


PiovanGroup

H1 2024 FINANCIAL RESULTS PRESENTATION

8th August 2024

H1 2024 KEY HIGHLIGHTS

PIOVAN GROUP AT A GLANCE – KEY FACTS AND FIGURES

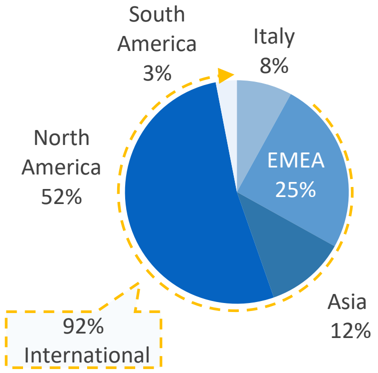
What we do	• Engineering, development and installation of **customized automation for production w/ virgin and recycled polymers, food powders and creams**
Applications	• Global leader in **technical polymers** and **recycled plastic** • Growing presence in **food and industrial applications** (e.g. powder ingredients)
Our customers	• **Global and diversified** customer base across several end-markets • >7,100 **customers**[1]
Global footprint	• **14 manufacturing sites** in 4 continents • **43 services & sales companies** worldwide as of 30 June 2024 • **70+ countries** covered
Innovation DNA	• **C. 3.9% of Revenues** invested in R&D and Engineering[3] • **303 dedicated employees**[3]

H1 2024 LTM Key Financials (incl. 5 months of NuVu)

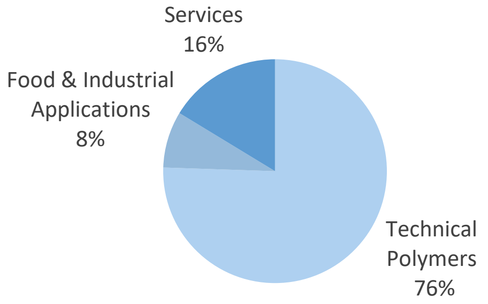
Revenues	Adj. EBITDA	EBIT	Net Income	Cash Conv.[4]
€567.8m	**€ 80.0m** *(14.1% Margin)*	**€ 64.7m** *(11.4% Margin)*	**€ 55.3m** *(9.7% Margin)*	**~ 95.0%**
+ 16.3% CAGR vs. FY 2017	**+ 14.6%** CAGR vs. FY 2017	**+ 12.8%** CAGR vs. FY 2017	**+ 16.7%** CAGR vs. FY 2017	**ca 0.6%** Recurring Capex / Revenues

H1 2024 Revenues Breakdown[2]

by Geography



by Segment



Source: Company information
[1]In 2023 above 1.000€ T/O. [2] Excluding other sales & other income. [3]As of 1H 2024. [4]Defined as Adj. EBITDA – Recurring Capex / Adj. EBITDA.

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H1 2024 KEY HIGHLIGHTS

- Completed relocation of Piovan China manufacturing facility to a temporary location, in the midst of the new site construction
- Launched strategic initiative to shape global division on Heat transfer/Chiller solutions under the Thermal Care brand
- In Feb-2024, reached 51% stake in Nu-Vu Conair paving the way for future growth opportunities in the strategic Indian market
- In Apr-2024, paid 100% of IPEG earn-out equal to $21.8m thanks to the significant overperformance vs. contractual targets
- In May-2024, the Company paid approximately €13.8m dividends to shareholders
- In Jul-2024, increased ownership stake in Fea from 68% to 100% through a dedicated capital increase
- Automation Systems SpA (Investindustrial) announced agreement to acquire 67.96% of the Company from Pentafin and 7-Industries

