

Press Release

**THE BOD OF PIOVAN S.P.A. APPROVES THE PERIODIC FINANCIAL INFORMATION AS OF MARCH 31, 2023**

**2023 STARTS UNDER THE SIGN OF CONTINUITY FOR PIOVAN GROUP, WHICH RECORDS ANOTHER QUARTER OF STRONG GROWTH WITH REVENUES INCREASING BY 30.7% COMPARED TO THE SAME PERIOD IN 2022 DRIVEN BY AN EXCELLENT PERFORMANCE IN SEGMENTS RELATED TO THE CIRCULAR ECONOMY AND A RECOVERY IN AUTOMOTIVE. ADJUSTED EBITDA ALSO GROWS, REACHING € 15.8 MILLION, AND EXTERNAL EXPANSION CONTINUES THANKS TO THE ACQUISITION OF SELECTED ASSETS FROM PROTEC GROUP, WHICH OFFERS THE OPPORTUNITY TO CONSOLIDATE THE GROUP'S MARKET SHARE IN THE GERMAN MARKET.**

- Consolidated revenue and other income of € 141.1 million, growing by 30.7% on March 31, 2022 (+15.4% on a like-for-like consolidation basis);
- Consolidated Adjusted EBITDA of € 15.8 million (11.2% margin), increasing by 17.9% on March 31, 2022 (+8.9% on a like-for-like consolidation basis and excluding the impact of certain non-recurring items);
- Consolidated Operating Profit (EBIT) of € 13.3 million (9.4% margin) excluding the effects of IPEG Purchase Price Allocation (“PPA”), increasing by € 2.5 million (+23.2%) on March 31, 2022;
- Consolidated Net Profit of € 9.5 million (6.8% margin), increasing by € 2.5 million (+36.0%) on March 31, 2022;
- Consolidated Net Financial Position is negative for € 98.5 million. 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 \$ 21.8 million), the consolidated net financial position as of March 31, 2023 would amount to negative € 59.2 million.

**Santa Maria di Sala (VE), May 10, 2023** – The Board of Directors of Piovan S.p.A. (“Piovan” or the “Company”) today reviewed and approved the Financial Periodic Information as of March 31, 2023. The consolidated key financial highlights of the 2023 first quarter follow:

**Piovan S.p.A.**

Via delle Industrie 16 - 30036 S. Maria di Sala (Venezia) Italy  
Tel. +39 041 5799111 - info@piovan.com

Purchase Dept. Fax +39 041 487436 - Sales Dept. Fax +39 041 487437 - Accounts Dept. Fax +39 041 5799244  
C.F. 02307730289 - P.IVA 02700490275 - Cap. Soc. Euro 6.000.000,00 i.v.

(amounts in €'000)	Economic performance indicators				Changes	
	First quarter 2023	% on total revenues and other income	First quarter 2022 (1)	% on total revenues and other income	2023 vs 2022	%
Revenue	138,932	98.5%	105,294	97.5%	33,638	31.9%
Other revenue and income	2,167	1.5%	2,692	2.5%	(525)	(19.5%)
<b>TOTAL REVENUE AND OTHER INCOME</b>	<b>141,099</b>	<b>100.0%</b>	<b>107,986</b>	<b>100.0%</b>	<b>33,113</b>	<b>30.7%</b>
Adjusted EBITDA	15,777	11.2%	13,383	12.4%	2,394	17.9%
EBITDA	15,647	11.1%	12,928	12.0%	2,719	21.0%
OPERATING PROFIT	12,307	8.7%	9,560	8.9%	2,747	28.7%
PROFIT BEFORE TAXES	13,942	9.9%	10,375	9.6%	3,567	34.4%
Income taxes	4,409	3.1%	3,365	3.1%	1,044	31.0%
<b>NET PROFIT</b>	<b>9,533</b>	<b>6.8%</b>	<b>7,009</b>	<b>6.5%</b>	<b>2,524</b>	<b>36.0%</b>
<b>Attributable to:</b>						
Owners of the parent	10,512	7.5%	6,884	6.4%		
Non-controlling interests	(979)	(0.7%)	125	0.1%		
<b>Basic earnings per share</b>	<b>0.21</b>		<b>0.14</b>			
<b>Diluted earnings per share</b>	<b>0.21</b>		<b>0.13</b>			

<sup>(1)</sup> For comparative purposes, the income statement figures for Q1 2022 have been restated compared to the interim report at March 31, 2022, following the definitive purchase price allocation for the IPEG group. The restated figures include amortization and, consequently, EBIT, pre-tax profit and net profit.

