Press Release

THE BOD OF PIOVAN S.P.A. APPROVES THE FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2022

A RECORD 2022 COMES TO AN END FOR PIOVAN GROUP – THE GLOBAL LEADER IN ITS SECTOR – WHICH EXCEEDS THE € 500 MILLION TURNOVER THRESHOLD AND PRESENTS AN ADJUSTED EBITDA UP BY 53% THANKS TO THE CONSOLIDATION OF IPEG. EXCELLENT RESULTS ARE RECORDED IN ALL SEGMENTS, WITH A PARTICULAR CONTRIBUTION FROM CIRCULAR ECONOMY REVENUES GROWING BY MORE THAN 20% ON AN ORGANIC BASIS. NET FINANCIAL POSITION FALLS BELOW € 90 MILLION (LESS THAN 1.4X EBITDA) ONCE AGAIN DEMONSTRATING THE GROUP'S STRONG CASH GENERATION ABILITY.

- **Consolidated revenue and other income of € 531.4 million, growing strongly by 85.1% on December 31, 2021 (+13.5% on a like-for-like consolidation basis and excluding the impact of certain non-recurring items). Recognizing the effect of the acquisition of IPEG retroactively to January 2022, consolidated revenue and other income would have been equal to € 545.7 million;**

- **Consolidated Adjusted EBITDA of € 62.7 million (11.8% margin), increasing 53.0% on December 31, 2021 (+12.4% on a like-for-like consolidation basis and excluding the impact of certain non-recurring items). Recognizing the effect of the acquisition of IPEG retroactively to January 2022, Adjusted EBITDA would have been equal to € 63.8 million;**

- **Consolidated Operating Profit (EBIT) of € 51.9 million (9.8% margin) excluding the effects of IPEG Purchase Price Allocation ("PPA"), increasing € 18.2 million (+54.3%) on December 31, 2021;**

- **Consolidated Net Profit of € 40.6 million (7.6% margin) excluding the effects of the PPA, increasing € 12.9 million (+46.5%) on December 31, 2021;**

- **Consolidated Net Financial Position is negative for € 88.1 million after the IPEG group acquisition. Excluding the effects of the application of IFRS 16 and of the potential earn-out payment related to the acquisition of IPEG (equal to about € 20.4 million), the consolidated net financial position as of December 31, 2022 would amount to negative € 49.8 million;**

- **Proposed dividend of € 0.20 per share;**

- **Appointment by co-optation of Mr. Maurizio Bazzo as a non-executive and independent Director, replacing Mr. Marco Stevanato.**

Santa Maria di Sala (VE), March 21, 2023 – The Board of Directors of Piovan S.p.A. ("Piovan" or the "Company") today reviewed and approved the 2022 Separate Financial Statements of the Company and the Group Consolidated Financial Statements.

"Despite the complicated global scenario, once again our Group consolidates another year of growth, with revenues exceeding € 500 Million, a workforce of more than 1,800 Employees and an Adjusted EBITDA up 53%. None of this would be possible if Piovan Group had not continued to set its strategy on its three historic fundamental pillars: CUSTOMERS, PEOPLE and INNOVATION. Never as in this year has the combination of these 3 elements produced excellent results in every field. But our strategy cannot disregard a fourth element that cuts across those mentioned above, which is the focus on SUSTAINABILITY." declares Nicola Piovan, Executive Chairman of Piovan S.p.A..

"The Company's choices of increasing focus on sustainability and circular economy have been financially rewarding and have led us to achieve important recognitions. First, with the improvement of our sustainability rating and the obtaining of the prestigious "Industry Top Rated" badge. Then, by the awarding of important orders in the circular economy, including automation for Asia's largest factory of NatureWorks - the world's largest producer of biopolymers. Thanks to the new technologies developed, revenues in the strategic circular economy segment are growing by more than 20% on an organic basis, demonstrating once again how the Group is among the leaders in the industry." adds Filippo Zuppichin, CEO of Piovan S.p.A..

The 2022 consolidated key financial highlights follow:

(amounts in €'000)	Economic performance indicators						Changes		Changes	
	2022	% on total revenues and other income	2022 (IPEG excluded)	% on total revenues and other income	2021	% on total revenues and other income	2022 vs 2021	%	2022 (IPEG excluded) vs 2021	%
Revenue	519,801	*97.8%*	316,847	*97.8%*	280,036	*97.6%*	239,765	*85.6%*	36,811	*13.1%*
Other revenue and income	11,594	*2.2%*	7,099	*2.2%*	6,993	*2.4%*	4,601	*65.8%*	106	*1.5%*
TOTAL REVENUE AND OTHER INCOME	**531,395**	*100.0%*	**323,946**	*100.0%*	**287,029**	*100.0%*	**244,366**	***85.1%***	36,917	*12.9%*
Adjusted EBITDA	**62,702**	*11.8%*	**46,059**	*14.2%*	**40,975**	*14.3%*	**21,728**	***53.0%***	5,084	*12.4%*
EBITDA	**61,622**	*11.6%*	**44,978**	*13.9%*	**41,151**	*14.3%*	**20,471**	***49.7%***	3,827	*9.3%*
OPERATING PROFIT	**44,692**	*8.4%*	**37,553**	*11.6%*	**33,626**	*11.7%*	**11,066**	***32.9%***	3,927	*11.7%*
PROFIT BEFORE TAXES	**46,350**	*8.7%*			**34,750**	*12.1%*	11,600	*33.4%*		
Income taxes	11,509	*2.2%*			7,074	*2.5%*	4,435	*62.7%*		
NET PROFIT	**34,841**	*6.6%*			**27,676**	*9.6%*	7,165	*25.9%*		
Attributable to:					-					
Owners of the parent	**34,588**	*6.5%*			**28,347**	*9.9%*				
Non-controlling interests	**253**	*0.1%*			**(671)**	*(0.2%)*				
Basic earnings per share	**0.68**				**0.56**					
Diluted earnings per share	**0.67**				**0.55**					