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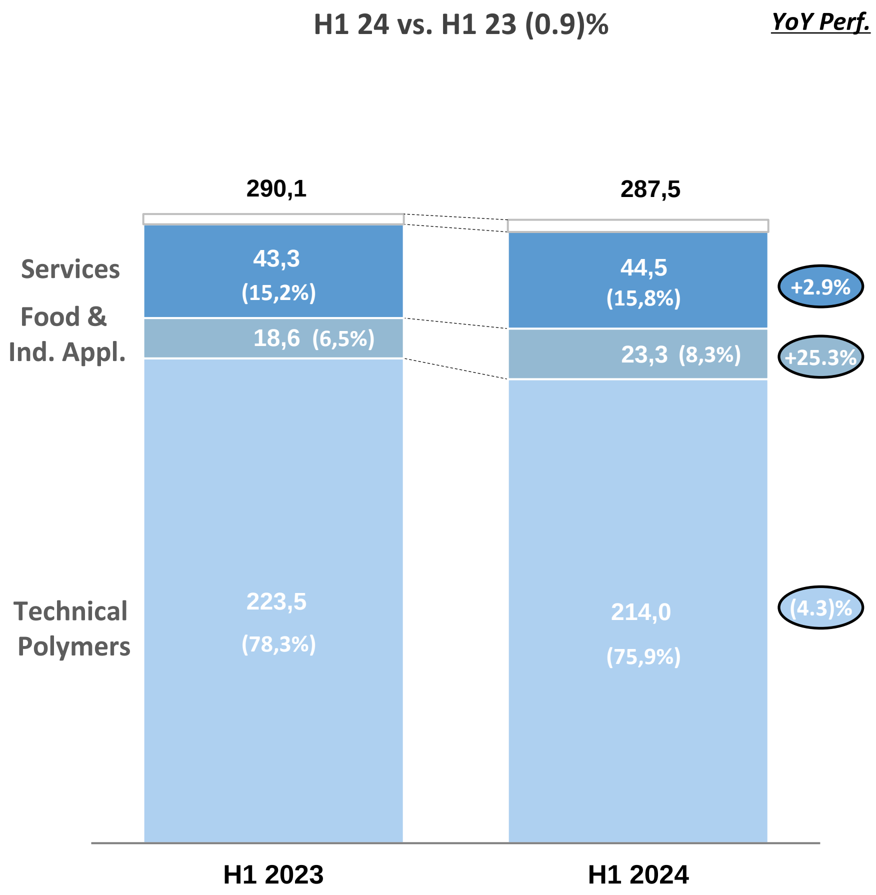
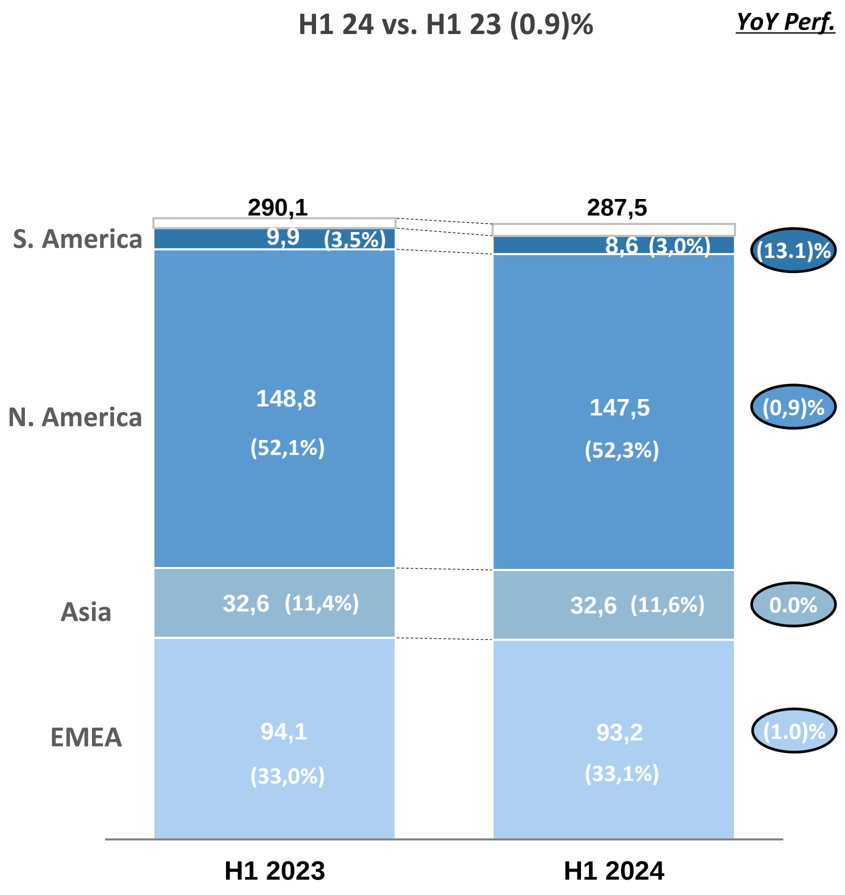
REBOUND IN FOOD, GROWTH IN SERVICES AND NUVU CONSOLIDATION CONTRIBUTE TO MAINTAINING A FLAT PERFORMANCE IN H1 24 VERSUS A PARTICULARLY STRONG H1 23