## Revenue analysis

### Revenue

In the first quarter of 2023, Piovan Group **revenue** totaled € 138.9 million, with a strong growth on € 105.3 million in the first quarter of 2022, increasing by +31.9%.

Recognizing the effect of the acquisition of IPEG group retroactively to January 1, 2022, Piovan Group revenue in the first quarter 2022 would have been equal to € 118.9 million, increasing by +16.9% in 2023.

Revenue calculated on a like-for-like basis (i.e. average exchange rate in the first quarter of 2022) would have decreased by € 3.0 million at € 135.9 million and showing a growth of 29.1% compared to the first quarter of 2022. The exchange effect on revenue was mainly due to the trends of the US dollar against the Euro and, to a lesser extent, to trends in the Renminbi.

### Revenue by Business Segment

€/000	Q1 2023	%	Q1 2022 (*)	%	Q1 2023 vs Q1 2022	%
Plastic	109,079	78.5%	78,076	74.2%	31,003	39.7%
Food & non plastic	8,433	6.1%	11,532	11.0%	(3,099)	(26.9%)
Services	21,420	15.4%	15,686	14.9%	5,734	36.6%
<b>Revenue</b>	<b>138,932</b>	<b>100.0%</b>	<b>105,294</b>	<b>100.0%</b>	<b>33,638</b>	<b>31.9%</b>

(\*) Q1 2022 includes IPEG group for just 2 months.

For what concerns the dynamic of **revenue by Business Segment** in the first quarter of 2023, it is noted that, on a like-for-like basis:

- *Plastic Systems* revenue increased by 39.7%, driven by good performances in North America and Asia. In particular, the increase is attributable to i) the circular economy segment, and particularly both directly the *Recycling* segment and the *Packaging* segment - which uses recycled materials - , a sector in which the Group is a world leader and ii) to the *Automotive* sector, slightly recovering thanks to increased investment in new electric models;
- *Food & non-plastic* revenue decreased compared to the same quarter of the previous year due to the timing of development of a number of projects in the segment that are to be completed in coming months of 2023, particularly in North America;
- the *Services* market reported revenue growth of 36.6% on the same period of the previous year, confirming the development expectations of the Group, which is also focusing on growth in this market.

## Revenue by region

€/000	Q1 2023	%	Q1 2022 (*)	%	Q1 2023 vs Q1 2022	%
EMEA	46,102	33.2%	46,286	44.0%	(184)	(0.4%)
ASIA	15,771	11.4%	8,941	8.5%	6,830	76.4%
NORTH AMERICA	72,374	52.1%	46,591	44.2%	25,783	55.3%
SOUTH AMERICA	4,685	3.4%	3,476	3.3%	1,209	34.8%
<b>Revenue</b>	<b>138,932</b>	<b>100.0%</b>	<b>105,294</b>	<b>100.0%</b>	<b>33,638</b>	<b>31.9%</b>

(\*) Q1 2022 includes IPEG group for just 2 months.

Revenue in North America increased mainly due to the increase of market shares, good performances of the subsidiary Pelletron US and the *Food* area, and in part also driven by the positive impact of the EUR/USD exchange rate.

Growth in Asia, up by 76.4%, shows signs of recovery in the Asian market, also thanks to the collection of some major orders in late 2022 and early 2023, which had seen a slowdown in the first part of 2022 following the lockdowns in the first part of the year related to the re-emergence of COVID outbreaks.

Performance in Europe, while positive, reflects the fact that major projects underway in the *Food* area had a final destination of North America and are developed in Europe. Finally, South America continued to perform well, with growth of 34.8%.

