

PICANOL GROUP: 2019 RESULTS IN LINE WITH EXPECTATIONS

1. KEY EVENTS

- Since January 1, 2019, the results of Tessenderlo Group have been fully consolidated into the financial statements of Picanol Group.
- In December 2019, DYKA Group (segment Industrial Solutions) announced that it had agreed to acquire the production plant of REHAU Tube in La Chapelle-Saint-Ursin (France) from the German REHAU Group. The transaction is scheduled to be completed by May 1, 2020.

After the balance sheet date:

- On Monday January 13, 2020, the segment Machines & Technologies fell victim to a large-scale ransomware attack. Whilst the attack caused a serious disruption of the group's activities, production activities were restarted on a step-by-step basis with effect from January 20. The cyber attack had no material impact on the results of Picanol Group.
- Within the Machines & Technologies segment, PsiControl has bought land in Rasnov (Romania) to build a new production plant. The new plant will be constructed in 2021.
- Within the Bio-valorization segment, PB Leiner inaugurated a new collagen peptides line in February 2020 at its production plant in Santa Fe (Argentina). This additional production facility will allow for a considerable extra production volume of SOLUGEL™ collagen peptides.
- Within the Industrial Solutions segment, S8 Engineering has ceased to exist as a separate Business Unit. The engineering and construction activities were integrated into Tessenderlo Kerley, Inc. during the first quarter of 2020.
- Flooding from Storm Dennis caused disruption at PB Leiner's plant in Treforest (United Kingdom) in February 2020. However, based on the current information, this event is not expected to have a material impact on the results of Tessenderlo Group.
- The Extraordinary General Meeting of Picanol Group (Picanol nv) of March 16, 2020, approved a number of amendments to the articles of association and the introduction of loyalty voting rights.
- Tessenderlo Group is currently studying options for the construction of a new gas power plant in the Belgian municipality of Tessenderlo. As the outcome of the study is currently unpredictable, no further details can be disclosed at this stage.

Update COVID-19:

- In light of the latest developments concerning the global spread of the COVID-19 (Coronavirus) disease, Picanol Group is taking all the necessary steps to ensure that it keeps its people safe and keep its plants and businesses running.
- Except for the current disruption of production at its plant in Ieper, Belgium (segment Machines & Technologies), and at DYKA Group's plant in Sainte-Austreberthe, France (segment Industrial Solutions), all of the plants and activities are running in line with expectations at the moment. In February 2020, the COVID-19 disease also disrupted production at the Chinese plants in Suzhou (Picanol – segment Machines & Technologies) and Nehe (PB Leiner – segment Bio-valorization). Both plants are now operational.
- Activities could be further impacted in the coming weeks or months if too many employees are impacted by COVID-19 and/or if access to raw materials and auxiliary materials or means of transportation becomes more complicated, or if our customers are no longer able to process our products.

¹ The enclosed information constitutes regulated information as defined in the Royal Decree of November 14, 2007, regarding the duties of issuers of financial instruments which have been admitted for trading on a regulated market.

2. KEY FINANCIAL DATA

Additional information on the published figures used in the full report:

- **2018***: for the sake of comparability, the 2018* consolidated income statement, statement of comprehensive income and statement of cashflows have been prepared pro forma and unaudited as if a full consolidation of Tessenderlo Group had already taken place in the year 2018 on the basis of the same valuation of the net assets as used in the Picanol Group 2018 annual report, as a result of which the profit attributable to the company's shareholders corresponds to the reported figures on 2018. The 2018* balance sheet has been drawn up pro forma and unaudited as if a full consolidation of Tessenderlo Group had already taken place on December 31, 2018, and reflects the impact of the purchase price allocation exercise carried out on the occasion of the acquisition of control.
- **Segment information**: as a result of the acquisition of control of Tessenderlo Group, Picanol Group will report on five segments: Machines & Technologies, Agro, Bio-valorization, Industrial Solutions and T-Power. The 'Machines & Technologies' segment replaces the previously reported 'Weaving Machines' and 'Industries' segments. In light of the significant change within the group, it was decided to merge these into the 'Machines & Technologies' segment. The comparative figures have been drawn up accordingly.