Revenues by Application (€m)[1]



Revenues by Geography (€m)[1]



Indicates other revenue and income (c. €4.7m in H1 2023 and €5.6m in H1 2024)

Comments

ORGANIC REVENUES: Excluding the contribution of NuVu Revenues would have been €279.3m, (3.7)% YoY

FX ANALYSIS: Revenues (excl. other rev. and income) at constant FX would have been €0.7m higher for a decline of 1.0% YoY

BY APPLICATION

- **Technical Polymers** shows a 4.3% decline across all end markets due to a relative weak market but improving sequentially versus Q1 2024. Results are impacted by the continued high-interest rate environment which is penalizing particularly construction and consumer goods sectors. Recycling market also shows a slowdown due to the temporary uncertainty in European regulations
- **Food & Industrial Applications** showing a rebound vs. H1 2023 thanks to a solid order collection. Further acceleration expected in the second part of 2024
- **Services** up by 2.9% confirming the success of the Group's plans in growing the sector

BY GEOGRAPHY

- **N. America** presents stable performance particularly supported by the evolution of the Group in Mexico and to the stability of automotive sector in the area
- **EMEA** performance limited by timing of the development of certain orders and by a temporary decline in recycling business as illustrated above
- **Asia** benefits from the contribution of NuVu Organically the region has been impacted by the relocation of the Chinese plant to a temporary location
- **S. America** performance reflects general contraction in demand

SOURCE: COMPANY INFORMATION
[1] REVENUES % BREAKDOWN EXCLUDES OTHER REVENUE AND INCOME.

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H1 2024 PERFORMANCE CONFIRMS CONTINUED GROWTH IN FOOD AND SERVICES. TECHNICAL POLYMERS DIVISION SHOWS ACCELERATION IF COMPARED WITH Q1 2024

Technical Polymers				Food & Industrial Applications	Services
Packaging	Consumer & Technical	Construction & Compounds	Automotive & Industrial		

As a percentage of H1 2024 Revenues (in brackets – H1 2023 figures)

Packaging	Consumer & Technical	Construction & Compounds	Automotive & Industrial	Food & Industrial Applications	Services
25.5% *(25.5%)*	22.8% *(24.4%)*	17.9% *(19.1%)*	9.7% *(9.3%)*	8.3% *(6.5%)*	15.8% *(15.2%)*

Preforms – PET

Rigid

Thermoforming

Film

Fibers

Medical

Tech Parts

Recycling & Compound

Pipes & Cables

SOURCE: COMPANY INFORMATION

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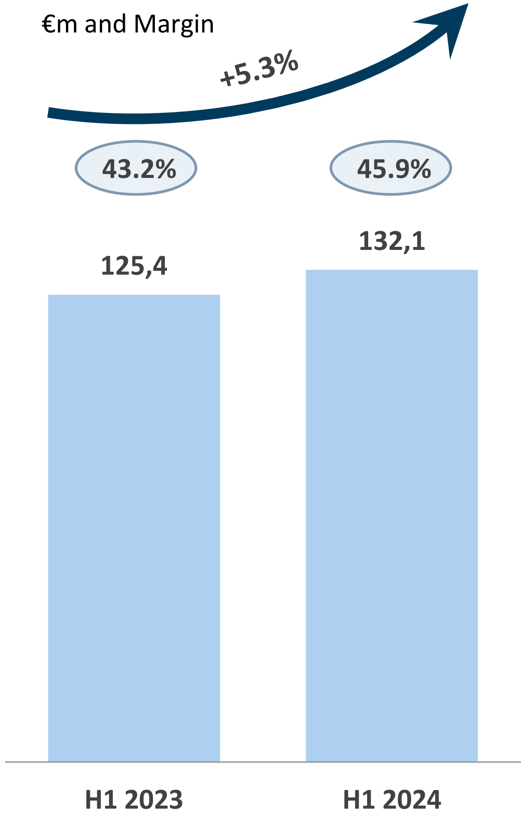
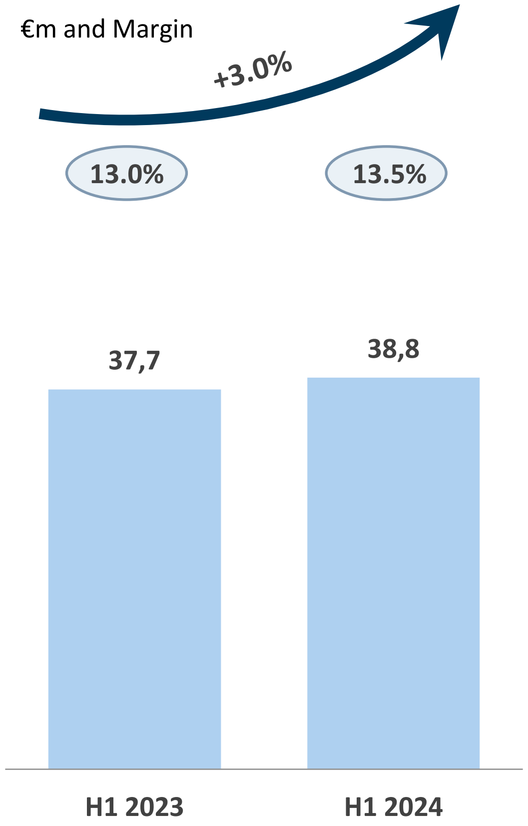
IMPROVEMENT IN PROFITABILITY DESPITE NEGATIVE OPERATING LEVERAGE EFFECT DEMONSTRATES DISCIPLINE IN PRICING AND BENEFITS OF INTEGRATION

