

Press Release

**THE BOD OF PIOVAN S.P.A. APPROVES THE CONSOLIDATED HALF-YEAR FINANCIAL REPORT
AS OF JUNE 30, 2022**

PIOVAN GROUP'S POSITIVE PERFORMANCE CONTINUES IN THE FIRST HALF OF 2022, WITH REVENUES REACHING € 238.1 MILLION, INCREASING 63.1% ON THE PREVIOUS YEAR (+5.5% ON AN ORGANIC BASIS AND EXCLUDING NON-RECURRING ITEMS), AND ADJUSTED EBITDA EQUAL TO € 27.3 MILLION (11.5% MARGIN). IN THIS SEMESTER - THROUGH ITS SUBSIDIARY PELLETRON - THE GROUP RECEIVED THE AWARD OF AN ORDER IN THAILAND BY NATUREWORKS FOR THE AUTOMATION OF A NEW PLANT FOR THE MANUFACTURING OF INGEO™ PLA WITH A PRODUCTION CAPACITY OF 75,000 MT, DEMONSTRATING PIOVAN'S GROWING ATTENTION TO THE CIRCULAR ECONOMY.

- Consolidated revenue of € 238.1 million, growing strongly by 63.1% on June 30, 2021 (+5.5% on a like-for-like consolidation basis and excluding the impact of certain non-recurring items). Recognizing the effect of the acquisition of IPEG group retroactively to January 2022, consolidated revenue would have been € 252.3 million;
- Consolidated Adjusted EBITDA of € 27.3 million (11.5% margin), increasing 25.7% on June 30, 2021 (-3.3% on a like-for-like consolidation basis and excluding the impact of certain non-recurring items). Recognizing the effect of the acquisition of IPEG group retroactively to January 2022, Adjusted EBITDA would have been € 28.4 million;
- Consolidated Operating Profit (EBIT) of € 21.7 million (9.1% margin) excluding the effects of IPEG Purchase Price Allocation ("PPA"), +10.1% on June 30, 2021;
- Consolidated Net Profit of € 17.5 million (7.3% margin), excluding the effects of the PPA, up +19.3% on June 30, 2021;
- Negative Consolidated Net Financial Position of € 117.6 million after the IPEG group acquisition. Excluding the effects of the application of IFRS 16, the negative consolidated net financial position as of June 30, 2022 would amount to € 97.5 million, including approximately € 21.0 million related to the potential maximum earn-out payment related to the acquisition.

Santa Maria di Sala (VE), September 8, 2022 – The Board of Directors of Piovan S.p.A. ("Piovan" or the "Company") today reviewed and approved the Consolidated Half-Year Financial Report as of June 30, 2022.

"The results obtained in this first half of the year – in a macroeconomic context characterized by strong uncertainty – confirm the soundness of Piovan Group's strategy, which thanks to its widespread and global presence has been able to support its customers closely, increasing its market share and strengthening its trade relations even more." declares Nicola Piovan, Executive Chairman of Piovan S.p.A.

"We are proud of these results and also of the recognition obtained by Piovan Group in the field of sustainability and biopolymers development through the award to the subsidiary Pelletron of the most important project in Asia of this type. We are also confident that these positive performances will continue in the coming quarters." adds Filippo Zuppichin, Chief Executive Officer of Piovan S.p.A.

Piovan S.p.A.

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The consolidated key financial highlights of the 2022 first half follow:

(amounts in €'000)	Economic performance indicators						Changes			
	First half-year 2022	% on total revenues and other income	First half-year 2022 (IPEG excluded)	% on total revenues and other income	First half-year 2021	% on total revenues and other income	2022 vs 2021	%	2022 (IPEG excluded) vs 2021	%
Revenue	231,995	97.5%	148,788	97.7%	142,269	97.5%	89,726	63.1%	6,519	4.6%
Other revenue and income	6,058	2.5%	3,508	2.3%	3,657	2.5%	2,401	65.6%	(149)	(4.1%)
TOTAL REVENUE AND OTHER INCOME	238,052	100.0%	152,295	100.0%	145,926	100.0%	92,126	63.1%	6,369	4.4%
Adjusted EBITDA	27,323	11.5%	21,025	13.8%	21,735	15.1%	5,588	25.7%		
EBITDA	26,710	11.2%	20,412	13.4%	23,274	15.9%	3,436	14.8%	(2,862)	(12.3%)
OPERATING PROFIT	18,582	7.8%	16,490	10.8%	19,723	13.5%	(1,141)	(5.8%)	(3,233)	(16.4%)
PROFIT BEFORE TAXES	21,481	9.0%			19,898	13.6%	1,583	8.0%		
Income taxes	6,285	2.6%			5,244	3.6%	1,041	19.9%		
NET PROFIT	15,196	6.4%			14,655	10.0%	542	3.7%		
Attributable to:										
Owners of the parent	15,057	6.3%			14,842	10.2%				
Non-controlling interests	139	0.1%			(187)	(0.1%)				
Basic earnings per share	0.30				0.29					
Diluted earnings per share	0.29				0.29					

Revenue overview

Consolidated revenue (and other income)

In the first half of 2022 Piovan Group reports **revenue and other income** of € 238.1 million, increasing by 63.1% from € 145.9 million in the first half of 2021.