(million EUR)	2019			2018	2018*	% change	
	Before fair value adjustment	Fair value adjustment	After fair value adjustment			Before fair value adjustment	After fair value adjustment
Revenue	2,221.4		2,221.4	666.7	2,287.6	-3%	-3%
Adjusted EBITDA	312.1	-32.2	279.9	111.0	288.8	8%	-3%
Adjusted EBIT ²	168.0	-77.8	90.2	102.0	195.4	-14%	-54%
EBIT	156.2	-80.8	75.4	102.0	207.0	-25%	-64%
Profit/(loss) for the period	124.3	-60.3	64.0	110.9	166.2	-25%	-61%
Minority interest	57.4	-35.1	22.3	0.0	55.3	4%	-60%
Profit/(loss) for the period attributable to the equity holders of the company	66.9	-25.2	41.7	110.9	110.9	-40%	-62%
Total comprehensive income attributable to the equity holders of the company	65.5	-25.2	40.3	112.2	112.2	-42%	-64%
Capital expenditure	119.9		119.9	11.9	95.2	26%	26%
Cash flow from operating activities	254.4		254.4	85.3	192.9	32%	32%

² Adjusted EBIT is considered by the group to be a relevant performance measure in order to compare results over the period 2018-2019 as it excludes EBIT adjusting items.

(million EUR)	2019			2018*	% change	
	Before fair value adjustment	Fair value adjustment	After fair value adjustment		Before fair value adjustment	After fair value adjustment
Revenue	2,221.4		2,221.4	2,287.6	-3%	-3%
Machines & Technologies	478.4		478.4	666.7	-28%	-28%
Agro	602.8		602.8	589.8	2%	2%
Bio-valorization	543.1		543.1	496.9	9%	9%
Industrial Solutions	526.0		526.0	515.5	2%	2%
T-Power	71.1		71.1	18.8	279%	279%
Adjusted EBITDA	312.1	-32.2	279.9	288.8	8%	-3%
Machines & Technologies	44.4	0.0	44.4	111.0	-60%	-60%
Agro	118.5	-21.9	96.6	110.2	7%	-12%
Bio-valorization	56.6	-7.0	49.6	27.5	106%	80%
Industrial Solutions	41.4	-3.4	38.0	26.5	56%	43%
T-Power	51.2	0.0	51.2	13.5	278%	278%
Adjusted EBIT	168.0	-77.8	90.2	195.4	-14%	-54%
Machines & Technologies	33.1	0.0	33.1	102.0	-68%	-68%
Agro ³	88.4	-59.0	29.4	81.1	9%	-64%
Bio-valorization	22.7	-8.5	14.2	2.4	859%	500%
Industrial Solutions	11.9	-10.3	1.6	5.6	113%	-71%
T-Power	12.0	0.0	12.0	4.3	179%	179%
EBIT adjusting items	-11.8	-3.0	-14.8	11.6	-202%	-228%
EBIT	156.2	-80.8	75.4	207.0	-25%	-64%

REVENUE

Revenue on a comparable basis (2019 versus 2018*) dropped by 3%. Machines & Technologies experienced a sharp decline in revenue (-28%) as a result of the global slowdown in the machine market, which was driven by the uncertain macroeconomic climate. Agro revenue (-1% excluding exchange rate impact) remained stable, while the revenue of Bio-valorization increased (+7.5% excluding exchange rate impact) thanks to the performance of PB Leiner. The revenue of Industrial Solutions increased (+1.2% excluding exchange rate impact), mainly thanks to the contribution of DYKA Group. T-Power, only fully acquired in 4Q18, contributed 71.1 million EUR to the 2019 revenue, which was in line with expectations.

ADJUSTED EBITDA

The 2019 Adjusted EBITDA after fair value adjustment decreased by 3%. The impact on the 2019 Adjusted EBITDA of the fair value adjustment on inventory amounts to -32.2 million EUR. The Adjusted EBITDA before fair value adjustment increased by 8% or +23.3 million EUR. The application of IFRS 16 had a total impact of +27.0 million EUR as the lease payments were previously deducted from the Adjusted EBITDA as opposed to depreciation. Adjusted EBITDA (excluding the impact of IFRS 16 *Leases* and exchange rate effects) decreased in Machines & Technologies (-67.9 million EUR) and Agro (-4.3 million EUR) which was compensated by the increase in Bio-valorization (+18.3 million EUR) and Industrial Solutions (+4.8 million EUR) and the impact of T-Power (+37.7 million EUR).