Revenue analysis

Revenue

Piovan Group **revenue** in 2022 totaled € 519.8 million, with a strong growth on € 280.0 million in 2021, equal to +85.6% (recognizing the effect of the acquisition of the IPEG Group retroactively to January 1, 2022, Piovan Group revenue would have been € 533.4 million, +90.5% on the previous years).

Excluding revenue recognised by the IPEG Group, consolidated from February 1, 2022, **revenue** in 2022 amounted to € 316.8 million, up 13.1% on the previous year.

Revenue calculated on a like-for-like basis (i.e. average exchange rate in 2021) would have decreased by € 31.0 million at €488.8 million and showing a growth of 74.6% on 2021. Excluding the contribution of the IPEG group, revenue at constant exchange rates would have been € 307.3 million, a decrease of € 9.6 million, although still an increase over the previous year of 9.7%. The FX effects on revenues was mainly due to the positive trends of the US dollar against the Euro and, to a lesser extent, to trends in the Renminbi and in the Brazilian real.

Revenue by Business Segment

	2022	%	2022 (IPEG excluded)	%	2021	%	2022 vs 2021	%	2022 (IPEG excluded) vs 2021	%
Plastic	397,122	76.4%	245,808	77.6%	217,140	77.5%	179,982	82.9%	28,668	13.2%
Food & non plastic	46,628	9.0%	30,931	9.8%	28,355	10.1%	18,273	64.4%	2,576	9.1%
Services	76,051	14.6%	40,109	12.7%	34,541	12.3%	41,510	120.2%	5,568	16.1%
Revenue	**519,801**	**100.0%**	**316,847**	**100.0%**	**280,036**	**100.0%**	**239,765**	**85.6%**	**36,811**	**13.1%**

For what concerns the dynamic of **revenue by market** in 2022, it is noted that – on a like-for-like basis, i.e. excluding the contribution of the IPEG group:

- *Plastic Systems* revenue increased 13.2%, driven by good performances in Europe and Asia. In particular, the increase is attributable to i) the Packaging sector which benefits from an increasingly marked conversion towards recycled plastic, a sector in which the Group is a world leader; ii) Consumer & Technical sectors always very active particularly in fibers and iii) to the Automotive sector slightly recovering thanks to increased investment in new electric models;
- *Food & non-plastic* revenue posted a positive growth – in line with Group expectations – 9.1% on the previous year, thanks to the progress made on a number of major orders in North America;
- The *Services* market reported revenue growth of 16.1% on the previous year, an acceleration from the first part of the year.

In the third and fourth quarter of 2022, IPEG saw an acceleration in revenue growth. The related consolidation during the period from February to December 2022 increased revenue in the Plastics area by approximately € 151.3 million, for combined growth of 82.9%, and in the Food & Non-plastic area by approximately €15,7 million, for combined growth of 64.4%, concentrated mainly in North America.

The Services market benefited from the IPEG contribution of € 35.9 million and accounted for 14.6% of the Group's total revenue.

Revenue by region

	2022	%	2022 (IPEG excluded)	%	2021	%	2022 vs 2021	%	2022 (IPEG excluded) vs 2021	%
EMEA	185,463	35.7%	180,180	56.9%	182,181	65.1%	3,282	1.8%	(2,001)	(1.1%)
ASIA	44,095	8.5%	37,522	11.8%	32,973	11.8%	11,122	33.7%	4,549	13.8%
NORTH AMERICA	272,670	52.5%	81,878	25.8%	49,866	17.8%	222,804	446.8%	32,012	64.2%
SOUTH AMERICA	17,573	3.4%	17,267	5.4%	15,016	5.4%	2,557	17.0%	2,251	15.0%
Revenue	**519,801**	**100%**	**316,847**	**100%**	**280,036**	**100%**	**239,765**	**85.6%**	**36,811**	**13.1%**

Without the contribution of IPEG, revenue in North America increased by 64.2% (and accounted for 25.8% of total revenue) due mainly to the strong performance of the *Food* area and further driven by the positive impact of the EUR/USD exchange rate.

Growth in Asia, up 13.8% on a like-for-like consolidation basis, shows signs of recovery following the lockdowns in the first part of the year in response to COVID outbreaks.

Performance in Europe reflects the fact that projects in the *Food* area had a final destination of North America, despite being developed in Europe. Finally, South America continued to perform well, with growth of 15% at like-for-like consolidation scope.

Including IPEG, the North American market reached total revenue of € 272.7 million, equal to 52.5% of the total. IPEG's contribution in the EMEA markets and in Asia during the period of consolidation was € 5.3 and € 6.6 million respectively.