On a like-for-like consolidation basis, thus excluding revenue recognized by IPEG group, consolidated from February 1, 2022, total revenue and other income at June 30, 2022 amounted to € 152.3 million, up 4.4% on the first half of 2021. Recognizing the effect of the acquisition of IPEG group retroactively to January 1, 2022, the amount of revenue and other income of Piovan Group would have been € 252.3 million in the first half of 2022.

It should be noted that revenue for H1 2021 included the positive impact of non-recurring revenue in the amount of € 1,539 thousand related to financing received in 2020 by the U.S. subsidiary Universal Dynamic Inc. (hereinafter also "Unadyn") from the U.S. government under the Paycheck Protection Program ("US PPP

Loan”), which was converted into a grant following approval by the issuing body. Excluding this effect, revenues for H1 2021 would have been € 144,387 thousand, implying an organic growth of 5.5%.

Revenue calculated on a like-for-like exchange rates basis (i.e. at the average exchange rate of the first half of 2021) would have decreased by € 11.8 million, with revenue equal to € 220.2 million and up +54.8% on the first half of 2021. On a like-for-like basis, revenue calculated on a like-for-like exchange rates basis in H1 would amount to € 144,549 thousand, decreasing by approximately € 4,239 thousand. This difference is mainly attributable to a positive effect deriving from US Dollar fluctuation.

Revenue by Business Segment

	First Half 2022	First Half 2022 (excluding IPEG)	First Half 2021	Change H1 2022 vs. H1 2021	Change %	Change H1 2022 (excluding IPEG) vs. H1 2021	Change %
Plastic	175,533	113,491	108,105	67,428	62.4%	5,386	5.0%
Food & non plastic	23,230	16,639	17,523	5,708	32.6%	(884)	(5.0%)
Services	33,231	18,658	16,641	16,591	99.7%	2,017	12.1%
Revenue	231,995	148,788	142,269	89,726	63.1%	6,519	4.6%

Revenue by Business Segment in H1 2022 indicates that, on a like-for-like basis:

- *Plastic Systems* revenue increased by 5.0%, driven by good performances in Europe and Asia, with the *Packaging* and *Consumer & Technical* sectors always very solid and the *Automotive* sector slightly recovering thanks to increased investments in new electric models;
- *Food & Non-plastic Systems* revenue, which tend to be more volatile than the *Plastic Systems* revenue due to the nature of the business, remained substantially stable compared to the same period of the previous year (-5.0%), with a shift from the European market to the North American market;
- the *Services* market posted revenue growth of 12.1% on the same period of the previous year, in line with Group expectations.

For IPEG, the quarter saw good growth in orders and in revenues. The IPEG consolidation from February to June 2022 increased revenue in the *Plastic* area by approximately € 62.0 million, for combined growth of 62.4%, and in the *Food & Non-plastic* area by approximately € 6.6 million, for combined growth of 32.6%, concentrated mainly in North America.

The *Services* market benefitted from the IPEG contribution and accounted for 14.3% of the Group’s total revenue.

Revenue by region

	First Half 2022	First Half 2022 (excluding IPEG)	First Half 2021	Change H1 2022 vs. H1 2021	Change %	Change H1 2022 (excluding IPEG) vs. H1 2021	Change %
EMEA	88,021	85,678	92,880	(4,859)	(5.2%)	(7,201)	(7.8%)
ASIA	19,823	16,745	15,869	3,954	24.9%	877	5.5%
NORTH AMERICA	116,871	39,482	26,720	90,151	337.4%	12,762	47.8%
SOUTH AMERICA	7,280	6,882	6,801	479	7.0%	81	1.2%
Revenue	231,995	148,788	142,269	89,726	63.1%	6,519	4.6%

On a like-for-like consolidation basis - without the contribution of IPEG - revenue in North America increased by 47.8% (and accounted for 26.5% of total revenue) due mainly to the strong performance of the *Food* area and further driven by a positive impact of the EUR/USD exchange rate.

Growth in Asia, up 5.5% on a like-for-like consolidation basis, reflects the start-and-stop nature of the recovery in the area due to lockdowns in response to COVID outbreaks.

The European and South American markets were impacted by a temporary slowdown as a result of component shipment and short-term raw material availability difficulties, which the Company expects to be resolved during the year. Positive performances in these areas are therefore expected. In addition, the European market has been impacted by a reduced contribution of the *Food & Non-plastic* segment, where activity was focused mainly on the North American market in the first half of 2022.

