USE OF RECYCLED POLYMERS IN THE PACKAGING INDUSTRY
- B** CONSTANT INTRODUCTION OF NEW MATERIALS & COMPOUNDS FOR NEW APPLICATIONS
- C** CARS E.MOBILITY REQUIRES SWITCH FROM METAL TO TECHNO-POLYMERS
- D** DEVELOPMENT OF NEW MATERIALS BASED ON POLYMERS



Food

- A** URBANIZATION DRIVING GROWTH IN DEMAND FOR PROCESSED FOOD
- B** GROWING CONSUMPTION OF READY-MADE MEALS
- C** SHIFT TOWARDS INCREASED AUTOMATION TO IMPROVE EFFICIENCY
- D** INCREASING FOCUS ON FOOD SAFETY

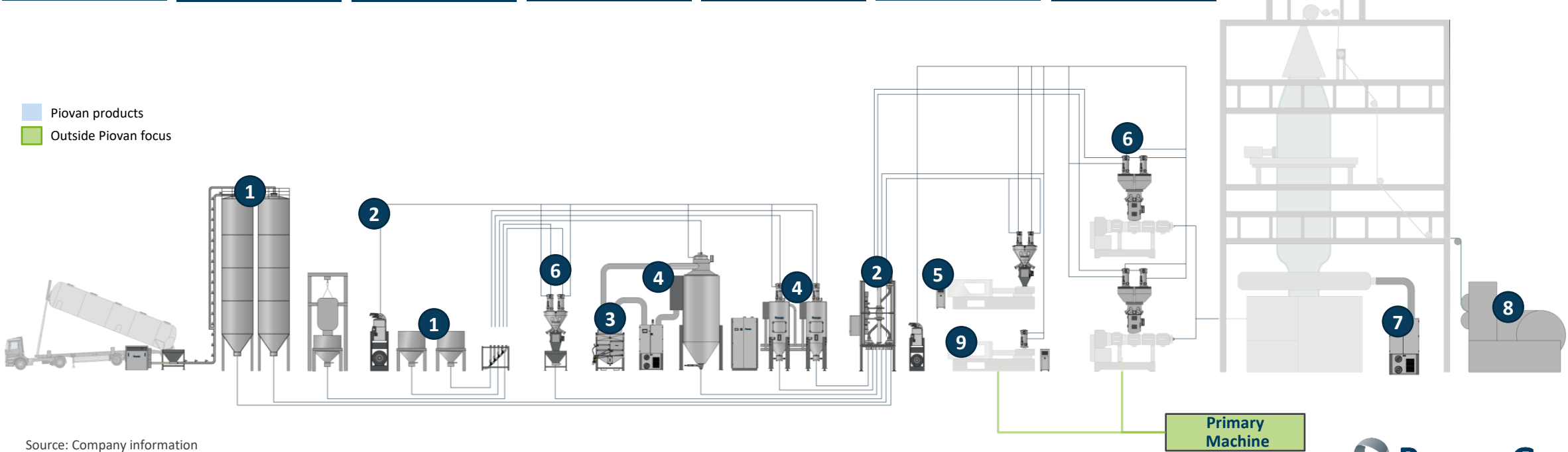




INTEGRATED AND BESPOKEN INDUSTRIAL AUTOMATION FOR RAW MATERIAL HANDLING AND PROCESSING



Storage	Material Handling	Decontamination	Drying	Temperature Control	Dosing	Coolers	Granulators	Analysis
								
1	2	3	4	5	6	7	8	9



Source: Company information



RECYCLED PLASTIC IS THE MOST SUSTAINABLE MATERIAL



REDUCED ENERGY CONSUMPTION

The production of a plastic bottle requires **33 times less energy** than the production of a glass bottle



LIGHTNESS

Plastic, compared to other materials, is 85% lighter. This generates benefits in terms of transportability of the products and on the lightening of the means of transport themselves, impacting positively on emissions