Other revenues and income

Other revenues and income increased 65.8% on 2021. It should be noted that Other revenues and income in 2021 include the positive impact of non-recurring revenue in the amount of € 1.6 million related to financing received by U.S. subsidiary Universal Dynamic Inc. (hereinafter also "**Unadyn**") received 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, other revenue and income in 2021 would have been €5.4 million.

Recognizing the effect of the acquisition of the IPEG Group retroactively to January 1, 2022, Other revenue and income for the Piovan Group would have been € 12.3 million (+75.9%).

Excluding revenue recognised by the IPEG Group, consolidated from February 1, 2022, Other revenue and income in 2022 amounted to €7.1 million, up 1.5% on the previous year (30.9% excluding the effect of the US PPP Loan).

Total revenues and other income

In 2022, therefore, **Total revenues and other income** of the Piovan Group amounted to € 531.4 million, up compared to € 287.0 million in 2021 (+85.1%). Giving retroactive effect to the acquisition of the IPEG group starting from 1 January 2022, the amount of revenues and other income of the Piovan Group would have been equal to € 545.7 million in 2022.

On a like-for-like basis, therefore excluding the revenues generated by the IPEG group, consolidated as from 1 February 2022, Total revenues and other income in 2022 amounted to €323.9 million, an increase of 13.5% compared to the 2021 excluding the effect of the US PP Loan.

Analysis of consolidated economic results

EBITDA

2022 **EBITDA** totaled € 61.6 million, an increase of 49.7% compared to € 41.2 million in 2021 (11.6% margin vs. 14.3% in 2021).

In 2021, the EBITDA included the positive impact of conversion of the US PPP loan into a grant as described above.

Excluding the contribution of the IPEG Group, consolidated from February 1, 2022, EBITDA in 2022 amounted to € 45.0 million, up 9.3% on the previous year. EBITDA margin on a like-for-like basis was 13.9%, compared to 14.3% in 2021. The growth in EBITDA, which is slightly lower than the growth in revenues, reflects certain non-recurring costs incurred for the acquisition of the IPEG group and integration activities of € 1.1 million.

ADJ. EBITDA

In 2022, **Adjusted EBITDA** came to € 62.7 million (excluding certain non-recurring components), for a margin on total revenues and other income of 11.8%, up 53% compared to 2021 adj. EBITDA.

Recognizing the effect of the acquisition of the IPEG Group retroactively to January 1, 2022, Piovan Group Adj. EBITDA would have been € 63.8 million (+55.7% on the previous year).

Adjusted EBITDA excluding the contribution of the IPEG group, on a like for like basis, comes to € 46.1 million, for a margin on total revenue of 14.2%, up from the adj. EBITDA of 2021.

PiovanGroup

EBIT

EBIT totaled € 44.7 million, up from € 33.6 million in 2021. It should be noted that EBIT reflects the effects of the purchase price allocation ("**PPA"**) of IPEG, which alone included the recognition of amortization of intangible assets of € 7.2 million in 2022. It is expected that, over the coming years, this amortization will total approximately USD 4.2 million (the equivalent of € 4 million). The EBIT margin on total revenues and other income came to 8.4%, compared to 11.7% for the previous year. Excluding the effects of the PPA as described above, EBIT would have been € 51.9 million, for a margin on revenues of 9.8%.

Excluding the contribution of the IPEG Group, consolidated from February 1, 2022, EBIT in 2022 amounted to € 37.6 million, up 11.7% on the previous year.

Net Profit

The **Net Profit** was € 34.8 million, increasing on € 27.7 million for the previous year. The margin on total revenue and other income was 6.6% (9.6% in 2021).

Net profit in 2022 was impacted by the above-mentioned non-recurring charges but also benefitted from the following two effects: (i) € 1.7 million in currency effects during the period due to the performance of the dollar against the euro, the Group's functional currency, related to a loan in euro issued by the Parent Company to Piovan North America; and (ii) €2.8 million related to the benefit recognised in relation to the Patent Box agreement as described below. On the other hand, in 2021 the net profit was impacted by the non-recurring charges illustrated above and benefitted from the following factors: i) an improvement in exchange gains/losses to a net gain of € 57 thousand; ii) a gain following the reduction in the fair value of the liability granted to the minority interests of the subsidiary TOBA in the amount of € 1.1 million; iii) the release of deferred taxes for € 2.1 million related to the realignment of fiscal values to book values of the know-how derived from the Doteco S.p.A. acquisition and the differences arising from first-time adoption by Piovan S.p.A..

Excluding the amortization of the PPA, equal to € 7.2 million, and its related fiscal effect equal to € 1.5 million, net profit would have been €40.6 million, for a margin on revenues of 7.6%.

Earnings per share

Earnings per share was € 0.68 in 2022, compared to € 0.56 in the previous year.

Consolidated Balance Sheet Items Overview

Consolidated Net Financial Position

The **consolidated net financial position** at December 31, 2022 was negative and equal to € 88.1 million improving if compared to September 30, 2022 – when it was negative and equal to € 111.8 million, compared to a positive one equal to € 23.7 million at December 31, 2021. This trend was mainly affected by the completion of the acquisition of IPEG group, for which a loan of € 100 million was obtained.