Including IPEG contribution, the North American market reached total revenue of € 116.9 million, equal to 50.4% of the total. IPEG's contribution in the EMEA markets and in Asia during the period of consolidation was € 2.3 million and € 3.1 million respectively.

Consolidated operating and net results

EBITDA

EBITDA was € 26.7 million, increasing by 14.8% on € 23.3 million in the first half of 2021, which however included the positive effect of the conversion of the US PPP loan into a grant, as described above, therefore totaling € 21.7 million, which brings the increase achieved in 2022 to +22.9%. The margin on total revenue went from 15.9% in 2021 (15.1% excluding the effect of the US PPP loan) to 11.2% in 2022, mainly due to the consolidation of the IPEG Group.

On a like-for-like consolidation basis, excluding the contribution of IPEG group, EBITDA as of June 30, 2022 was € 20.4 million, decreasing by 6.1% on the same period of the previous year excluding the effect of the US PPP Loan, with a percentage incidence on revenue and other income of 13.4%, which is a slight decline from the previous year due mainly to a number of non-recurring costs incurred for the acquisition of IPEG Group and certain overhead under absorption resulting from the inability to recognize all the revenues on

the material produced due to a lack of certain components. This phenomenon should be absorbed in the third and fourth quarters in the year with the completion of the related projects.

ADJ. EBITDA

Excluding the effect of non-recurring costs incurred in the period because of IPEG group acquisition in the amount of € 613 thousand, **Adjusted EBITDA** amounts – on an organic basis – to € 21.0 million, with a percentage incidence on revenue and other income of 13.8%, which is a slight decline from the EBITDA of H1 2021 adjusted for the revenue related to the US PPP loan (-3.3%). Adjusted EBITDA including the IPEG Group amounted to € 27.3 million, with a percentage incidence on revenue and other income of 11.5%. Recognizing the effect of acquisition of the IPEG group retroactively to January 1, 2022, Adjusted EBITDA would have amounted to € 28.4 million in the first half of 2022, with a percentage incidence on revenue and other income for the period of 11.2%.

Operating Profit

In the first half of 2022 **Operating Profit** was € 18.6 million, decreasing from € 19.7 million in the same period of the previous year, due to the combined effect of the integration of IPEG group and the organic growth of Piovan Group, offset by the preliminary effects of the purchase price allocation (“**PPA**”), which alone included the recognition of amortization of intangible assets of € 3.1 million for the period. It is expected that the amount of the amortization on a recurring basis will be equal to approximately USD 4.2 million (approximately € 3.8 million). The EBIT margin on total revenues and other income amounted to 7.8%, compared to 13.5% for the same period of the previous year. Excluding the effects of the PPA, EBIT would have been € 21.7 million, with a percentage on total revenues and other income of 9.1%.

Net Profit

Net Profit was € 15.2 million, increasing compared to the € 14.7 million from the same period of the previous year, as a result of the effects described above, while also benefiting from € 3.3 million in currency effects during the period due to the performance of the exchange rate of the Dollar against the Euro, the Group’s functional currency. The margin on total revenue and other income was 6.4%. Excluding the effects of the PPA, net profit would have been € 17.5 million, for percentage on revenues of 7.3%.

Earnings per share

Earnings per share was € 0.30 as of June 30, 2022, compared to € 0.29 as of June 30, 2021.

Consolidated Balance Sheet Items Overview

Consolidated Net Financial Position

The consolidated net financial position at June 30, 2022 was negative and equal to € 117.6 million, compared to a positive one equal to € 23.7 million at December 31, 2021 and to € 2.4 million at June 30, 2021, which was mainly affected by completion of the acquisition of IPEG Group, for which a loan of € 100 million was obtained.

€/000	30.06.2022	31.12.2021	30.06.2021
A. Cash	104,480	118,505	85,578
B. Cash equivalents	-	-	-
C. Other current financial assets	1,525	1,589	4,131
D. Liquidity (A+B+C)	106,005	120,093	89,708
E. Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)	(31,044)	(31,448)	(29,230)
F. Current portion of non-current financial debt	(26,578)	(20,584)	(16,457)
G. Current financial indebtedness (E+F)	(57,623)	(52,031)	(45,687)
H. Net current financial indebtedness (G-D)	48,382	68,062	44,021
I. Non-current financial debt (excluding current portion and debt instruments)	(142,465)	(41,920)	(39,317)
J. Debt instruments	-	-	-
K. Non-current trade and other payables	(23,541)	(2,416)	(2,266)
L. Non-current financial indebtedness (I+J+K)	(166,006)	(44,336)	(41,583)
M. Total net financial position (H+L)	(117,624)	23,726	2,438

The Group's net financial position (excluding the effects of the application of the IFRS 16 accounting standard) at June 30, 2022 would amount to negative € 97.5 million, compared to a positive position of € 34.9 million at December 31, 2021 and of € 12.8 at June 30, 2021.