PROFIT (+) / LOSS (-) FOR THE PERIOD ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE COMPANY

The profit for 2019 after fair value adjustment amounts to 41.7 million EUR compared to 110.9 million EUR for the same period the previous year or a decrease of 69.2 million EUR. This is mainly due to the decrease in revenue in the Machines & Technologies segment, which was not followed by a decrease of fixed costs in line with the revenue decrease (net profit impact -51.3 million EUR). The impact of the fair value adjustment on the profit attributable to the shareholders amounts to -25.2 million EUR.

³ The 2018* Adjusted EBIT of the Agro segment includes an adjustment of -5.1 million EUR under the equity method in 2018 compared to the Agro EBIT reported by Tessenderlo Group for 2018 of 86.3 million EUR.

3. OUTLOOK

The following statements are forward looking and actual results may differ materially.

Picanol Group anticipates that the 2020 Adjusted EBITDA will be higher compared to 2019 – even when excluding the negative impact on the 2019 Adjusted EBITDA of the inventory revaluation for -32.2 million EUR. This guidance for 2020 does not include any potential impact from COVID-19 (Coronavirus). This disease is a new factor of uncertainty, which is expected to have a significant negative economic impact worldwide, and its effect on the 2020 Adjusted EBITDA is currently difficult to estimate. At this stage and given the evolving landscape, it is too early to determine the full impact of COVID-19 on the 2020 financial results.

The group would like to emphasize that it currently operates in a volatile political, economic and financial environment.

4. OPERATING SEGMENTS PERFORMANCE REVIEW

MACHINES & TECHNOLOGIES			
<i>(million EUR)</i>	2019	2018	% change
Revenue	478.4	666.7	-28%
Adjusted EBITDA	44.4	111.0	-60%
Adjusted EBITDA - margin	9%	17%	
Adjusted EBIT	33.1	102.0	-68%
Adjusted EBIT - margin	7%	15%	

Revenue fell by 28% in 2019 as a result of a worldwide slowdown in the machine market, which was driven by the uncertain macroeconomic climate. The 2019 Adjusted EBITDA decreased by 60% compared to the previous year due to the fact that fixed costs did not decrease in line with revenue and due to the impact of project costs linked to digitization and automation, mainly in Ypres. In addition, the difficult market situation had a negative impact on sales margins. No fair value adjustment has been implemented for the Machines & Technologies segment as it is not part of Tessenderlo Group.

AGRO						
<i>(million EUR)</i>	2019			2018*	% change	
	Before fair value adjustment	Fair value adjustment	After fair value adjustment		Before fair value adjustment	After fair value adjustment
Revenue	602.8		602.8	589.8	2%	2%
Adjusted EBITDA	118.5	-21.9	96.6	110.2	7%	-12%
Adjusted EBITDA - margin	20%		16%	19%		
Adjusted EBIT ⁴	88.4	-59.0	29.4	81.1	9%	-64%
Adjusted EBIT - margin	15%		5%	14%		

2019 revenue decreased by -1.0% when excluding the foreign exchange effect. Crop Vitality revenue slightly increased as the extension of the Agro season in the United States positively impacted the 2H19 volumes. NovaSource revenue remained stable in 2H19 and could therefore not compensate the lower 1H19 revenue, which was due to weather conditions. Tessenderlo Kerley International 2019 revenue decreased as, in contrast with the first six months of 2019, an increase of the SOP sales price in 2H19 was not able to offset the SOP volume decline.

The Adjusted EBITDA before fair value adjustment decreased by -3.9% compared to prior year, when excluding the impact of IFRS 16 and the foreign exchange effect. Crop Vitality Adjusted EBITDA decreased in 2019, although in 2H19 the continued margin pressure was offset by higher volumes. Stable NovaSource results in 2H19 could not offset the lower 1H19 results, when NovaSource was impacted by weather conditions. The Adjusted EBITDA

⁴ The 2018* Adjusted EBIT of the Agro segment includes an adjustment of -5.1 million EUR under the equity method compared to the Agro EBIT reported by Tessenderlo Group for 2018 of 86.3 million EUR.

of Tessenderlo Kerley International increased as the impact of lower SOP volumes could be offset by increased margins, while 2H18 was negatively impacted by significant production issues in Ham (Belgium) and Rouen (France).