Contribution Margin



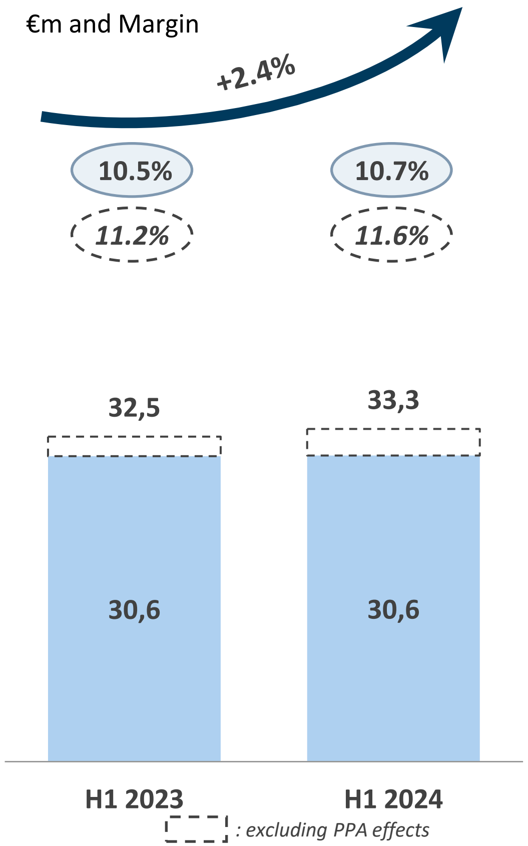
- Excluding the contribution of NuVu Contribution Margin €129.0m (46.2% on total revenues

Adj. EBITDA



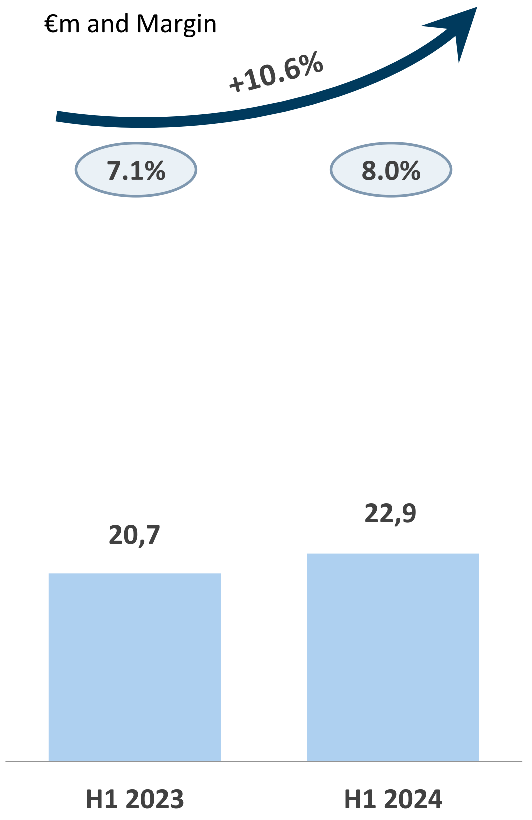
- Excluding the contribution of NuVu Adj. EBITDA would have been €37.5m (13.4% EBITDA Margin)
- Non-recurring costs refer to acquisitions costs and expenses related to reorganizations and integration processes