RECYCLABILITY

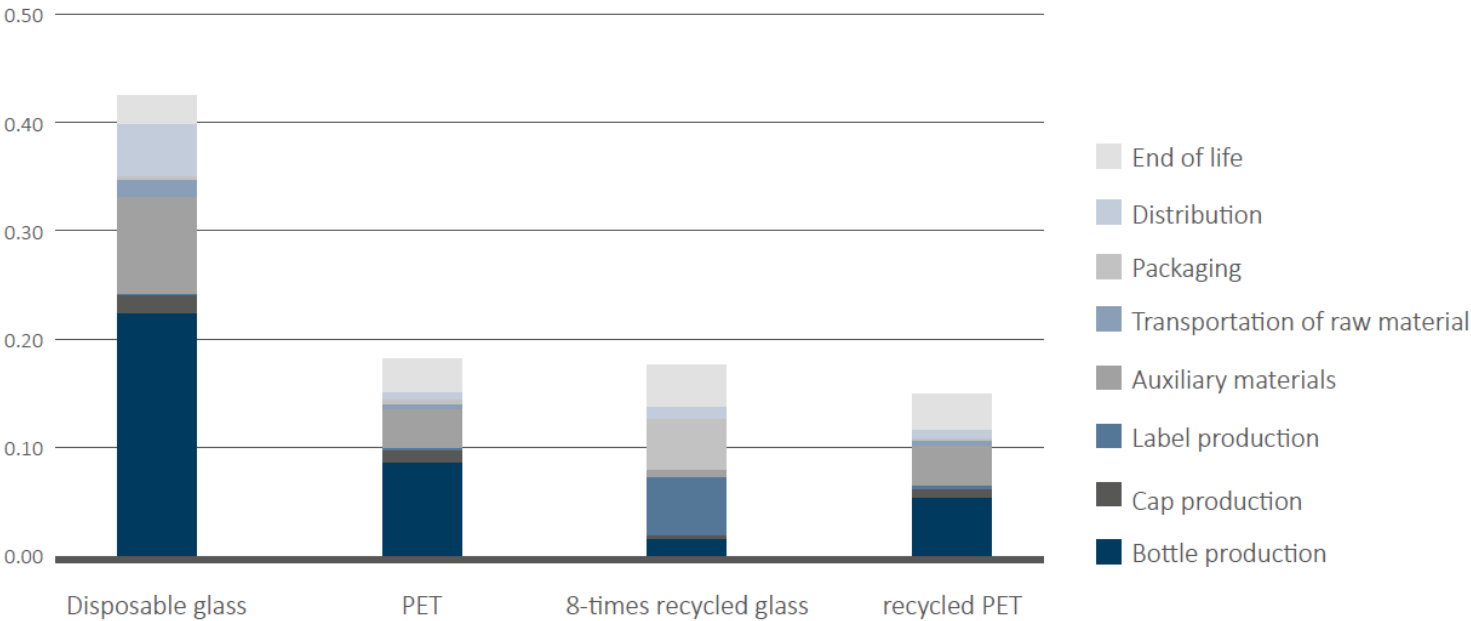
Plastic has a **low impact on scarce resources** and **can be recycled to create new products** while minimizing the environmental impact



FIGHT AGAINST FOOD WASTE

Plastic food packaging **reduces product deterioration up to 50%** concretely contributing to the increase in food life cycle

EMISSIONS DATA – COMPARISON BETWEEN 1LT MILK BOTTLES IN DIFFERENT MATERIALS (IN KG OF CO₂ EQ.)*



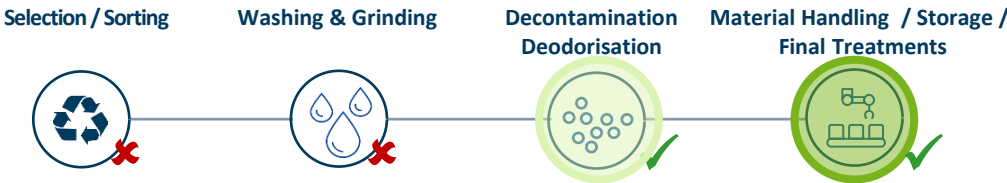
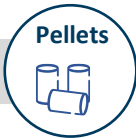
*: Source Organisation for Economic Co-operation and Development (OECD), Global Plastics Outlook: Economic Drivers, Environmental Impacts and Policy Options, Figure 2.3