Non-current trade and other payables include an estimate of the fair value of the earn-out, equal to USD 21.8 million (€ 21.0 million at June 30, 2022, equal to its maximum contractual value), that is expected to be paid to the selling shareholders of IPEG, Inc. in 2024, considering the contractual agreements.

During the first half of 2022, investments totaling € 1,581 thousand (€ 834 thousand in the first half of 2021) were made, of which non-recurring investments equal to € 169 thousand.

The financial position includes medium/long-term loans, mainly relating to the Parent Company and almost entirely subscribed in Euro, for € 152.1 million, of which € 26.3 million repayable within 12 months and the remaining € 125.8 million long-term.

Significant events occurred during the first half of 2022

Acquisition of the IPEG Inc. group

As reported in the Annual Financial Report at December 31, 2021, on January 31, 2022, and in line with the preliminary agreement signed on December 13, 2021, Piovan S.p.A. completed the acquisition of IPEG, Inc., which took place through the merger of Sewickley Capital, Inc., owner of 100% of IPEG, Inc., into a newly Delaware incorporated company and wholly owned by Piovan S.p.A. through Piovan North America LLC. The transaction took place at the conditions and price reported to the market on December 13, 2021.

The purchase price of the transaction was defined as an initial payment of approximately USD 125 million, on a cash free/debt free basis, in addition to the payment of an earn-out ("Earn-out"), if any, up to a maximum of approximately USD 22 million, to be paid in 2024 upon the achievement of certain EBITDA growth targets of the acquired group over the 2022-2023 period.

IPEG, Inc. is a Delaware-based company active in industrial automation for the transport and processing of polymers and in the production of industrial chillers, with operations and subsidiaries in the United States, India, Mexico, Germany, China, Taiwan and Singapore. The company operates through four main brands - Conair, Thermal Care, Pelletron and Republic Machine. IPEG operates four plants in the US and one in India through the Nu-Vu Conair JV.

Based on the figures for the year ended December 31, 2021, IPEG group generated revenues of about USD 197.2 million and adjusted EBITDA¹ of approximately USD 16.2 million.

In January 2022, in order to complete this acquisition, a 6-year € 100 million fixed-rate loan bearing annual interest of 1.335% was obtained. The loan agreement calls for a grace period and the start of principal payments from April 2023 and establishes certain covenants that must be verified semi-annually beginning on December 31, 2022.

Following the acquisition, as of June 30, 2022, the Group encompasses 44 production, service and commercial companies, including 14 production sites, in 4 continents, and employs over 1,700 people around the world.

Important recognition in the Circular Economy

During the period, Piovan Group – through its subsidiary Pelletron, Inc. – was awarded an order from NatureWorks - the world's leading producer of bio-polymers - for the automation of their first fully integrated plant located in the Nahkhon Sawan Biocomplex in Thailand, with a manufacturing capacity of 75,000 metric tons of material per year. This will be the second Ingeo™ PLA production facility from NatureWorks in the world, after that from Blair (Nebraska) built in 2002 and expanded in 2013.

¹ EBITDA as defined by contract and calculated in accordance with US GAAP prior to application as defined by contract and IFRS of principles and with the contribution of the joint venture Nu-Vu Conair

New company in China

During the period, the Group established a new company in China – Piovan Industrial Automation Co., Ltd. – for the purpose of creating the Piovan Group’s new facilities in the country. With a total expected outlay of USD 10 million over the next two years, the new plant will also be in Suzhou, in the Jiangsu province of China, where the other plant of the Group is situated. It will have a total surface area of 10,000 square meters and will be dedicated to the design and production of complete automation systems for plastics, food powders, and refrigeration solutions.

The new Suzhou site will serve as the headquarters for all of the Group’s Asian branches, including Piovan Thailand in Bangkok, Piovan Vietnam in Ho Chi Minh City, Piovan Japan in Kobe, and Toba PNC in Seoul, South Korea.

Russia-Ukraine conflict

The ongoing conflict between Russia and Ukraine is continuing to fuel major international humanitarian and social crises and is having major repercussions on the populations of these nations. Due to the international sanctions being used as a deterrent for some of the countries involved, we are also seeing a significant impact on trade and on the economic activities, which is exacerbating supply-chain issues over the short term.

The group has only limited exposure in the areas impacted by the war (i.e. Ukraine, Russia, Belarus) in either sales or purchases. Based on H1 2022 figures, and including the recent acquisition of IPEG, Inc., consolidated revenue generated by the Group in Russia, Belarus and Ukraine is 0.2% of the total.

With regard to the recoverability of the value of the intangible assets recognized on the consolidated balance sheet at June 30, 2022, given the marginal impact of the conflict on the Group, the Board of Directors has not noted any factors that would require an updated impairment test of the CGUs where goodwill is allocated, with the exception of the Toba CGU – as described in greater detail below – but for reasons unrelated to the conflict.