€/000	31.12.2022	31.12.2021
A. Cash	74,365	118,505
B. Cash equivalents	20,000	-
C. Other current financial assets	6,815	1,589
D. Liquidity (A+B+C)	**101,180**	**120,093**
E. Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)	(10,504)	(31,448)
F. Current portion of non-current financial debt	(32,692)	(20,584)
G. Current financial indebtedness (E+F)	**(43,196)**	**(52,031)**
H. Net current financial indebtedness (G-D)	**57,984**	**68,062**
I. Non-current financial debt (excluding current portion and debt instruments)	(142,770)	(41,920)
J. Debt instruments	-	-
K. Non-current trade and other payables	(3,295)	(2,416)
L. Non-current financial indebtedness (I+J+K)	(146,065)	**(44,336)**
M. Total net financial position (H+L)	**(88,081)**	**23,726**

Excluding the effects of the application of IFRS 16, the Group's net financial position at 31 December 2022 would amount to a negative €70.2 million compared to a positive value of €34.9 million at 31 December 2021. The same value excluding the effect of the potential maximum payment of the earn-out relating to the acquisition of IPEG (equal to approximately € 20.4 million) would amount to € 49.8 million.

Total investments for the period under review came to € 5.8 million (€ 3.2 million in 2021), of which non-recurring investments equal to € 2.4 million.

The net financial position includes medium/long-term loans, mainly relating to the parent company Piovan S.p.A. (the "**Parent Company**") and almost entirely subscribed in Euro, for € 140.0 million, of which € 32.7 million repayable within 12 months and the remaining € 107.3 million long-term.

As reported previously, in January 2022, in order to complete the IPEG acquisition, a 6-year € 100 million fixed-rate loan bearing annual interest of 1.335% was obtained.

Significant events in the year

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 incorporated company, in Delaware, and wholly-owned by Piovan 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 approx. 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 21.8 million, to be paid in 2024 upon the achievement of certain EBITDA growth targets of the acquired group over the 2021-2023 period.

IPEG, Inc. is a Delaware company involved in industrial automation for transportation and the handling based in polymers and in the production of industrial refrigeration systems, with branches in the United States, India, Mexico, Germany, China, Taiwan, and Singapore. The group operates under 4 main brands: Conair, Thermal Care, Pelletron, and Republic Machine. IPEG has 4 facilities in the United States and one in India through the joint venture Nu-Vu Conair.

Following the acquisition, as of December 31, 2022, the Group now encompasses 44 production, service and commercial companies, including 14 production sites on 4 continents, and employs over 1,800 people around the world.

Russia-Ukraine conflict

In early 2022, the outbreak of the war between Russia and Ukraine marked the start of a period of major global instability, both politically and economically. This climate, which continues to evolve, makes assessments of the impact of future scenarios on the Group's business and performance particularly complex.

The conflict 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 their economies, which is exacerbating supply-chain issues.

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 figures for 2022, and including the recent acquisition of IPEG, Inc., consolidated revenue generated by the Group in Russia, Belarus and Ukraine is 0.3% of the total.

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

Implications of the COVID-19 pandemic

The COVID-19 pandemic, which spread around the globe in 2020, has continued into 2021 and also 2022. As noted, this emergency - and above all the lockdown policies imposed by various governments - have had widespread repercussions in many sectors of the world economy. The medium-term outlook is gradually improving thanks to the beginning of the vaccination campaigns in 2021 in various nations, although the macroeconomic landscape continues to feature a great deal of uncertainty due to new waves and variants of the virus, as cases are on the rise in many countries.

The Group has a presence in many geographical areas and in a diverse range of industries. This has therefore made it possible, as previously indicated, to mitigate the overall risk.

In 2022, all Piovan Group companies remained fully operative, with minimum interruptions, having adopted measures and protocols to protect employees as per applicable local regulations.

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 May 9, 2022 and the record date May 10, 2022.

Authorization to acquire treasury shares

On April 28, 2022, the shareholders also authorized the Company's Board of Directors to purchase and make use of treasury shares as detailed in the Directors' report published on the Company's website at www.piovan.com in the Corporate Governance/Shareholders' meeting section.

New company in China

In 2022, 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 be in Suzhou, in the Jiangsu province of China, where the other plant of the Group is located. 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 and Piovan Japan in Kobe. Construction on the new building began in the fourth quarter of 2022.

Payment of the final tranche of the Doteco earn-out

In July 2022, in observance of the obligations related to the acquisition of the Doteco group (in 2020), Piovan S.p.A. paid an earn-out to the sellers in the amount of € 1.0 million, based on 2021 Doteco group EBITDA. This amount had already been allocated.

Acquisition of minority interests in Progema and Studio Ponte

Also in July 2022, the Piovan Group – by way of the subsidiary Penta S.r.l. ("**Penta**") – purchased 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 S.p.A. 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 following the extension of the consolidation scope. In the final quarter of 2022 the merger by incorporation was approved of Progema and Studio Ponte into Penta. The accounting and fiscal effects of the merger will run from January 1, 2023. Following this merger, the current management teams at the three companies 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 facility 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. This facility 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 2018-2021 totaled € 15.7 million, for tax savings of € 2.2 million and a cash-outlay benefit that will be recognized between the end of 2022 and 2023. The benefit related to the last year of the agreement, i.e. 2022, was estimated at € 0.6 million.