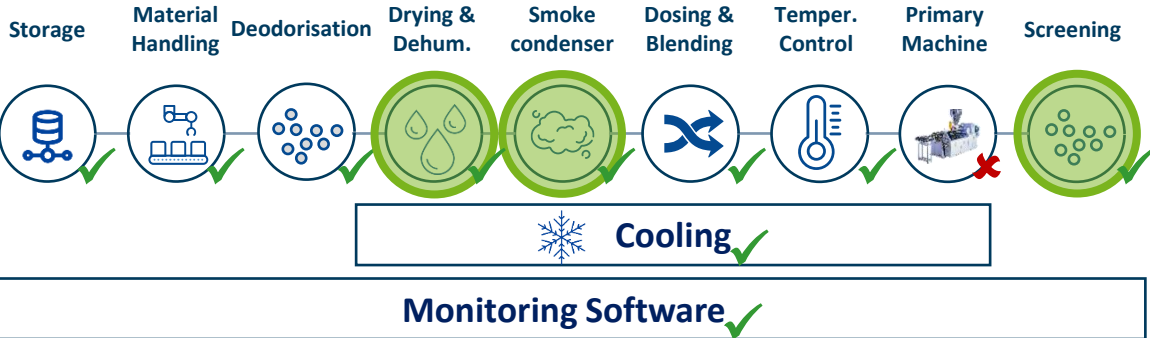
THE GROUP STRONG POSITIONING IN THE VALUE CHAIN...



Primary Transformation: Recycler



Secondary Transformation: Component manufacturer



Crystalizers



Easy Pure
Odor Minder



SoftBoost,
Genesys Next, Puretech



Condenso



Inspecta
Vulkano

Legend

✗ Outside Piovan Scope ✓ Within Piovan Scope

Source: Company Information

¹Crystallization could be either in primary or secondary transformation depending on the process features



...AND ITS STRONG DNA OF INNOVATION...

OVERVIEW OF SELECTED HISTORICAL PRODUCT LAUNCHES

294 HIGHLY SKILLED STAFF

Employed in R&D and Engineering department¹

Ca 4% OF REVENUES

Invested in R&D and Engineering activity¹

14 R&D Centers

For testing and validation of innovations and for ensuring reliability and effectiveness

ca 300 PATENTS APPLICATIONS

Protecting the most innovative internally developed solutions¹

Easylink
2015



Innovative coupling stations allowing automatic (and remote) connection to the feeder line

Industry 4.0 Software
2016



Winfactory 4.0 platform launched

PureTech Filter
2019



Puretech filter for rPET processing

InspectaBE
2020



Exclusive in-line detection system Benzene in PET and rPET for constant process control

SprayStay
2020



Electrostatic coating of baked products, snacks and chocolate

SoftBoost
2021



Heats rPET granule to the core w/o stressing it and saving energy

Condenso
2021



Removes VOCs from the process air of rPET

Vulkano
2021



Portable instrument for measuring the presence of VOCs in process air

Odor Minder
2022



Compact in-line electronic nose to verify the effectiveness of the post-consumer plastic deodorisation