The situation is constantly developing and the Company - also with the support of external consultants - is monitoring the situation and the evolution of international regulation closely to assess any impact of the conflict on its operations.

Dividends

On April 28, 2022, the Company’s Shareholders’ Meeting approved, in addition to the 2021 financial statements, the distribution of dividends of € 5,092,930, based on the 2021 net profit, totaling € 14,204,371. The dividend was paid out from May 11, 2022, with coupon date of May 9, 2022 and record date of May 10, 2022.

Governance

In addition, on the same date, the Shareholders' Meeting also authorized the Company's Board of Directors to purchase and dispose of treasury shares, as detailed in the Directors' report published on the Company's website at www.piovangroup.com.

Significant events occurred after June 30, 2022

Payment of the final tranche of the Doteco earn-out

In July 2022, in observance of the obligations related to the acquisition of Doteco group, Piovan S.p.A. paid an earn-out to the sellers in the amount of € 1,018 thousand, calculated on the basis of 2021 Doteco group EBITDA, an amount that had already been foreseen and recognized in the financial statement.

Acquisition of minority interests in Progema and Studio Ponte

In July 2022, Piovan Group – through its subsidiary Penta S.r.l. (“Penta”) – entered into two binding agreements for the purchase of the remaining 19% minority interest in the subsidiary Progema S.r.l. (“Progema”) and the remaining 49% minority interest in Studio Ponte S.r.l. (“Studio Ponte”). With these acquisitions, Penta – and Piovan Group indirectly – now controls 100% of these two companies. The operation falls within the scope of the Group's broader project aimed at streamlining the organization with the goal of increasing process efficiency also following the acquisition of IPEG. In the second half of 2022, Penta is expected to merge Progema and Studio Ponte into its organization. Following this merger, the current management teams at Progema and Studio Ponte will remain in their roles in order to contribute to the growth of the Group.

Signing of the Patent Box agreement

On July 14, 2022, the Company signed an agreement with the Tax Agency's Veneto Regional Unit setting out calculation methods and criteria regarding the economic contribution to operating income from the intangible assets for the purposes of the Patent Box. The agreement concerns fiscal year 2018 and the four subsequent years.

Piovan S.p.A. obtained this facilitation with regard to the direct use of the Company's own software, patents, and know-how that are interconnected by way of a requirement of complementarity. The same allows for a partial tax break on income resulting from the direct use of the Company's intangible assets, as defined by criteria to come out of discussions with the Tax Agency.

The income eligible for the tax break for 2018 totaled € 2.2 million, for tax savings of € 309 thousand, which will consequently be entered in the Periodic Financial Statement at September 30, 2022. The benefit for the subsequent years will be determined in the coming months.

Outlook

The Group confirms its focus on continuing along the strategic path undertaken, which includes among its objectives an increase of its contribution to the circular economy, by developing products and solutions for the recycling value chain, growth by acquisitions, and the will to achieve greater market share in the *Food & non-plastic* segment.

With regard to future acquisitions, and given the completion of the IPEG, Inc. acquisition on January 31, 2022, it is reasonable to assume that 2022 will be dedicated to the detailing of the integration of this acquired group, in order to take full advantage of the group's strategic potential, given also its importance within Piovan Group.

In this sense, integration of the two organizations will enable, among others:

- the strengthening of the global leadership of Piovan Group in automation solutions for the handling of plastic polymers and food powders;
- the consolidation of the Group competitive positioning in North America, where Piovan Group will become the industry's largest player;
- an expansion of its presence in Mexico and Asia;
- growth of the Indian market;
- development of the best talent and human capital by way of the sharing of best practices between the two organizations.

In this regard, it should be noted that, in H1 2022, the Group began taking steps to prepare for integration of the two organizations, including the creation of working groups aimed at identifying the key areas of collaboration and defining the new organization – including with the support of an external advisory firm.

Although the Group's focus in 2022 is mainly on reducing debt as a result of the above-mentioned operation, Piovan remains interested in companies with products/technologies that can expand the value chain served by the Group, and will continue to assess potential opportunities for acquisitions and other growth by external means.

With regard to developments in European legislation concerning the production and use of plastic, there is a possibility of changes in the marketplace. In particular, legislation could promote the use of recycled plastic or biodegradable polymers at the expense of virgin, petroleum-based polymers.

For Piovan Group, this European legislation represents an opportunity to sell technologies developed in recent years for the automation, processing and screening of recycled and biodegradable plastics.

Indeed, in recent years Piovan Group has registered patents related to recycling and has therefore a technological advantage over its competitors. The company currently estimates that – based on H1 2022 –

more than 20%² of revenues in the segments that make significant use of recycled plastics (mainly packaging, fibers and recycling) may be considered to be related to the circular economy.