EBIT



- PPA adjustment in 1H 2024 reflects also impact of NuVu PPA and equals €2.7m vs. €2.0m in 1H 2023 (related only to IPEG)

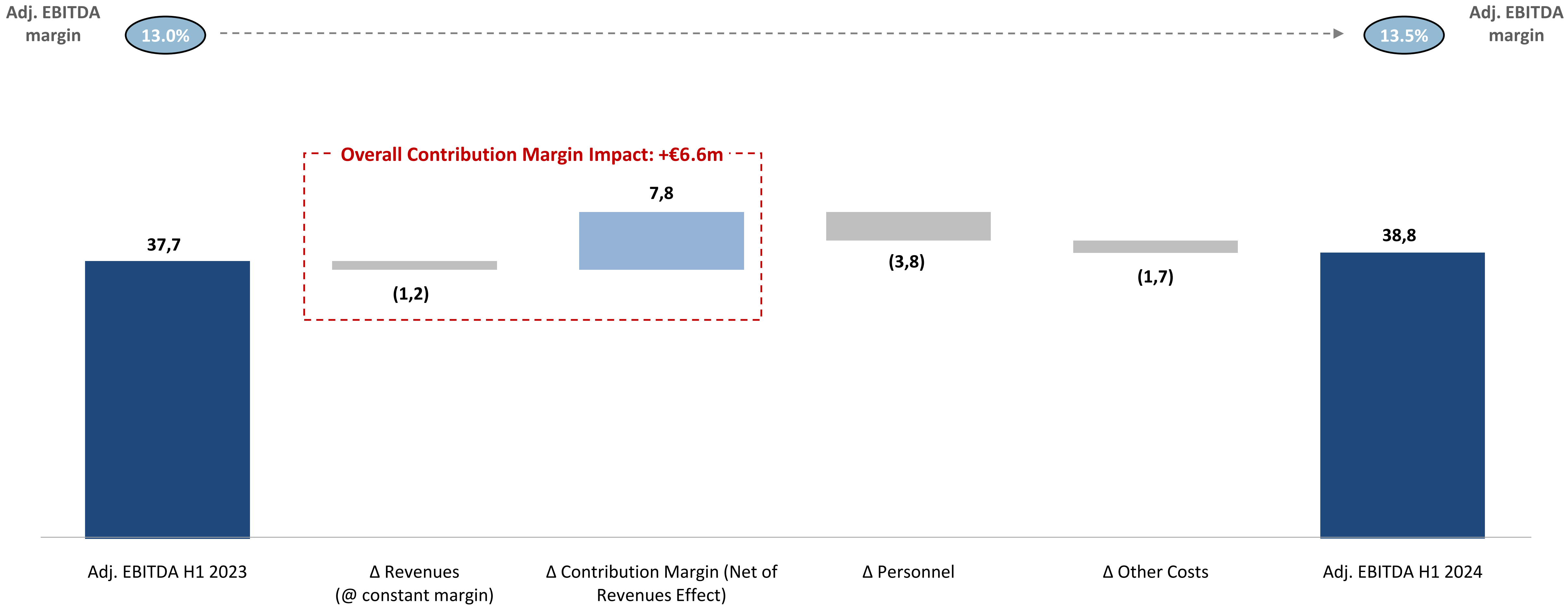
Adj. Net Income



- Net Income adjusted to reflect i) one-off costs, ii) the impact of Toba deconsolidation in 2023 (€1.4m) and iii) the positive impact of NuVu consolidation effect in 2024 (approx. €6.0m net of fx effect)