Aryacool+
2023

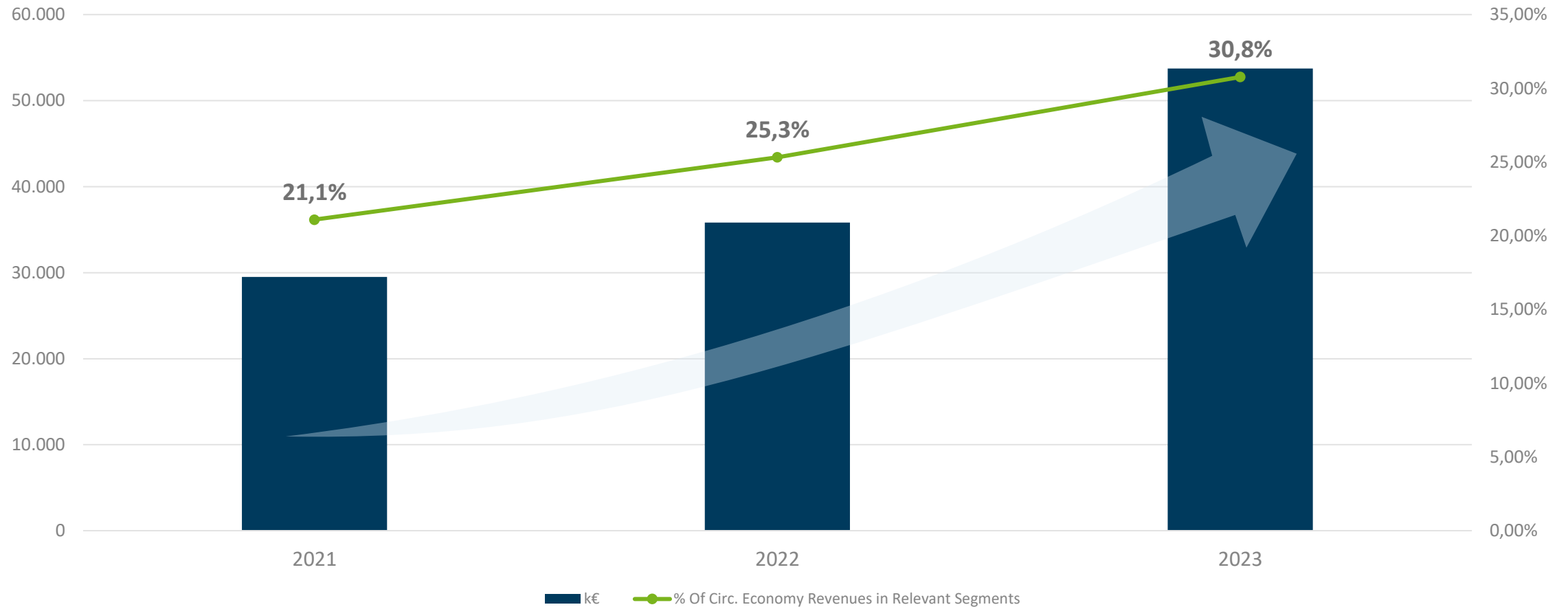


Energy efficiency and water-saving cooling system.



...ARE CONTRIBUTING TO THE GROWTH IN CIRCULAR ECONOMY

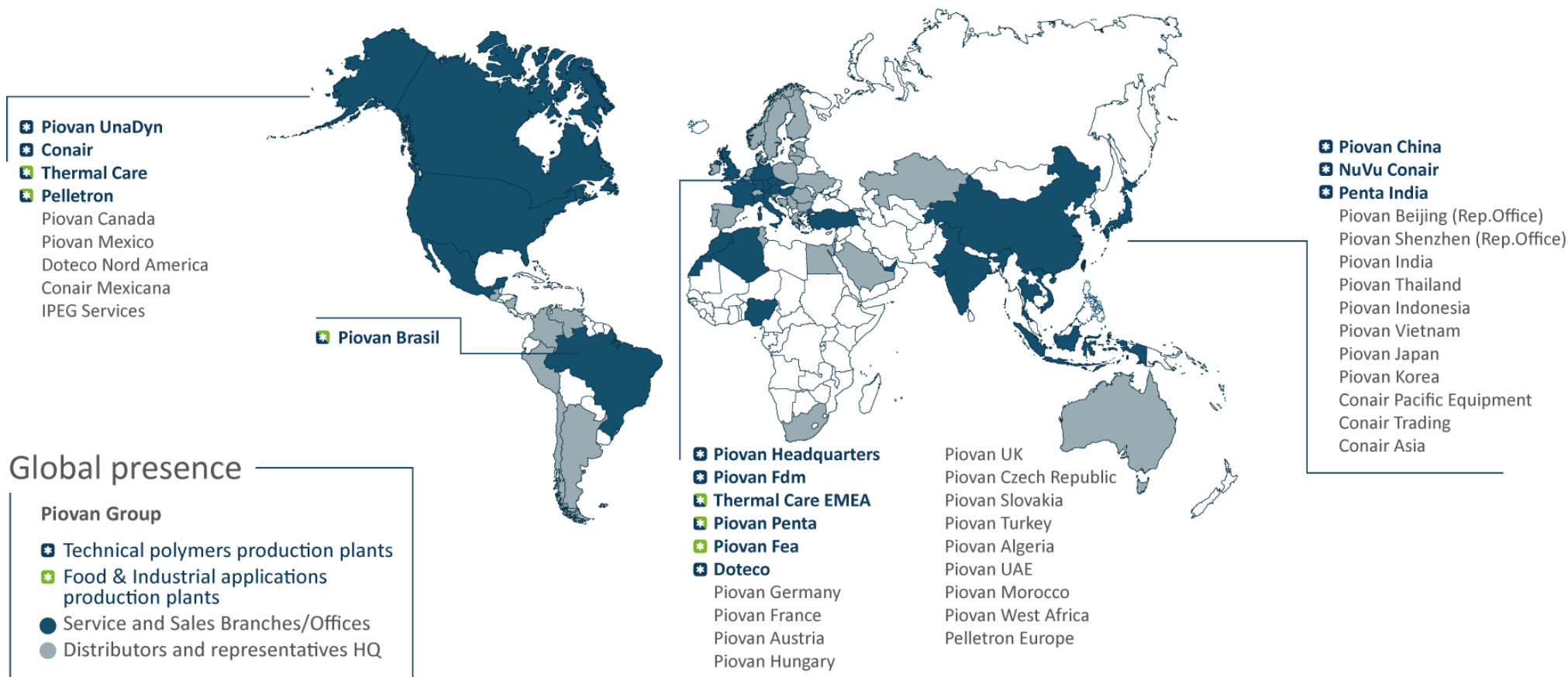
CIRCULAR ECONOMY REVENUES EVOLUTION (€M)