### Other revenues and income

**Other revenues and income** decreased by 19.5% on the first quarter of 2022. This aggregate included a number of operating grants in 2022. Recognizing the effect of the acquisition of IPEG group retroactively to January 1, 2022, Other revenue and income for Piovan Group in 2022 would have been equal to € 3.4 million (-36.2%).

### Total revenues and other income

In the first quarter of 2023, therefore, **Total revenues and other income** of Piovan Group amounted to € 141.1 million, growing strongly compared to € 108.0 million in the first quarter of 2022 (+30.7%). Recognizing the effect of the acquisition of IPEG group retroactively to January 1, 2022, the amount of revenues and other income of Piovan Group in 2022 would have been equal to € 122.3 million, increasing by 15.4% in 2023.

### Analysis of consolidated economic results

#### EBITDA

In the first quarter of 2023, **EBITDA** totaled € 15.6 million, an increase of 21.0% compared to € 12.9 million in the first quarter of 2022 (11.1% margin on total revenues and other income vs. 12.0% in the first quarter of 2022).

Recognizing the effect of the acquisition of IPEG group retroactively to January 1, 2022, EBITDA in the first quarter 2022 would have been equal to € 14.0 million, increasing by 11.6% in 2023.

The growth in EBITDA, which is lower than the growth in revenues, reflects certain non-recurring costs incurred for activities related to the integration of IPEG group and certain additional costs related to a contract in the *Food* market for a subsidiary.

#### ADJ. EBITDA

In the first quarter of 2023, **Adjusted EBITDA** totaled € 15.8 million (excluding certain non-recurring components or non-core activities), for a margin on total revenues and other income of 11.2%, up by 17.9% compared to adj. EBITDA in the first quarter of 2022.

Recognizing the effect of the acquisition of IPEG group retroactively to January 1, 2022, Piovan Group Adj. EBITDA in the first quarter of 2022 would have been equal to € 14.5 million, increasing +8.9% in 2023.

#### EBIT

In the first quarter 2023, **EBIT** totaled € 12.3 million, up from € 9.6 million in the first quarter of 2022. It should be noted that this figure has been restated to reflect the amortization recognized in relation to the purchase price allocation (“PPA”), in the amount of € 1.2 million.

EBIT, therefore, reflects the effects of the PPA of IPEG, which alone included the recognition of amortization of intangible assets of € 984 thousand in the first quarter of 2023 (€ 1,224 thousand in the first quarter of 2022).

The EBIT margin on total revenues and other income is equal to 8.7%, in line with the previous year. Excluding the effects of the PPA as described above, EBIT would have been equal to € 13.3 million, for a margin on total revenues and other income of 9.4% (€ 10.8 million in the first quarter of 2022, for a margin of 10.0% on total revenues and other income).

As described above, the growth in EBIT reflects certain non-recurring costs incurred in the quarter for activities related to the integration of IPEG group and certain additional costs related to an order of a subsidiary.

### **Net Profit**

The **Net Profit** in the first quarter of 2023 was equal to € 9.5 million, increasing on € 7.0 million for the same period of the previous year. The margin on total revenue and other income was equal to 6.8% (6.5% in the first quarter of 2022).

Net profit in the first quarter of 2023 benefited from the gain on the sale of Toba PNC. As of the date on which the sale was finalized, the deconsolidated company had negative equity of € 2.6 million (of which € 1.3 million related to minority interests).

Excluding the amortization of the PPA, equal to € 984 thousand (€ 1,224 thousand in the first quarter of 2022), its related fiscal effect equal to € 220 thousand (€ 250 thousand in the first quarter of 2022) and the gain on the sale of Toba PNC, net profit would have been equal to € 9.0 million (€ 8.0 million in the first quarter of 2022), for a margin on revenues and other income of 6.4% (7.4% in the first quarter of 2022).

### **Earnings per share**

**Earnings per share** was equal to € 0.21 as of March 31, 2023, compared to € 0.14 as of March 31, 2022.

## **Consolidated Balance Sheet Items Overview**

### **Consolidated Net Financial Position**

The **consolidated net financial position** at March 31, 2023 was negative and equal to € 98.5 million, improving if compared to March 31, 2022 – when it was negative and equal to € 108.2 million – and decreasing if compared to a negative one equal to € 88.1 million at December 31, 2022, absorbing net cash in the amount of € 10.4 million, which was substantially attributable to ordinary activities and reflects the normal course of business.