SOURCE: COMPANY INFORMATION

Adj. EBITDA BRIDGE FROM H1 2023 TO H1 2024



SOURCE: COMPANY INFORMATION

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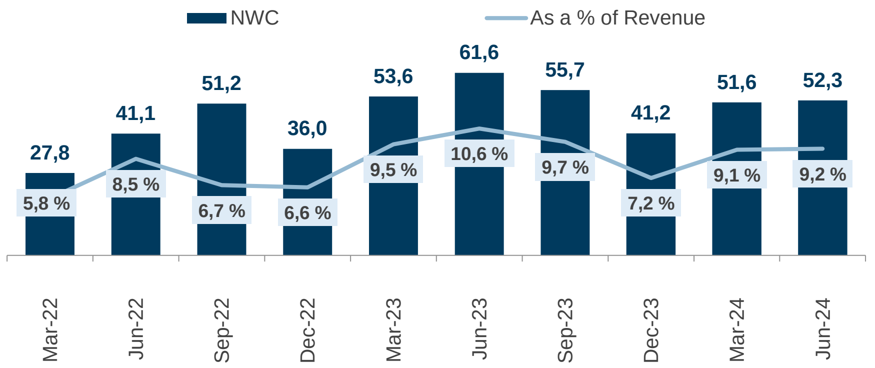
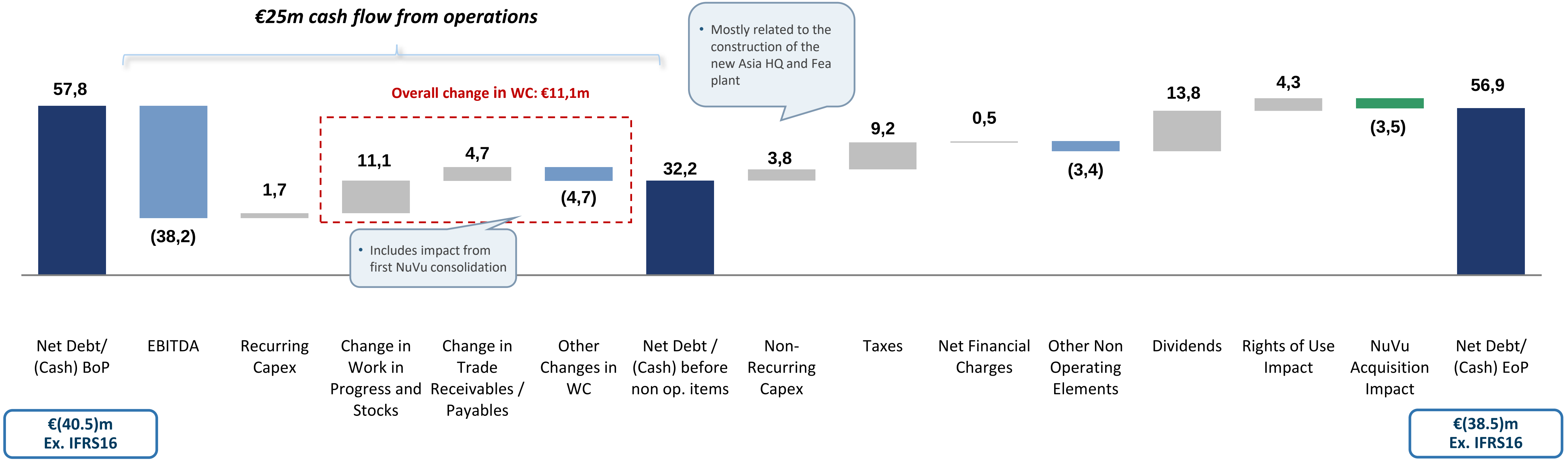
NET DEBT WALK FROM DEC-23 TO JUN-24

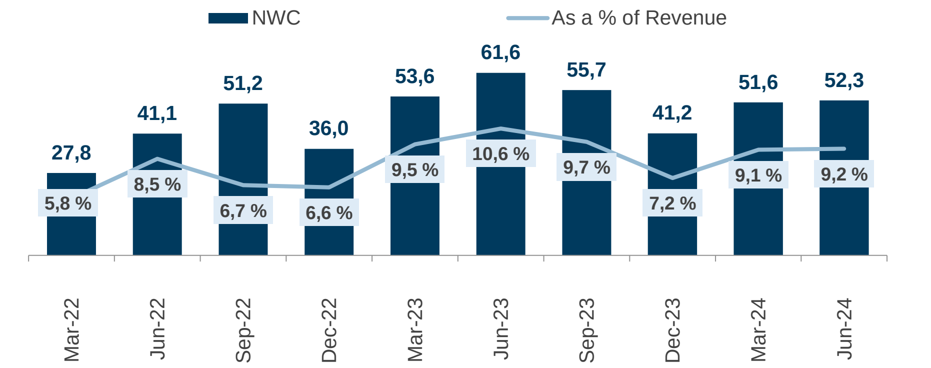
Working Capital Seasonality (€m)