ca 30% of Global revenues in Circular Economy (within relevant segments)



GLOBAL MANUFACTURING PRESENCE WITH A CAPILLARY SERVICE NETWORK



1,805

EMPLOYEES WORLDWIDE
AS OF DEC-2023¹



14

FACTORIES IN 4
CONTINENTS



43

SERVICE & SALES
COMPANIES

Source: Company information

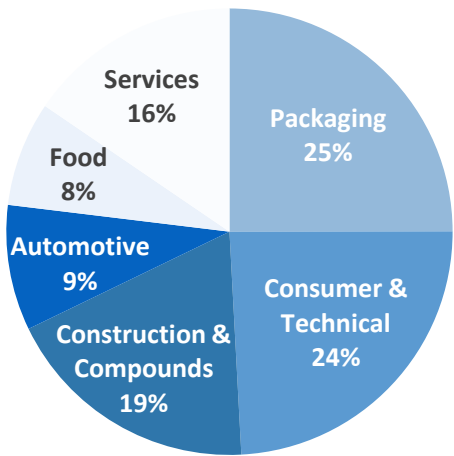
¹ Excluding NuVu Conair



DIVERSIFIED AND LONG STANDING CUSTOMER BASE

Access To Diversified End-Markets

Piovan % of 2023 Revenues Split by End Market¹



Wide and Long-Standing Customer Base



>7,100

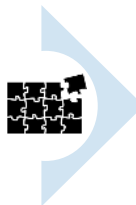
SINGLE CUSTOMERS ALL OVER THE WORLD IN 2023²