Share capital increase in FEA Ptp S.r.l.

On October 10, 2022, the shareholders of FEA PTP S.r.l. (FEA) approved a share capital increase, which was subscribed in a manner not proportionate to the respective shares held, which resulted in Piovan S.p.A. holding a 68.17% interest in FEA (compared to the previous 50.98%).

Sale of Toba Pnc

On December 22, 2022, a preliminary agreement was signed for the sale to minority interests of a 41% stake held by Piovan S.p.A. in Toba Pnc. It should be noted that this transaction was completed with the actual transfer of the shares on January 31, 2023.

Events related to the Sustainable Economy and the Circular Economy

During the period, the Piovan Group – by way of the subsidiary Pelletron, Inc. – was awarded a major order from NatureWorks, the world's leading producer of biopolymers, for the automation of a new, fully integrated plant in the Nahkhon Sawan Biocomplex in Thailand, which has a production capacity of 75,000 m of material per year. This is to be the second plant in the world built by NatureWorks, intended for the production of polylactic acid (“**PLA**”) to be sold under the Ingeo™ biopolymer brand, after the one built in Blair, Nebraska, in 2002 and subsequently expanded in 2013. **PLA** is a biopolymer that can be beneficial to the environment, given that it is made from renewable resources.

Significant events occurred after December 31, 2022

Significant events that occurred after 31 December 2022 are listed as follows:

- on January 1, 2023, Doteco S.p.A. sold its equity interest in Doteco Inc. to Piovan North America Inc. This transaction, which will have no impact on the consolidated financial statements, falls within the scope of a broader process of reorganization and streamlining that the Piovan Group initiated following the acquisition of the American group IPEG;

- on January 31, 2023, the sale to minority interests of a 41% stake held by Piovan S.p.A. in Toba Pnc was completed. As a result, Piovan S.p.A. now holds a 10% interest in Toba Pnc. The Group will be continuing to operate in Korea by way of both the minority interest in Toba Pnc and through direct presence in the country, development of which is ongoing;

- on January 6, 2023, the Group established a new commercial branch in Indonesia – Piovan Technology (PT) Indonesia – to be able to serve local clients in that country more directly;

- on January 26, 2023, the director Marco Stevanato resigned for personal reasons. Mr. Stevanato was a non-independent, non-executive director and held no additional positions on the Company’s committees. There are no indemnities or other benefits payable as a result of his conclusion of office. On March 21, 2023, Maurizio Bazzo was co-opted to the board and will remain in office until the next Shareholders’ meeting;

- on March 14, 2023, Piovan Group, through the subsidiary FDM GmbH, acquired from ProTec Polymer Processing GmbH some assets related to Material Handling, Dosing and Recycling markets, with the aim of growing in the Service and After Sales markets.

Outlook

The Group confirms its desire to continue along the strategic path undertaken, the Group is focused on increasing its contribution to the circular economy by developing products and solutions for the recycling value chain, increasing acquisitions, and working 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 2023 will be dedicated to the strategic integration, defined in 2022, of this industrial group in order to take full advantage of the company’s strategic potential, given also its importance within the Group.

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

- The strengthening of the global leadership of the Piovan Group in automation solutions for the handling of plastic polymers and food powders
- The consolidation of our competitive positioning in North America, where the Piovan Group will become the industry's largest player
- An expansion of our 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

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

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 the 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, sectors in which the Group has developed a strong leadership also thanks to several patents related to recycling and where it has a technological advantage over its competitors. The Company currently estimates that more than 25% of the automations sold in the packaging, fiber and recycling segments are being used in order to make use of recycled material. This figure excludes the contribution of IPEG.

Since 2006, the Group has built more than 350 plastic recycling plant and thousands of systems that make it possible to create new products out of recycled plastic.

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.

On the strength of record performance in 2021, the Company looks to organic growth for the future with great optimism despite the uncertainties related to the geopolitical environment. The 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 most resilient markets (e.g. medical, flexible packaging) remain encouraging, and it is reasonable to expect a recovery in the most cyclical industries (e.g. automotive, construction).

The order backlog at December 31, 2022, exceeded historical levels for the Group as a result of a good level of new orders received during the year and in the first few months of 2023.

In spite of these positive factors, risks remain with regard to the continuing repercussions of the Russia-Ukraine war, with consequent impact on the economy, and the supply chain issues that have caused slowdowns in procurement, fueling further inflation in many of these countries and which could remain high for longer than originally forecast.

Proposal for the allocation of the net profit

The Board of Directors approved a proposal to the Shareholders' Meeting to allocate the 2022 net profit of Piovan S.p.A. equal to € 24,345,719, as follows:

- to distribute a dividend amounting to € 0.20 for each share with profit rights (excluding therefore treasury shares held by the Company) totaling € 10,206,492.20;
- to allocate the remainder, equal to € 14,139,226.80, to the extraordinary reserve.

The dividend shall be paid out from May 17, 2023 (coupon date May 15, 2023 and record date May 16 2023).

Non-Financial Report

Today the Board of Directors reviewed and approved the Group non-financial report drawn up by the Company (the "Consolidated Non-Financial Report").