€/000	31.03.2023	31.12.2022	31.03.2022
A. Cash	55,055	74,365	108,414
B. Cash equivalents	20,000	20,000	-
C. Other current financial assets	6,851	6,815	1,550
<b>D. Liquidity (A+B+C)</b>	<b>81,906</b>	<b>101,180</b>	<b>109,964</b>
E. Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)	(3,803)	(10,504)	(30,981)
F. Current portion of non-current financial debt	(37,556)	(32,692)	(20,411)
<b>G. Current financial indebtedness (E+F)</b>	<b>(41,359)</b>	<b>(43,196)</b>	<b>(51,392)</b>
<b>H. Net current financial indebtedness (G-D)</b>	<b>40,547</b>	<b>57,984</b>	<b>58,573</b>
I. Non-current financial debt (excluding current portion and debt instruments)	(135,773)	(142,770)	(145,915)
J. Debt instruments	-	-	-
K. Non-current trade and other payables	(3,257)	(3,295)	(20,862)
<b>L. Non-current financial indebtedness (I+J+K)</b>	<b>(139,030)</b>	<b>(146,065)</b>	<b>(166,777)</b>
<b>M. Total net financial position (H+L)</b>	<b>(98,483)</b>	<b>(88,081)</b>	<b>(108,204)</b>

Excluding the effects of the application of IFRS 16, the Group's net financial position at March 31, 2023 would amount to negative € 79.3 million, compared to a negative value of € 70.2 million at December 31, 2022 and € 87.6 million at March 31, 2022.

“Non-current financial debt (excluding the current portion and the debt instruments)” includes the fair value measurement of the earn-out in the amount of USD 21.8 million, € 20.0 million at March 31, 2023 (€ 20.4 million at December 31, 2022), equal to its maximum contractual value, which is expected to be paid in 2024 to the selling shareholders of IPEG Inc., in accordance with contractual obligations.

Investments for the quarter totaled € 2.2 million (€ 633 thousand in the first quarter of 2022), of which non-recurring investments equal to € 1.4 million.

The net financial position includes medium/long-term loans, mainly relating to the parent company Piovan S.p.A. (the “**Parent Company**”) and entirely subscribed in Euro, for € 137.3 million, of which € 37.6 million repayable within 12 months and the remaining € 99.7 million medium/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 occurred after March 31, 2023**

On April 27, 2023, the Shareholders' Meeting, besides approving the 2022 Financial Statements and the Report on the policy regarding remuneration and fees paid, also:

- approved the distribution of a dividend for Euro 10,206,492.20 (equal to Euro 0.20 for each share with profit rights, excluding the treasury shares held by the Company);
- conferred to the Board of Directors of the Company the authorization to purchase and dispose of

treasury shares, subject to revocation of the previous authorization granted by the Shareholders' Meeting of April 28, 2022, as detailed in the Directors' report published on the Company's website at [www.piovan.com](http://www.piovan.com), in the *Investors/Investor Relations/Shareholders' Meeting* section;

- approved the new plan for free allocation of ordinary shares of the Company named the "2023-2025 Long Term Incentive Plan" (the "**Plan**"). The Plan is organized into three cycles (the first for the 2023-2025 vesting period, the second for the 2024-2026 vesting period, and the third for the 2025-2027 vesting period) and, for each cycle, calls for the assignment of ordinary Piovan S.p.A. shares, under the terms and conditions specified in the disclosure published on the Company's website ([www.piovan.com](http://www.piovan.com)) to Executive Directors (excluding the Executive Chairperson) and Managers with Strategic Responsibilities, and additional individuals to be selected by the Chairperson of the Board of Directors from among the employees and/or collaborators of the Company or subsidiaries due to the strategic importance of the roles;
- acknowledged the end of term of the director Maurizio Bazzo, who was co-opted, in accordance with Article 2386 of the Italian civil code and Article 14.4 of the By-Laws, at the meeting of the Board of Directors held on March 21, 2023, to replace outgoing director Marco Stevanato, and approved the appointment, with the majorities required by Law, without application of the slate voting mechanism, of Maurizio Bazzo to the position of independent, non-executive director of the Company. Maurizio Bazzo shall remain in office until the expiration of the term of office of the other directors currently in office and, therefore, until the date of the Shareholders' Meeting called to approve the financial statements at December 31, 2023.