~39%

REVENUES FROM 5Y SINGLE CUSTOMERS IN 2023³

Highly Diversified Customer Base



~2.2%

MAXIMUM CONTRIBUTION TO REVENUES BY CLIENT IN 2023¹



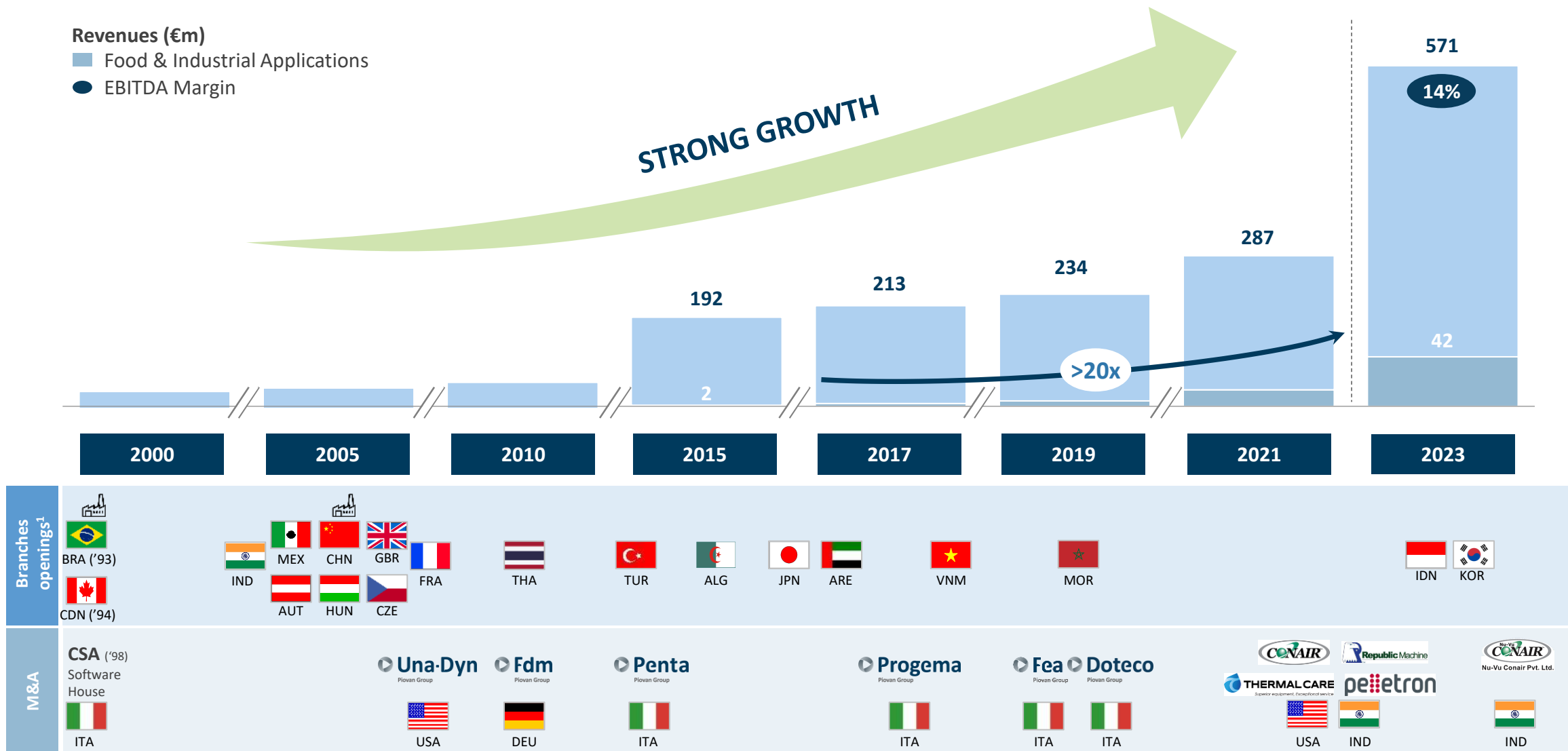
~41%

REVENUES FROM TOP 100 SINGLE CUSTOMERS IN 2023

Source: Company information

¹ Excluding other sales & other income. ² In 2023 above 1.000€ T/O ³ Analysis based on top 100 customers

6 RESULTING IN TRACK RECORD OF LONG-TERM PROFITABLE REVENUES GROWTH



Source: Company information

¹ Reference is made to the year of incorporation or majority stake acquisition (in case of an already existing entity before Piovan investment)