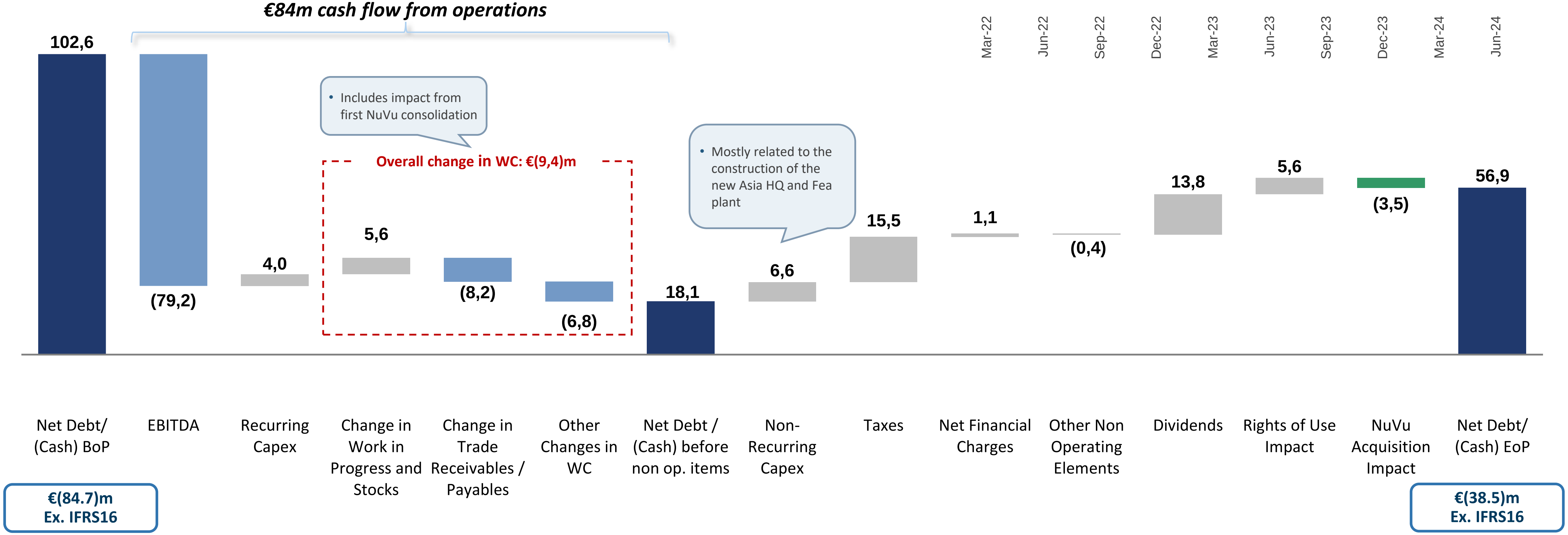




SOURCE: COMPANY INFORMATION

NET DEBT WALK FROM JUN-23 TO JUN-24





SOURCE: COMPANY INFORMATION

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Q&A

Appendix A

ADDITIONAL SUPPORTING MATERIALS

Income Statement

€m	FY 2023	H1 2023	H1 2024	LTM Jun-24	Δ% H1 24 vs H1 23
Sales	559,1	285,4	281,9	555,5	(1,3%)
Other sales & other income	11,4	4,7	5,6	12,3	18,9%
Revenues	**570,5**	**290,1**	**287,5**	**567,8**	**(0,9%)**
Raw materials	(248,7)	(130,5)	(124,0)	(242,1)	(5,0%)
Cost of services	(108,1)	(53,9)	(53,7)	(107,9)	(0,4%)
Personnel	(130,6)	(66,0)	(69,8)	(134,4)	5,8%
Other costs (incl. Provisions for risks and charges)	(4,8)	(2,3)	(1,7)	(4,2)	(24,9%)
EBITDA	**78,4**	**37,5**	**38,2**	**79,2**	**2,1%**
EBITDA Margin	*13,7%*	*12,9%*	*13,3%*	*13,9%*	
One-off costs / (income)	0,4	0,2	0,6	0,8	nm
Adjusted EBITDA	**78,9**	**37,7**	**38,8**	**80,0**	**3,0%**
Adj. EBITDA Margin	*13,8%*	*13,0%*	*13,5%*	*14,1%*	
D&A	(13,8)	(6,9)	(7,6)	(14,5)	10,6%
EBIT	**64,7**	**30,6**	**30,6**	**64,7**	**0,2%**
EBIT Margin	*11,3%*	*10,5%*	*10,7%*	*11,4%*	
Finance income / (expenses)	(1,5)	(0,9)	(0,5)	(1,1)	nm
Exchange income (expenses)	(1,2)	(0,6)	0,5	(0,1)	(171,5%)
Gains (losses) on liabilities for options granted to non-controlling interests	0,5	-	-	0,5	nm
Gains (losses) from equity investments / HFS	2,5	2,5	6,8	6,8	nm
EBT	**64,9**	**31,5**	**37,4**	**70,8**	**18,6%**
Taxes	(16,0)	(9,7)	(9,2)	(15,5)	(5,5%)
Net Income	**48,9**	**21,8**	**28,2**	**55,3**	**29,3%**
Attributable to Piovan shareholders	49,4	22,6	27,6	54,4	22,1%
Attributable to minority shareholders	(0,5)	(0,8)	0,6	0,9	