2022 Consolidated Non-Financial Report shall be published on the Company website in accordance with law.

Proposal for the authorization to purchase and dispose of treasury shares, subject to revocation of the previous authorization granted by the Shareholders' Meeting on April 28, 2022

The Board of Directors of Piovan S.p.A. resolved to propose that the Ordinary Shareholders' Meeting authorizes the purchase and disposal of the Company's treasury shares, pursuant to and for the purposes of the combined provisions of Article 2357 and 2357-*ter* of the Italian Civil Code, Article 132 of Legislative Decree no. 58 of February 24, 1998 and Articles 144 and 144-*bis* of the CONSOB Regulation adopted by Resolution no. 11971 of May 14, 1999 as subsequently amended and supplemented, subject to revocation of the previous authorization granted by the Shareholders' Meeting on April 28, 2022.

It is recalled that the Shareholders' Meeting of Piovan S.p.A. held on April 28, 2022 resolved to authorize (a) the purchase of the Company's treasury shares, on one or more occasions, up to a maximum number which, taking into account the ordinary Piovan shares held in the Company's portfolio by the Company and its subsidiaries, does not exceed a total of 10% of the Company's share capital, for the maximum period allowed by law (i.e. for a period of 18 months from the date of the motion approving the proposal by the Shareholders' Meeting); and (b) the disposal of the Company's treasury shares, without time limit, subject to the terms and conditions further specified in the above Shareholders' Meeting motion.

The authorization to purchase treasury shares would therefore expire on October 28, 2023. However, it is believed that the reasons for asking the Shareholders' Meeting at the time to authorize the purchase and disposition of treasury shares may still be considered valid. In view of the opportunity of renewing this authorization for a further period, the Board of Directors intends to propose to issue a new authorization, for a similar period of 18 months, effective from the date of the relevant motion, subject to revocation of the previous authorization resolution, for the portion not yet executed.

The request for authorization to purchase and dispose of treasury shares, therefore, is intended to enable the Company to purchase and dispose of ordinary shares, in strict compliance with current community and national legislation, as well as in accordance with market practices from time to time admitted (where applicable), for the following purposes: (i) to conduct sales, exchanges, contribution or other act of disposal and/or use, with other parties, as part of transactions of interest to the Company, including the servicing of extraordinary corporate transactions, bonds convertible into Company shares or mandatory loans with warrants; (ii) use to service existing and future remuneration and incentive plans, based on financial instruments and reserved for directors and employees or collaborators of the Company and/or its direct or indirect subsidiaries, both through the free granting of purchase options and through the free allocation of shares (stock option and stock grant plans) pursuant to Article 114-bis of the CFA, as well as scrip issues to shareholders; and (iii) to undertake transactions in support of market liquidity, ensuring fluid trading and preventing price movements not in line with the market, as described in more detail in the illustrative documentation that will be made available within the terms of law.

The Shareholders' Meeting will also be asked to authorize the purchase, in one or more tranches, up to a maximum number that, taking into account the ordinary shares held from time to time by the Company and its subsidiaries, will not exceed overall 10% of the Company's share capital, pursuant to Article 2357, paragraph 3, of the Italian Civil Code. The purchases will take place in accordance with Article 2357, paragraph 3, of the Italian Civil Code.

Authorization to purchase treasury shares is requested for the maximum term permitted by law (Article 2357, paragraph 2, of the Italian Civil Code), i.e., for a period of 18 months from any resolution to approve the proposal by the Shareholders' Meeting. The Board of Directors proposed that the purchase price, identified on a case-by-case basis, must (i) not be higher or lower than 20% of the reference price recorded by the stock on the Stock Exchange session of the day preceding each individual transaction, and in any case (ii) not exceed the higher between the price of the last independent transaction price and the price of the highest independent current purchase offer price during the trading session in which the purchase is made.

The Board of Directors also requests authorization for the disposal (in full or in part, and even on several occasions) of the treasury shares in the portfolio, in accordance with Article 2357 of the Italian Civil Code, without any time constraints, even before having exhausted the maximum quantity of shares that can be purchased and to potentially buy back the same shares to the extent that the treasury shares held by the Company and, if applicable, its subsidiaries, do not exceed the limit set by the authorization.

For further information regarding the proposed authorization of the purchase and disposal of treasury shares, including the purchase price of each share and the operating procedures, please see the Illustrative

Report of the Directors, which will be published on the Company website within the deadlines and according to the procedures established by the current legislation.

Finally, it should be reminded that, as of the date of this press release, the Company holds no. 2,567,539 treasury shares, equal to 4.79% of the share capital.

Co-optation of a new Director

It should be noted that, following the resignation of Marco Stevanato from the position of Director of the Company tendered on January 26, 2023, the Board of Directors today, taking into account the opinion expressed by the Nomination and Remuneration Committee and with the favorable opinion of the Board of Statutory Auditors, appointed to the Board of Directors Mr. Maurizio Bazzo by co-optation, pursuant to art. 2386 of the Civil Code and art. 14.4 of the By-Laws. It is specified that Mr. Bazzo qualifies as a non-executive and independent Director, and will remain in office until the next Shareholders' Meeting. It should also be noted that, as far as the Company is aware, at today's date Mr. Bazzo does not hold any shares in the Company.