BIO-VALORIZATION						
<i>(million EUR)</i>	2019			2018*	% change	
	Before fair value adjustment	Fair value adjustment	After fair value adjustment		Before fair value adjustment	After fair value adjustment
Revenue	543.1	0.0	543.1	496.9	9%	9%
Adjusted EBITDA	56.6	-7.0	49.6	27.5	106%	80%
Adjusted EBITDA - margin	10%		9%	6%		
Adjusted EBIT	22.7	-8.5	14.2	2.4	859%	500%
Adjusted EBIT - margin	4%		3%	0%		

Revenue increased by +7.5% when excluding the foreign exchange effect, thanks to increased PB Leiner volumes in 2019. Akiolis volumes decreased in 2019, although this decline was more outspoken in 1H19 compared to 2H19, when volumes were positively impacted by a heat wave in France.

The 2019 Adjusted EBITDA before fair value adjustment increased by 18.3 million EUR (or 66.5%) compared to one year earlier, when excluding the foreign exchange and IFRS 16 impact. While Akiolis was impacted by lower volumes, PB Leiner results improved thanks to increased volumes, combined with a better product mix and lower raw material prices.

INDUSTRIAL SOLUTIONS						
<i>(million EUR)</i>	2019			2018*	% change	
	Before fair value adjustment	Fair value adjustment	After fair value adjustment		Before fair value adjustment	After fair value adjustment
Revenue	526.0	0.0	526.0	515.5	2%	2%
Adjusted EBITDA	41.4	-3.4	38.0	26.5	56%	43%
Adjusted EBITDA - margin	8%		7%	5%		
Adjusted EBIT	11.9	-10.3	1.6	5.6	113%	-71%
Adjusted EBIT - margin	2%		0%	1%		

2019 Industrial Solutions revenue increased by +1.2% thanks to DYKA Group, which benefited from favorable market circumstances. 2H19 Industrial Solutions revenue was stable as the increase of DYKA Group revenue was offset by the lower Performance Chemicals revenue due to technical issues at the plant in Loos (France).

The Adjusted EBITDA before fair value adjustment increased by 4.8 million EUR in 2019, when excluding the foreign exchange effect and the impact of IFRS 16, mainly thanks to DYKA Group that realized higher volumes and increased production efficiency as a result of investments previously made. The Adjusted EBITDA of Performance Chemicals remained stable compared to 2018, as the 1H19 result improvement was offset by technical issues in Loos (France) in 2H19. The Adjusted EBITDA of S8 Engineering improved compared to 2018, although remaining negative, following additional internal projects and a further reduction of costs. The 2019 Adjusted EBITDA of Mining and Industrial remained stable.

T-POWER						
<i>(million EUR)</i>	2019			2018*	% change	
	Before fair value adjustment	Fair value adjustment	After fair value adjustment		Before fair value adjustment	After fair value adjustment
Revenue	71.1	0.0	71.1	18.8	279%	279%
Adjusted EBITDA	51.2	0.0	51.2	13.5	278%	278%
Adjusted EBITDA - margin	72%		72%	72%		
Adjusted EBIT	12.0	0.0	12.0	4.3	179%	179%
Adjusted EBIT - margin	17%		17%	23%		

In 2019 T-Power contributed 71.1 million EUR to the revenue and 51.2 million EUR to the Adjusted EBITDA of the group. These results were in line with expectations, as T-Power fulfilled all tolling agreement requirements.

During 2019 the group has reviewed the T-Power financing structure, as well as the ongoing long term maintenance program. Furthermore the group acquired NAES Belgium bvba in its entirety from the American group NAES Corporation, a subsidiary of Itochu Corporation, in June 2019. Since 2012, NAES Belgium has been responsible for the operation of the T-Power 425 MW CCGT (Combined Cycle Gas Turbine) plant. With the acquisition of NAES Belgium and the fact that it is locally based, Tessengerlo Group now also has the technological knowledge and the team to completely manage T-Power internally. Meanwhile, the name of the company was changed to T-Power Energy Services bv.