Appendix A

ADDITIONAL SUPPORTING MATERIALS

Income Statement

€m	FY 2022	FY 2023	Δ% FY 22 vs FY 23
Sales	519,8	559,1	7,6%
Other sales & other income	11,6	11,4	(1,5%)
Revenues	531,4	570,5	7,4%
Raw materials	(239,7)	(248,7)	3,7%
Cost of services	(106,1)	(108,1)	1,8%
Personnel	(119,7)	(130,6)	9,1%
Other costs (incl. Provisions for risks and charges)	(4,3)	(4,8)	12,2%
EBITDA	61,6	78,4	27,3%
<i>EBITDA Margin</i>	<i>11,6%</i>	<i>13,7%</i>	
One-off costs / (income)	1,1	0,4	
Adjusted EBITDA	62,7	78,9	25,8%
<i>Adj. EBITDA Margin</i>	<i>11,8%</i>	<i>13,8%</i>	
D&A	(16,9)	(13,8)	(18,7%)
EBIT	44,7	64,7	44,7%
<i>EBIT Margin</i>	<i>8,4%</i>	<i>11,3%</i>	
Finance income / (expenses)	(2,0)	(1,5)	
Exchange income (expenses)	2,4	(1,2)	
Gains (losses) on liabilities for options granted to non-controlling interests	0,3	0,5	
Gains (losses) from equity investments / HFS	1,0	2,5	
EBT	46,3	64,9	40,0%
Taxes	(11,5)	(16,0)	38,9%
<i>% Tax Rate</i>	<i>24,8%</i>	<i>24,6%</i>	
Net Income	34,8	48,9	40,4%
Attributable to Piovan shareholders	34,6	49,4	42,8%
Attributable to minority shareholders	0,3	(0,5)	

Balance Sheet

€m	Dec-22	Dec-23
Property Plant & Equipment	65,2	67,6
Intangible Assets (incl. Goodwill)	128,3	120,3
Financial Assets	10,8	11,4
Net Fixed Assets	204,3	199,3
Trade receivable	89,8	80,0
Inventory	90,2	85,3
Trade payables	(77,3)	(71,7)
Advanced payments from customers	(50,2)	(37,4)
Contract assets/(liabilities)	(0,7)	4,1
Net Trade Capital	51,7	60,3
Tax receivables	5,5	6,3
Other current activities	13,2	13,2
Tax payables	(11,3)	(11,4)
Other current liabilities	(23,1)	(27,1)
NWC	36,0	41,2
Other Credits	11,3	12,5
Other Debts	(20,5)	(18,3)
Pension Fund	(5,4)	(5,6)
Net Invested Capital before Option	225,6	229,1
Put & Call Option	(0,5)	0,0
Assets & Liabilities Held for Sale	(2,1)	0,0
Net Invested Capital	223,0	229,1
Total Shareholders' Equity	134,9	171,3
Net Debt / (Cash)	88,1	57,8
Total Sources	223,0	229,1

SOURCE: COMPANY INFORMATION

Cash Flow Statement

€m	Dec-22	Dec-23
EBITDA	61,6	78,4
Recurring Capex	(3,4)	(4,3)
% on Revenues	(0,6)%	(0,8)%
Cash generation	58,2	74,1
Cash Conversion %	94,5%	94,5%
Δ Net Working Capital excl. IPEG	(10,8)	n.a.
Δ IPEG NWC (incl. Transl. reserve impact)	(9,4)	n.a.
Total Δ Net Working Capital	(20,3)	(5,2)
Cash Flow from Operations	38,0	68,9
Non-Recurring Capex	(2,4)	(5,4)
Disposal	0,2	0,9
Corporate Taxes	(11,5)	(16,0)
Δ Funds	(1,1)	0,2
Non operating Items	(3,3)	0,4
Cash Flow After Taxes and Non Operating Items	19,9	49,0
Δ Put and Call Option	0,0	0,0
Dividend distribution	(5,1)	(10,2)
Changes in equity	(0,2)	(4,4)
Other financial charges	(2,0)	(1,5)
Δ Exchange loss/gain	2,4	(1,2)
Income from equity method investments	1,0	2,5
Impact of IPEG Acquisition	(117,6)	0,0
Rights of use impact	(10,2)	(3,8)
Δ Net Financial Position	(111,9)	30,4
NFP BoP	(23,7)	88,1
Δ Net Financial Position	111,9	(30,4)
NFP EoP	88,1	57,8

SOURCE: COMPANY INFORMATION

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