Piovan is already engaged at various levels in the process of change and is committed to providing solutions to the market for a circular economy, particularly in researching and developing advanced innovative technologies - allowing customers to use recycled polymers and obtaining a quality product with low environmental impact, cutting CO2 emissions and the consumption of scarce resources.

The Company looks to the future with cautious optimism, considering the uncertainties surrounding the geopolitical and macroeconomic landscape as described above. Piovan Group has a presence in many geographical areas and in a diverse range of industries, which will certainly mitigate the overall risk tied to the current crisis.

The market situation is still positive in most of the reference sectors. Order intake for the first six months of 2022 was strong, and the backlog at June 30, 2022 remains at a high level.

Despite these encouraging factors, there continue to be risks related to the ongoing supply-chain issues, which have prevented the Group from achieving the full potential made possible by the great value of orders in our backlog.

The continuing high levels of inflation and the implementation of increasingly restrictive economic policies in terms of interest rates could also lead to a general economic slowdown in the coming months, although demand for new projects remains high at the moment.

CONFERENCE CALL

The results as of June 30, 2022 shall be presented to the financial community through a conference call to be held on **September 9 at 11:00 AM CET**. You may participate in the conference call by calling one of the following numbers or by connecting through the webcast linked below:

ITALY:	+39 028020911
UK:	+44 1 212818004
GERMANY:	+49 6917415712
FRANCE:	+33 170918704
SWITZERLAND:	+41 225954728
US (international local number)	+1 718 7058796

² Excluding IPEG contribution

US (toll-free number)

+1 855 2656958

Link to the webcast: <https://87399.choruscall.eu/links/piovan220909.html>

Before the start of the conference call, a selection of slides shall be made available on the website www.piovangroup.com, in the *Investor Relations / Presentations* section.

This document contains “forward-looking statements” relating to future events and operating and financial results of the Piovan Group. These statements by nature contain an element of risk and uncertainty in that they depend on future events and developments. The actual results may even diverge significantly from those announced, due to a range of factors.

The Executive Officer for Financial Reporting, Giovanni Rigodanza, declares in accordance with Article 154 *bis*, paragraph 2, of the Consolidated Finance Act, that the accounting information contained in this press release corresponds to the underlying accounting documents, records and accounting entries.

Consolidated Half-Year Financial Report as of June 30, 2022 will be filed in accordance with the time limit set out by law at the registered office of the Company (Via delle Industrie no 16 – Santa Maria di Sala (Venice)) and at Borsa Italiana S.p.A., available to any person who submits a request, and will also be available on the website of the Company (www.piovangroup.com) as well as on the authorized storage mechanism “1Info” (www.1Info.it).

Piovan S.p.A. hereby announces that, in accordance with the laws and regulations in force, Consolidated Half-Year Financial Report as of June 30, 2022, as approved by the Board of Directors on September 8, 2022, has been filed, available to the public, at the registered office of the Company, on its website, (www.piovangroup.com) under the “Investor Relations”/“Financial statements” section, as well as on the authorized storage mechanism 1Info (www.1Info.it).

FOR FURTHER DETAILS:

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Piovan Group

Piovan Group is a global leader in the development and manufacturing of automation systems for the storage, conveying and processing of polymers, bio-resins, recycled plastic, food fluids, food and non-food

powders. Over recent years, the Group has been particularly engaged in developing and producing automation systems for production processes for the bio-economies and circular economies for recycling and reusing plastic and for the production of plastics which are naturally compostable, tapping into cross-selling opportunities.

The consolidated financial statements of the Piovan Group follow.

CONSOLIDATED STATEMENTS OF EQUITY AND FINANCIAL POSITION
(€'000)

ASSETS	Notes	30.06.2022	31.12.2021
NON-CURRENT ASSETS			
Property, plant and equipment	Note 1	66,338	52,854
<i>- of which related parties</i>	Note 39	264	174
Intangible assets	Note 2	140,532	26,192
Equity investments	Note 3	10,884	237
Other non-current assets	Note 4	416	505
Deferred tax assets	Note 5	8,107	6,197
TOTAL NON-CURRENT ASSETS		226,276	85,985
CURRENT ASSETS			
Inventories	Note 6	90,852	44,540
Contract assets for work in progress	Note 7	6,711	4,519
Trade receivables	Note 8	76,137	55,390
<i>- of which related parties</i>	Note 39	265	184
Current financial assets	Note 9	1,525	1,589
Tax receivables	Note 10	7,472	4,517
Other current assets	Note 11	15,779	5,290
<i>- of which related parties</i>	Note 39	23	23
Cash and cash equivalents	Note 12	104,480	118,505
TOTAL CURRENT ASSETS		302,955	234,350
TOTAL ASSETS		529,232	320,335