5. CONDENSED CONSOLIDATED FINANCIAL INFORMATION AT DECEMBER 31, 2019

CONDENSED CONSOLIDATED INCOME STATEMENT

<i>(million EUR)</i>	2019	2018	2018*
Revenue	2,221.4	666.7	2,287.6
Cost of sales ⁵	-1,765.7	-499.5	-1,740.2
GROSS PROFIT	455.6	167.2	547.5
Distribution expenses ⁶	-113.7	-9.7	-114.8
Administrative expenses	-136.3	-23.5	-128.3
Sales and marketing expenses	-83.6	-18.0	-79.8
Other operating income and expenses	-31.8	-13.9	-29.2
Adjusted EBIT	90.2	102.0	195.4
EBIT adjusting items	-14.8	0.0	11.6
EBIT (PROFIT/(LOSS) FROM OPERATIONS)	75.4	102.0	207.0
Finance (costs)/income – net	-3.5	1.6	4.1
Share of result of equity accounted investees, net of income tax	0.3	32.9	3.7
PROFIT (+) / LOSS (-) BEFORE TAX	72.2	136.5	214.8
Income tax expense	-8.1	-25.6	-48.5
PROFIT (+) / LOSS (-) FOR THE PERIOD	64.0	110.9	166.2
Non-controlling interest	22.3	0.0	55.3
PROFIT (+) / LOSS (-) FOR THE PERIOD, ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE COMPANY	41.7	110.9	110.9
Basic earnings per share (in EUR)	2.4	6.3	6.3
Diluted earnings per share (in EUR)	2.4	6.3	6.3

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

<i>(million EUR)</i>	2019	2018	2018*
PROFIT (+) / LOSS (-) FOR THE PERIOD	64.0	110.9	166.2
Translation differences	0.1	-0.7	-2.5
Net change in fair value of derivative financial instruments, before tax	-3.2		7.0
Other movements	0.1		0.0
Income tax on other comprehensive income	0.8		-2.0
Other comprehensive income of equity accounted investees	-0.3	1.5	0.8
Items of other comprehensive income that are or may be reclassified subsequently to profit or loss:	-2.4	0.8	3.4
Remeasurements of the net defined benefit liability, before tax	-2.6	0.0	1.4
Income tax on other comprehensive income	0.7		-0.1
Other comprehensive income of equity accounted investees	0.0	0.5	
Items of other comprehensive income that will not be reclassified subsequently to profit or loss:	-1.9	0.5	1.3
Other comprehensive income, net of income tax	-4.3	1.3	4.7
TOTAL COMPREHENSIVE INCOME	59.7	112.2	170.9
Non-controlling interest	19.5	0.0	58.7
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE COMPANY	40.3	112.2	112.2

⁵ The cost of sales in 2019 includes depreciation on revalued assets and the release of an inventory uplift to fair value upon sale for -74.7 million EUR. The 2018* cost of sales includes depreciation on revalued assets based on the 2013 PPA adjustment for -5.1 million EUR.

⁶ Compared to last year, the distribution costs of Picanol Group for an amount of 6.5 million EUR for 2019 (and 9.7 million EUR for 2018) were shown separately. R&D costs for an amount 13.0 million EUR in 2019 (13.9 million EUR in 2018) are shown in "other operating income and expenses". Both were reclassified from cost of sales.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>(million EUR)</i>	2019	2018	2018*
TOTAL NON-CURRENT ASSETS	1,738.4	553.2	1,717.3
Property, plant and equipment	1,078.4	64.7	993.6
Goodwill	42.1	0.0	42.5
Intangible assets	537.9	1.1	607.7
Investments accounted for using the equity method	18.9	482.3	18.5
Other investments	11.3	0.0	11.1
Deferred tax assets	30.8	0.9	25.5
Trade and other receivables	19.0	4.0	18.4
TOTAL CURRENT ASSETS	1,039.5	315.1	1,102.0
Inventories	380.3	62.8	398.0
Trade and other receivables	364.7	79.3	365.9
Derivative financial instruments	0.0	0.0	0.9
Cash and cash equivalents	290.3	173.0	337.1
Assets held for sale	4.1	0.0	0.0
TOTAL ASSETS	2,777.9	868.3	2,819.3
Equity attributable to equity holders of the company	773.1	738.9	745.0
Issued capital	21.7	21.7	21.7
Share premium	1.5	1.5	1.5
Reserves & retained earnings	749.9	715.6	721.8
Non-controlling interest	659.9	0.0	700.4
TOTAL EQUITY	1,433.0	738.9	1,445.4
TOTAL NON-CURRENT LIABILITIES	860.1	9.0	926.2
Loans and borrowings	426.3	4.1	475.8
Employee benefits	64.7	0.0	62.0
Provisions	132.3	4.6	128.9
Trade and other payables	10.1	0.3	2.6
Derivative financial instruments	31.5	0.0	40.8
Deferred tax liabilities	195.2	0.0	216.3
TOTAL CURRENT LIABILITIES	484.8	120.4	447.7
Bank overdrafts	0.1		0.1
Loans and borrowings	98.9	1.2	49.2
Trade and other payables	348.1	109.9	357.0
Derivative financial instruments	12.7	0.0	13.6
Current tax liabilities	4.1	1.1	2.2
Employee benefits	1.5	0.9	2.1
Provisions	19.3	7.4	23.4
TOTAL EQUITY AND LIABILITIES	2,777.9	868.3	2,819.3