No additional significant events subsequent to March 31, 2023, are reported.

## **Outlook**

The Group confirms its desire to continue along the strategic path undertaken, focusing 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 is 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 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 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 about 29.7% of the automations sold in the packaging, fiber and recycling segments are being used in order to make use of recycled material.

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.

Considering organic growth, on the strength of record performance in 2022 and a first quarter 2023 which appears to confirm the performance in 2022, the Company looks to organic growth for the future with great optimism despite the uncertainties related to the geopolitical environment. 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 March 31, 2023 was in line with those in the previous year, against 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.



\*\*\*

### CONFERENCE CALL

The results as of March 31, 2023 shall be presented to the financial community through a conference call to be held on **May 11, 2023 at 10:00 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/piovan230511.html>

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

\*\*\*

This document contains “forward-looking statements” relating to future events and operating and financial results of 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.

\*\*\*

### **FOR FURTHER DETAILS:**

**Piovan S.p.A.**  
*Investor Relations*  
Giovanni Rigodanza  
[ir@piovan.com](mailto:ir@piovan.com)  
Tel. 041 5799120

\*\*\*

### **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)*

<b>ASSETS</b>	<b>31.03.2023</b>	<b>31.12.2022</b>
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	43,174	43,047
Right of Use	23,583	22,109
Intangible assets	125,597	128,297
Equity investments	11,255	10,832
Other non-current assets	585	574
Deferred tax assets	10,574	10,744
<b>TOTAL NON-CURRENT ASSETS</b>	<b>214,768</b>	<b>215,603</b>
<b>CURRENT ASSETS</b>		
Inventories	89,584	90,188
Contract assets for work in progress	10,637	6,374
Trade receivables	90,298	89,771
Current financial assets	6,851	6,815
Tax receivables	5,814	5,469
Other current assets	15,691	13,156
Cash and cash equivalents	75,055	94,365
<b>TOTAL CURRENT ASSETS</b>	<b>293,930</b>	<b>306,138</b>
<b>Assets held for sale and disposal groups</b>	<b>-</b>	<b>1,269</b>
<b>TOTAL ASSETS</b>	<b>508,698</b>	<b>523,010</b>

<b>LIABILITIES AND EQUITY</b>	<b>31.03.2023</b>	<b>31.12.2022</b>
<b>EQUITY</b>		
Share capital	6,000	6,000
Legal reserve	1,200	1,200
Reserve for own shares in portfolio	(2,489)	(2,208)
Translation reserve	2,176	3,952
Other Reserves and retained earnings	124,201	89,579
Net profit (loss)	10,512	34,588
<b>Equity attributable to the owners of the parent</b>	<b>141,600</b>	<b>133,111</b>
Equity attributable to non-controlling interests	2,122	1,819
<b>TOTAL EQUITY</b>	<b>143,722</b>	<b>134,930</b>
<b>NON-CURRENT LIABILITIES</b>		
Long-term loans	99,718	107,311
Non-current financial liabilities	36,055	35,459
Employee benefits plans	5,294	5,445
Provision for risks and charges	5,361	4,956
Non-current liabilities for options granted to non-controlling interest	-	-
Other non-current liabilities	3,257	3,295
Deferred tax liabilities	15,063	15,591
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>164,748</b>	<b>172,057</b>
<b>CURRENT LIABILITIES</b>		
Current portion of long-term loans	37,556	32,692
Current bank loans and borrowings	-	7,001
Current financial liabilities	3,803	3,503
Trade payables	68,562	77,292
Advances from customers	51,112	50,248
Contract liabilities for work in progress	4,126	7,060
Current liabilities for options granted to non-controlling interests	481	481
Tax liabilities and social security contributions	10,187	11,285
Other current liabilities	24,401	23,092
<b>TOTAL CURRENT LIABILITIES</b>	<b>200,228</b>	<b>212,654</b>
<b>Liabilities associated with assets held for sale</b>	<b>-</b>	<b>3,369</b>
<b>TOTAL LIABILITIES</b>	<b>364,976</b>	<b>388,080</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>508,698</b>	<b>523,010</b>