LIABILITIES AND EQUITY	Notes	30.06.2022	31.12.2021
EQUITY			
Share capital	Note 13	6,000	6,000
Legal reserve	Note 13	1,200	1,200
Reserve for own shares in portfolio	Note 13	(2,208)	(2,250)
Translation reserve	Note 13	8,032	(1,104)
Other Reserves and retained earnings	Note 13	88,672	64,811
Net profit (loss)	Note 13	15,057	28,347
Equity attributable to the owners of the parent		116,753	97,004
Equity attributable to non-controlling interests	Note 15	1,491	1,447
TOTAL EQUITY		118,244	98,451
NON-CURRENT LIABILITIES			
Long-term loans	Note 16	125,570	32,479
Non-current financial liabilities	Note 16	16,895	9,440
<i>- of which related parties</i>	Note 39	210	121
Employee benefits plans	Note 17	6,468	6,512
Provision for risks and charges	Note 18	5,155	2,681
Non current liabilities for options granted to non-controlling interest	Note 19	-	-
Other non-current liabilities	Note 20	23,541	2,416
<i>- of which related parties</i>	Note 39	358	496
Deferred tax liabilities	Note 5	19,110	505
TOTAL NON-CURRENT LIABILITIES		196,740	54,033
CURRENT LIABILITIES			
Current portion of long-term loans	Note 16	26,578	20,584
Current bank loans and borrowings	Note 16	26,530	29,001
Current financial liabilities	Note 16	4,514	2,447
<i>- of which related parties</i>	Note 39	62	56
Trade payables	Note 21	69,262	50,022
<i>- of which related parties</i>	Note 39	718	955
Advance from costumers	Note 22	45,856	31,042
Contract liabilities for work in progress	Note 7	3,696	8,174
Current liabilities for options granted to non-controlling interests	Note 19	741	741
Tax liabilities and social security contributions	Note 23	8,778	8,531
Other current liabilities	Note 24	28,293	17,309
<i>- of which related parties</i>	Note 39	5,882	2,727
TOTAL CURRENT LIABILITIES		214,248	167,851
TOTAL LIABILITIES		410,988	221,884
TOTAL LIABILITIES AND EQUITY		529,232	320,335

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
(€'000)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS	Notes	30.06.2022	30.06.2021 (*)
Revenue	Note 25	231,995	142,269
<i>- of which related parties</i>	Note 39	116	318
Other revenue and income	Note 26	6,058	3,657
<i>- of which related parties</i>		-	-
TOTAL REVENUE AND OTHER INCOME		238,053	145,926
Costs of raw materials, components and goods and changes in inventories	Note 27	105,670	60,075
<i>- of which related parties</i>	Note 39	1,379	1,152
Services	Note 28	48,589	27,593
<i>- of which related parties</i>	Note 39	861	702
Personnel expenses	Note 29	55,634	33,408
<i>- of which related parties</i>	Note 39	777	387
Other expenses	Note 30	1,451	1,577
Amortization and depreciation	Note 31	8,128	3,551
<i>- of which related parties</i>	Note 39	36	36
TOTAL COSTS		219,471	126,203
OPERATING PROFIT		18,582	19,723
Financial income	Note 32	386	192
Financial Expenses	Note 32	(1,380)	(367)
<i>- of which related parties</i>	Note 39	1	1
Net exchange rate gain (losses)	Note 33	3,346	240
Gains (losses) on liabilities for option granted to non controlling interests	Note 34	-	-
Profit (losses) from equity investments carried at equity	Note 35	547	111
PROFIT BEFORE TAXES		21,481	19,898
Income taxes	Note 36	6,285	5,244
NET PROFIT		15,196	14,655
ATTRIBUTABLE TO:			
Owners of the parent		15,057	14,842
Non-controlling interests		139	(187)
Earnings per share			
Basic earnings per share (in Euros)	Note 14	0.30	0.29
Diluted earnings per share (in Euros)	Note 14	0.29	0.29

(*) Data restated following the merging of the items "Costs for use of third party assets" and "Provisions for risks and charges" within the items "Service costs" and "Other operating costs", respectively.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(€'000)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	30.06.2022	30.06.2021
Net profit	15,196	14,655
Items that may be subsequently reclassified to profit or loss:	-	-
- Exchange rate differences	9,141	1,347
Items that may not be subsequently reclassified to profit or loss:	-	-
- Actuarial gains (losses) on employee benefits net of the tax effect	-	-
- Actuarial gains on agents' termination benefits net of the tax effect	-	-
Total Comprehensive income	24,337	16,002
attributable to:	-	-
- Owners of the parent	24,198	16,189
- Non-controlling interests	139	(187)

CONSOLIDATED STATEMENT OF CASH FLOW (€'000)