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

<i>(million EUR)</i>	2019	2018	2018*
PROFIT (+) / LOSS (-) FOR THE PERIOD	64.0	110.9	166.2
Depreciation, amortization and impairment losses ⁷	192.7	9.0	93.4
Changes in provisions	-1.6	-2.0	-3.8
Finance costs	26.7	3.0	24.7
Finance income	-23.1	-4.5	-28.8
Loss / (profit) on sale of non-current assets	-3.5	0.1	-0.4
Share of result of equity accounted investees, net of income tax	-0.3	-32.9	-3.7
Income tax expense	8.1	25.6	48.5
Changes in inventories ⁸	16.0	-2.6	-27.1
Changes in trade and other receivables	12.9	16.7	10.1
Changes in trade and other payables	-4.9	-13.9	-29.1
Write-offs on inventories	5.1	3.4	4.8
Other cash flows from operating activities	1.9	0.0	-16.2
Cash from operating activities	294.0	112.7	238.8
Income tax paid	-39.7	-27.4	-49.2
Dividends received	0.1	0.0	3.3
Cash flow from operating activities	254.4	85.3	192.9
Acquisition of property, plant and equipment	-118.2	-11.5	-93.8
Acquisition of intangible assets	-1.7	-0.4	-1.4
Acquisition of subsidiaries net of cash acquired	164.0	0.0	-50.5
Acquisition of equity accounted investees	1.1	-30.4	0.0
Proceeds from the sale of property, plant and equipment	6.0	0.0	10.2
Cash flow from investing activities	51.2	-42.3	-135.5
Acquisition of non-controlling interest	-64.3	0.0	-30.4
Transactions with NCI - conversion of warrants	0.2	0.0	0.3
Payment of lease liabilities	-25.4	0.0	0.0
Proceeds from new borrowings	18.7	1.3	12.8
(Reimbursement) of borrowings	-83.1	-2.1	-18.5
Interest paid	-21.9	-1.9	-15.6
Interest received	4.9	3.7	5.9
Dividends paid	-3.5	-3.5	-3.5
Settlement interest rate swap T-Power	-8.0		
Other cash flows from financing activities	-6.2	0.0	-1.9
Cash flow from financing activities	-188.8	-2.5	-51.0
Net increase / (decrease) in cash and cash equivalents	116.8	40.6	6.3
Effect of exchange rate differences	0.3	-0.9	2.0
Cash position at the beginning of the period	173.0	133.4	328.7
Cash position at the end of the period	290.3	173.0	337.0

⁷ Depreciation increased due to the impact of IFRS 16 (+25,1 million EUR), depreciation on revalued assets (+45.6 million EUR) and the higher depreciation resulting from the acquisition of T-Power in 4Q18.

⁸ The decrease in inventories is influenced by the depreciation of the revalued inventories for 32.2 million EUR.

6. REPORT BY THE AUDITOR

The statutory auditor, KPMG Bedrijfsrevisoren - Réviseurs d'Entreprises, represented by Patrick De Schutter, has confirmed that the audit procedures, which have been substantially completed, have not revealed any material misstatement in the accounting information included in the Company's annual announcement.

7. DIVIDEND

At the annual shareholders' meeting of May 18, 2020, the Board of Directors will propose to the shareholders to pay out a dividend of 0.2 EUR per share for the 2019 financial year.

8. FINANCIAL CALENDAR

The annual report for the 2019 financial year and the sustainability report will be available with effect from April 2, 2020, on the corporate website www.picanolgroup.com.

- Annual shareholders' meeting May 18, 2020
- Half year 2020 results August 27, 2020

About Picanol Group

Picanol Group is a diversified industrial group and it is active worldwide in the fields of mechanical engineering, agriculture, food, water management, the efficient (re)use of natural resources and other industrial markets. The group's products are used in a variety of applications, industrial and consumer markets. Picanol Group realized a consolidated turnover of 2.2 billion EUR in 2019. Picanol Group has approximately 7,000 employees worldwide and it is listed on Euronext Brussels (PIC) via Picanol nv.

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This press release is also available on the Picanol Group corporate website:

www.picanolgroup.com

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