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS**
**(€'000)**

<b>CONSOLIDATED STATEMENT OF PROFIT AND LOSS</b>	<b>31.03.2023</b>	<b>31.03.2022<sup>(1)</sup></b>
Revenues	138,932	105,294
Other revenues and income	2,167	2,692
<b>TOTAL REVENUES AND OTHER INCOME</b>	<b>141,099</b>	<b>107,986</b>
Costs of raw materials, components and goods and changes in inventories	63,771	46,812
Services expenses	28,206	21,489
Personnel expenses	32,642	25,709
Other expenses	833	1,048
Amortization and depreciation	3,340	3,368
<b>TOTAL COSTS</b>	<b>128,792</b>	<b>98,426</b>
<b>OPERATING PROFIT</b>	<b>12,307</b>	<b>9,560</b>
Financial income	527	162
Financial Expenses	(917)	(560)
Net exchange rate gain (losses)	87	997
Gains (losses) on liabilities for option granted to non controlling interests	-	-
Profit (losses) from equity investments carried at equity method	601	216
Profit (losses) from disposals	1,337	-
<b>PROFIT BEFORE TAXES</b>	<b>13,942</b>	<b>10,375</b>
<b>Income taxes</b>	<b>4,409</b>	<b>3,365</b>
<b>NET PROFIT</b>	<b>9,533</b>	<b>7,009</b>
<b>ATTRIBUTABLE TO:</b>		
Owners of the parent	10,512	6,884
Non-controlling interests	(979)	125
<b>Earnings per share</b>		
Basic earnings per share (in Euros)	<b>0.21</b>	<b>0.14</b>
Diluted earnings per share (in Euros)	<b>0.21</b>	<b>0.13</b>

*(1) For comparative purposes, the income statement figures for Q1 2022 have been restated compared to the Periodic Financial information at March 31, 2022, following the definitive purchase price allocation for the IPEG group. The restated figures include amortization and, consequently, EBIT, pre-tax profit and net profit.*

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**
**(€'000)**

<b>CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME</b>	<b>31.03.2023</b>	<b>31.03.2022 <sup>(1)</sup></b>
<b>Net profit</b>	<b>9,533</b>	<b>7,009</b>
Items that may be subsequently reclassified to profit or loss:		
- Exchange rate differences	(1,776)	2,747
Other items valued using the equity method		
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		
<b>Total Comprehensive income</b>	<b>7,757</b>	<b>9,756</b>
attributable to:		
- Owners of the parent	8,736	9,631
- Non-controlling interests	(979)	125

*(1) For comparative purposes, the income statement figures for Q1 2022 have been restated compared to the Periodic Financial information at March 31, 2022, following the definitive purchase price allocation for the IPEG group. The restated figures include amortization and, consequently, EBIT, pre-tax profit and net profit.*