SOURCE: COMPANY INFORMATION

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Balance Sheet

€m	Jun-23	Dec-23	Jun-24
Property Plant & Equipment	65,8	67,6	76,3
Intangible Assets (incl. Goodwill)	124,5	120,3	146,5
Financial Assets	11,8	11,4	1,3
Net Fixed Assets	202,2	199,3	224,1
Trade receivable	89,0	80,0	78,0
Inventory	88,7	85,3	86,3
Trade payables	(67,8)	(71,7)	(65,0)
Advanced payments from customers	(36,0)	(37,4)	(30,7)
Contract assets/(liabilities)	4,8	4,1	7,4
Net Trade Capital	78,6	60,3	76,0
Tax receivables	7,6	6,3	6,2
Other current activities	12,6	13,2	14,2
Tax payables	(10,4)	(11,4)	(12,0)
Other current liabilities	(26,8)	(27,1)	(32,1)
NWC	61,6	41,2	52,3
Other Credits	11,1	12,5	12,9
Other Debts	(20,3)	(18,3)	(21,2)
Pension Fund	(5,3)	(5,6)	(5,5)
Net Invested Capital before Option	249,3	229,1	262,5
Put & Call Option	(0,5)	0,0	(26,2)
Assets & Liabilities Held for Sale	0,0	0,0	0,0
Net Invested Capital	**248,8**	**229,1**	**236,3**
Total Shareholders' Equity	146,2	171,3	179,4
Net Debt / (Cash)	102,6	57,8	56,9
Total Sources	**248,8**	**229,1**	**236,3**

SOURCE: COMPANY INFORMATION

Cash Flow Statement

€m	Dec-23	Jun-24	LTM H1 2024
Adjusted EBITDA	78,9	38,8	80,0
EBITDA	78,4	38,2	79,2
Recurring Capex	(4,3)	(1,7)	(4,0)
% on Revenues	*(0,8)%*	*(0,6)%*	*(0,7)%*
Cash generation	74,1	36,6	75,2
Cash Conversion % on EBITDA	*94,5%*	*95,7%*	*94,9%*
Cash Conversion % on Adj. EBITDA	*94,5%*	*95,7%*	*95,0%*
∆ in Work in Progress and Stocks	(12,7)	(11,1)	(5,6)
∆ in Trade Payables and Receivables	4,2	(4,7)	8,2
Other Change in WC	3,3	4,7	6,8
Total ∆ Net Working Capital	(5,2)	(11,1)	9,4
Cash Flow from Operations	68,9	25,5	84,5
Non-Recurring Capex	(5,4)	(3,8)	(6,6)
Disposal	0,9	(0,0)	(0,0)
Corporate Taxes	(16,0)	(9,2)	(15,5)
∆ Funds	0,2	(0,1)	0,2
Non operating Items	(4,0)	3,8	0,9
Cash Flow After Taxes and Non Operating Items	44,5	16,2	63,6
∆ Put and Call Option	0,0	-	(0,0)
Dividend distribution	(10,2)	(13,8)	(13,8)
Other financial charges	(1,5)	(0,5)	(1,1)
∆ Exchange loss/gain	(1,2)	0,5	(0,1)
Changes in equity (incl. ∆ conversion)	0,1	(0,8)	(0,6)
Income from equity method investments	2,5	-	0,0
Rights of use impact	(3,8)	(4,3)	(5,6)
Cash Flow Before Acquisitions	30,4	(2,6)	42,3
NuVu Consolidation Impact		3,5	3,5
∆ Net Financial Position	30,4	0,9	45,7
NFP BoP	**88,1**	**57,8**	**102,6**
∆ Net Financial Position	(30,4)	(0,9)	(45,7)
NFP EoP	**57,8**	**56,9**	**56,9**

SOURCE: COMPANY INFORMATION

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