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Other Board of Directors' motions

Furthermore, the Board of Directors today approved, among other matters:

- the draft Remuneration Report pursuant to Article 123-*ter* of Legislative Decree No. 58 of February 24, 1998 and Article 84-*quater* of CONSOB Regulation No. 11971/1999, as subsequently amended and supplemented;
- the Corporate Governance and Ownership Structure Report pursuant to Article 123-*bis* of Legislative Decree No. 58 of February 24, 1998;

and also mandated the Executive Chairman to call the Shareholders' Meeting in single call for April 27, 2023, as indicated in the 2023 corporate events calendar. The Shareholders' Meeting call notice and the related documentation shall be published in accordance with the applicable legal and regulatory provisions.

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CONFERENCE CALL

The results as of December 31, 2022 shall be presented to the financial community through a conference call to be held on **March 22nd at 09:00 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
US (toll-free number)	+1 855 2656958

Link to the webcast: https://87399.choruscall.eu/links/piovan230322.html

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

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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.

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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.

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FOR FURTHER DETAILS:

Piovan S.p.A.
Investor Relations
Giovanni Rigodanza
ir@piovan.com
Tel. 041 5799120

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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 crosselling opportunities.

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The consolidated financial statements of the Piovan Group follow.

CONSOLIDATED STATEMENTS OF EQUITY AND FINANCIAL POSITION

(€'000)

ASSETS	31.12.2022	*of which related parties*	31.12.2021	*of which related parties*
			(*)	
NON-CURRENT ASSETS				
Property, plant and equipment	43,047		36,795	
Right of Use	22,109	*243*	16,059	*174*
Intangible assets	128,297		26,192	
Equity investments	10,832		237	
Other non-current assets	574		505	
Deferred tax assets	10,744		6,197	
TOTAL NON-CURRENT ASSETS	**215,603**		**85,985**	
CURRENT ASSETS				
Inventories	90,188		44,540	
Contract assets for work in progress	6,374		4,519	
Trade receivables	89,771	*105*	55,390	*184*
Current financial assets	6,815		1,589	
Tax receivables	5,469		4,517	
Other current assets	13,156	*345*	5,290	*23*
Cash and cash equivalents	94,365		118,505	
TOTAL CURRENT ASSETS	**306,138**		**234,350**	
Assets held for sale and disposal groups	**1,269**		**-**	
TOTAL ASSETS	**523,010**		**320,335**	

(*) Data restated following the disaggregation of the item "Right of Use" which was previously included in the caption "Property, plant and equipment".

LIABILITIES AND EQUITY	31.12.2022	*of which related parties*	31.12.2021	*of which related parties*
EQUITY				
Share capital	6,000		6,000	
Legal reserve	1,200		1,200	
Reserve for own shares in portfolio	(2,208)		(2,250)	
Translation reserve	3,952		(1,104)	
Other Reserves and retained earnings	89,579		64,811	
Net profit (loss)	34,588		28,347	
Equity attributable to the owners of the parent	**133,111**		**97,004**	
Equity attributable to non-controlling interests	1,819		1,447	
TOTAL EQUITY	**134,930**		**98,451**	
NON-CURRENT LIABILITIES				
Long-term loans	107,311		32,479	
Non-current financial liabilities	35,459	*179*	9,440	*121*
Employee benefits plans	5,445		6,512	
Provision for risks and charges	4,956		2,681	
Non current liabilities for options granted to non-controlling interest	-		-	
Other non-current liabilities	3,295	*543*	2,416	*496*
Deferred tax liabilities	15,591		505	
TOTAL NON-CURRENT LIABILITIES	**172,057**		**54,033**	
CURRENT LIABILITIES				
Current portion of long-term loans	32,692		20,584	
Current bank loans and borrowings	7,001		29,001	
Current financial liabilities	3,503	*63*	2,447	*56*
Trade payables	77,292	*762*	50,022	*955*
Advance from costumers	50,248		31,042	
Contract liabilities for work in progress	7,060		8,174	
Current liabilities for options granted to non-controlling interests	481		741	
Tax liabilities and social security contributions	11,285		8,531	
Other current liabilities	23,092	*603*	17,309	*2,727*
TOTAL CURRENT LIABILITIES	**212,654**		**167,851**	
Liabilities associated with assets held for sale and disposal group	**3,369**			
TOTAL LIABILITIES	**388,080**		**221,884**	
TOTAL LIABILITIES AND EQUITY	**523,010**		**320,335**	

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(€'000)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS	31.12.2022	*of which related parties*	31.12.2021	*of which related parties*
Revenue	519,801	*72*	280,036	*343*
Other revenue and income	11,594		6,993	
TOTAL REVENUE AND OTHER INCOME	**531,395**		**287,029**	
Costs of raw materials, components and goods and changes in inventories	239,706	*2,925*	115,536	*2,518*
Services	106,113	*1,598*	59,474	*1,433*
Personnel expenses	119,660	*1,199*	68,446	*1,101*
Other expenses	4,295		2,421	
Amortisation and depreciation	16,929	*57*	7,526	*71*
TOTAL COSTS	**486,703**		**253,403**	
OPERATING PROFIT	**44,692**		**33,626**	
Financial income	743		471	
Financial Expenses	(2,727)	*(2)*	(667)	*(1)*
Net exchange rate gain (losses)	2,410		57	
Gains (losses) on liabilities for option granted to non controlling interests	260		1,124	
Profit (losses) from equity investments carried at equity	972		139	
PROFIT BEFORE TAXES	**46,350**		**34,750**	
Income taxes	11,509		7,074	
NET PROFIT	**34,841**		**27,676**	
ATTRIBUTABLE TO:				
Owners of the parent	34,588		28,347	
Non-controlling interests	253		(671)	
Earnings per share				
Basic earnings per share (in Euros)	**0.68**		**0.56**	
Diluted earnings per share (in Euros)	**0.67**		**0.55**	