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

Consolidated Statement of Cash Flow	31.03.2023	31.03.2022 <sup>(1)</sup>
<b>OPERATING ACTIVITIES</b>		
<b>Net profit</b>	<b>9,533</b>	<b>7,009</b>
<b>Adjustments for:</b>	-	-
Amortization and depreciation	3,340	3,368
Provision	405	1,383
Net non-monetary financial (income)	399	328
Change in employee benefits liabilities	(151)	105
(Plus) or minus from disposal of fixed assets and investments	-	(15)
Investment equity valuation	(601)	(218)
Other non-monetary variations	(1,329)	28
Taxes	4,409	3,364
<b>Cash flows from operating activities before changes in net working capital</b>	<b>16,006</b>	<b>15,354</b>
(Increase)/decrease in trade receivables	(1,112)	(4,706)
(Increase)/decrease in inventories	(13)	(7,818)
(Increase)/decrease in contract assets and liabilities for work in progress	(7,125)	(2,234)
(Increase)/decrease in other current assets	(3,185)	(3,532)
Increase/(decrease) in trade payables	(7,671)	(3,805)
Increase/(decrease) in advance from customers	1,216	7,802
Increase/(decrease) in other current liabilities	(1,073)	(584)
(Increase)/decrease in non-current assets	(11)	(284)
Increase/(decrease) in non-current liabilities	(374)	(666)
Income taxes paid	(2,565)	(1,982)
<b>CASH FLOWS FROM OPERATING ACTIVITIES (A)</b>	<b>(5,906)</b>	<b>(2,456)</b>
<b>INVESTING ACTIVITIES</b>		-
Investments in property, plant and equipment	(1,585)	(591)
Disinvestments in property, plant and equipment	237	13
Investments in intangible assets	(633)	(97)
Disinvestments in intangible assets	-	42
Disinvestments/(investments) in financial assets	-	-
Disinvestments/(investments) in investments	-	-
Business combinations net of the acquired cash	-	(100,589)
<b>CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES (B)</b>	<b>(1,981)</b>	<b>(101,222)</b>
<b>FINANCING ACTIVITIES</b>		-
Issuance of bank loans	-	99,585
Repayment of bank loans	(2,729)	(3,120)
Change in current bank loans and borrowings	(7,001)	(2,001)
Interests paid	(444)	(289)
Increase/(decrease) in other financial liabilities	(1,241)	(560)
Dividends paid	-	-
<b>CASH FLOWS USED IN FINANCING ACTIVITIES (C)</b>	<b>(11,415)</b>	<b>93,615</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (A ± B ± C)</b>	<b>(19,302)</b>	<b>(10,063)</b>
<b>EFFECT OF EXCHANGE RATE CHANGES ON BALANCE OF CASH HELD IN FOREIGN CURRENCY</b>	<b>(8)</b>	<b>(28)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD (E)</b>	<b>94,365</b>	<b>118,505</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(19,310)</b>	<b>(10,063)</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (G=D+E+F)</b>	<b>75,055</b>	<b>108,414</b>

(1) For comparative purposes, the income statement figures for Q1 2022 have been restated compared to the Periodic Financial Information at March 31, 2022, following the definitive purchase price allocation for the IPEG group. The restated figures include amortization and, consequently, EBIT, pre-tax profit and net profit.

**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 <sup>(1)</sup>	Equity attributable to the owners of the parent <sup>(1)</sup>	Equity attributable to non-controlling interests <sup>(1)</sup>	TOTAL EQUITY <sup>(1)</sup>
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	-	-	-	-	-	-	-	(100)	(100)
Incentive plans	-	-	-	-	111	-	111	-	111
Total comprehensive income <sup>(1)</sup>	-	-	-	2,747	-	6,884	9,631	125	9,756
Balance at March 31st, 2022 <sup>(1)</sup>	6,000	1,200	(2,250)	1,643	93,267	6,884	106,746	1,473	108,218

*(1) For comparative purposes, the income statement figures for Q1 2022 have been restated compared to the Periodic Financial information at March 31, 2022, following the definitive purchase price allocation for the IPEG group. The restated figures include amortization and, consequently, EBIT, pre-tax profit and net profit and equity.*

	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, 2023	6,000	1,200	(2,208)	3,953	89,580	34,588	133,111	1,818	134,930
Allocation of prior year profit	-	-	-	-	34,588	(34,588)	-	-	-
Distribution of dividends	-	-	-	-	-	-	-	-	-
Incentive plans	-	-	-	-	32	-	32	-	32
Purchase of treasury shares	-	-	(281)	-	-	-	(281)	-	(281)
Change in consolidation perimeter	-	-	-	-	-	-	-	1,284	1,284
Total comprehensive income	-	-	-	(1,776)	-	10,512	8,736	(979)	7,757
Balance at March 31st, 2023	6,000	1,200	(2,489)	2,177	124,200	10,512	141,598	2,123	143,722