Consolidated Statement of Cash Flow	30.06.2022	30.06.2021
OPERATING ACTIVITIES		
Net profit	15,196	14,655
Adjustments for:	-	-
Amortisation and depreciation	8,128	3,551
Inventory write-down and bad debt provision	701	1,230
- Net non-monetary financial charges	-	-
- Net non-monetary financial (income)	-	48
Change in provisions for risks and charges and employee benefits liabilities	267	(59)
Net capital (gains) losses on sale of fixed assets and equity investments	-	(19)
- Unrealized currency exchange gain (or loss)	(3,342)	-
Investment equity valuation	(547)	(51)
Other non-monetary variations	(459)	(1,563)
Taxes	6,285	5,244
Cash flows from operating activities before changes in net working capital	26,229	23,034
(Increase)/decrease in trade receivables	3,784	(14,910)
<i>- of which related parties</i>	<i>(81)</i>	<i>(319)</i>
Increase in inventories	(13,328)	(450)
(Increase)/decrease in other current assets	(5,630)	(3,815)
<i>- of which related parties</i>	<i>-</i>	<i>-</i>
Increase/(decrease) in trade payables	(1,053)	1,605
<i>- of which related parties</i>	<i>(237)</i>	<i>467</i>
Increase/(decrease) in advance from customers	(3,170)	4,917
Increase/(decrease) in other current liabilities	(5,322)	(3,016)
<i>- of which related parties</i>	<i>3,155</i>	<i>2,713</i>
(Increase)/decrease in non-current assets	(211)	14
Increase/(decrease) in non-current liabilities	1,855	2,176
Income taxes paid	(5,915)	(1,524)
CASH FLOWS FROM OPERATING ACTIVITIES (A)	(2,761)	8,033
INVESTING ACTIVITIES	-	-
Investments in property, plant and equipment	(1,281)	(514)
Investments in intangible assets	(175)	(321)
Disinvestments/(investments) in financial assets	(0)	967
Deferred price from the acquisition of controlling interest	-	(715)
Business combinations net of the acquired cash	(99,965)	-
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES (B)	(101,422)	(582)
FINANCING ACTIVITIES	-	-
Issuance of bank loans	109,688	373
Repayment of bank loans	(10,480)	(7,758)
Change in current bank loans and borrowings	(2,471)	5,696
Repayment of bonds	-	-
Increase/(decrease) in other financial liabilities	(1,325)	(908)
<i>- of which related parties</i>	<i>95</i>	<i>(783)</i>
Dividends paid	(5,193)	(6,721)
CASH FLOWS USED IN FINANCING ACTIVITIES (C)	90,219	(9,318)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (A ± B ± C)	(13,964)	(1,867)
EFFECT OF EXCHANGE RATE CHANGES ON BALANCE OF CASH HELD IN FOREIGN CURRENCY	(61)	(8)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD (E)	118,505	87,452
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (G=D+E+F)	104,480	85,578
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(13,964)	(1,867)
INTERESTS PAID	360	215

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(€'000)

	Share Capital	Legal reserve	Treasury shares	Translation reserve	Other reserves and retained earnings	Profit for the year attributable to the owner of the parent	Equity attributable to the owners of the parent	Equity attributable to non-controlling interests	TOTAL EQUITY
Balance at Jan, 1st, 2021	6,000	1,200	(2,250)	(3,756)	53,576	17,643	72,414	2,219	74,632
Allocation of prior year profit	-	-	-	-	17,643	(17,643)	-	-	-
Distribution of dividends	-	-	-	-	(6,621)	-	(6,621)	(100)	(6,721)
Incentive plans	-	-	-	-	264	-	264	-	264
Reclassification	-	-	-	(2)	-	-	(2)	2	-
Total comprehensive income	-	-	-	1,348	-	14,842	16,190	(187)	16,002
Balance at June 30th, 2021	6,000	1,200	(2,250)	(2,410)	64,862	14,842	82,244	1,933	84,177

	Share Capital	Legal reserve	Treasury shares	Translation reserve	Other reserves and retained earnings	Profit for the year attributable to the owner of the parent	Equity attributable to the owners of the parent	Equity attributable to non-controlling interests	TOTAL EQUITY
Balance at Jan, 1st, 2022	6,000	1,200	(2,250)	(1,104)	64,811	28,347	97,004	1,447	98,451
Allocation of prior year profit	-	-	-	-	28,347	(28,347)	-	-	-
Distribution of dividends	-	-	-	-	(5,093)	-	(5,093)	(100)	(5,193)
Incentive Plan	-	-	-	-	222	-	222	-	222
Gain from treasury share disposal	-	-	42	-	386	-	428	-	428
Change in non-controlling interests	-	-	-	(5)	-	-	(5)	5	-
Total comprehensive income	-	-	-	9,141	-	15,057	24,198	139	24,337
Balance at June 30th, 2022	6,000	1,200	(2,208)	8,032	88,672	15,057	116,753	1,491	118,244