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(€'000)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	31.12.2022	31.12.2021
Net profit	**34,841**	**27,676**
Items that may be subsequently reclassified to profit or loss:		
- Exchange rate differences	5,501	2,652
Other items valued using the equity method	(445)	-
Items that may not be subsequently reclassified to profit or loss:		
- Actuarial gains (losses) on employee benefits net of the tax effect	819	(77)
- Actuarial gains on agents' termination benefits net of the tax effect	18	(24)
Total Comprehensive income	**40,734**	**30,227**
attributable to:		
- Owners of the parent	40,481	30,898
- Non-controlling interests	253	(671)

CONSOLIDATED STATEMENT OF CASH FLOW *(€'000)*

Consolidated Statement of Cash Flow	31.12.2022	of which related parties	31.12.2021	of which related parties
OPERATING ACTIVITES				
Net profit	***34,841***		***27,676***	
Adjustments for:				
Amortisation and depreciation	16,930		7,526	
Provision	3,018		1,052	
Net non-monetary financial (income)	1,983		(69)	
Change in employee benefits liabilities	(126)		(1,104)	
Unrealized currency exchange rate (gains) losses	(2,117)		(21)	
Non-monetary changes related to liabilities for options granted to non-controlling interests	(260)		(1,124)	
Investment equity valuation	(972)		(82)	
Other non-monetary variations	2,841		(1,544)	
Taxes	11,509		7,074	
Cash flows from operating activities before changes in net working capital	**67,647**		**39,384**	
(Increase)/decrease in trade receivables	(13,090)	*79*	(12,957)	*(172)*
(Increase)/decrease in inventories	(15,440)		(7,194)	
(Increase)/decrease in conctract assets and liabilities for work in progress	(439)		5,031	
(Increase)/decrease in other current assets	(2,713)	*(322)*	(3,000)	*8*
Increase/(decrease) in trade payables	8,437	*(193)*	10,546	*412*
Increase/(decrease) in advance from customers	2,754		10,971	
Increase/(decrease) in other current liabilities	(113)	*(2,124)*	2,921	*2,299*
(Increase)/decrease in non-current assets	(107)		(814)	
Increase/(decrease) in non-current liabilities	(114)	*46*	2,524	*496*
Income taxes paid	(14,202)		(7,957)	
CASH FLOWS FROM OPERATING ACTIVITIES (A)	**32,620**		**39,455**	
INVESTING ACTIVITIES	-			
(Investments) in property, plant and equipment	(5,112)		(2,724)	
Disinvestments in property, plant and equipment	168		110	
(Investments) in intangible assets	(728)		(568)	
Disinvestments in intangible assets	27		-	
Disinvestments/(investments) in financial assets	(5,226)		3,626	
Deferred price from the acquisition of controlling interest	(1,018)		(6,697)	
Business combinations net of the acquired cash	(100,470)			
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES (B)	**(112,359)**		**(6,253)**	
FINANCING ACTIVITIES	-		-	
Issuance of bank loans	109,694		15,000	
Repayment of bank loans	(21,915)		(16,141)	
Change in current bank loans and borrowings	(22,000)		7,696	
Repayment of bonds	(1,985)		(345)	
Increase/(decrease) in other financial liabilities	(2,795)	*65*	(1,696)	*(769)*
Dividends paid	(5,193)		(6,721)	
CASH FLOWS USED IN FINANCING ACTIVITIES (C)	**55,806**		**(2,207)**	
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (A ± B ± C)	**(23,933)**		**30,995**	
EFFECT OF EXCHANGE RATE CHANGES ON BALANCE OF CASH HELD IN FOREIGN CURRENCY	**(40)**		**58**	
Cash and cash equivalent related to assets and liabilities held for sale (-)	**167**		**-**	
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)	**94,365**		**118,505**	

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**	**72,413**	**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	-	-	-	-	314	-	314	-	314
Total comprehensive income	-	-	-	2,652	(101)	28,347	30,898	(671)	30,227
Balance at December 31st, 2021	**6,000**	**1,200**	**(2,250)**	**(1,104)**	**64,811**	**28,347**	**97,004**	**1,447**	**98,451**

	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	-	-	-	-	426	-	426	-	426
Gain from share disposal			42		386		428		428
Change in non-controlling interests	-	-	-		(135)	-	(135)	219	84
Total comprehensive income	-	-	-	5,056	837	34,588	40,481	253	40,734
Balance at December 31st, 2022	**6,000**	**1,200**	**(2,208)**	**3,952**	**89,579**	**34,588**	**133,111**	**1,819**	**134,930**