



ROADSHOW PRESENTATION

May 2019

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AGENDA

➤ **CFT Group overview**

2018 Financial highlights

Outlook 2019 and mid term guidance

Appendix

CFT IN THE FOOD AND BEVERAGE VALUE CHAIN



Farm
Ranch



Food and beverage producers



Distribution



Restaurants
Grocery
Food Service



Consumer

- Sorting
- Processing
- Primary Packaging
- Product Treatment
- Secondary Packaging

Leading consolidator of processing, packaging and sorting technologies in the food and beverage MACHINERY sector

CFT WELL POSITIONED TO BENEFIT OF POSITIVE MEGATRENDS AND KEY DRIVERS



URBANIZATION AND GROWING MIDDLE CLASS



ENERGY SCARCITY AND STRICTER ENVIRONMENTAL REGULATIONS



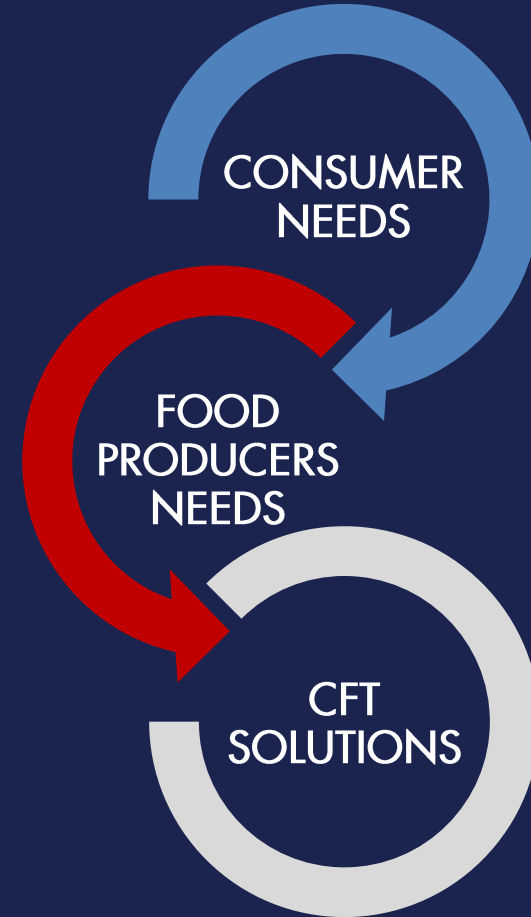
FOOD SAFETY
HEALTHY AND HIGH QUALITY
CONVENIENCE
SMART PACKAGING
READY TO EAT



SAFETY AND QUALITY CONTROL
ENERGY CONSUMPTION
REDUCTION
LABOR COST MINIMIZATION
INCREASING PRODUCTIVITY
REDUCE DOWNTIME



CERTIFIED ASEPTIC PROCESSES
AND SORTING SOLUTIONS
ENERGY SAVING MACHINES
COMPLETE AUTOMATION
GLOBAL SERVICE AND SUPPORT



GROWING REVENUES STREAMS

~60%

REVENUES

5-6
months

TIME TO MARKET



COMPLETE LINES DEVELOPMENT

- Engineering excellence
- Tailor-made solutions
- Long-term relationship with customers
- **Integration of single machines in CFT complete lines**

~ 25%

REVENUES

2-3
months

TIME TO MARKET



GROWTH OF SINGLE MACHINES

- **Limited investments**
- **High profitability**
- **Directly managed by each legal entity**
- **Growth of installed base**

~ 15%

REVENUES



FOCUS ON AFTER SALES

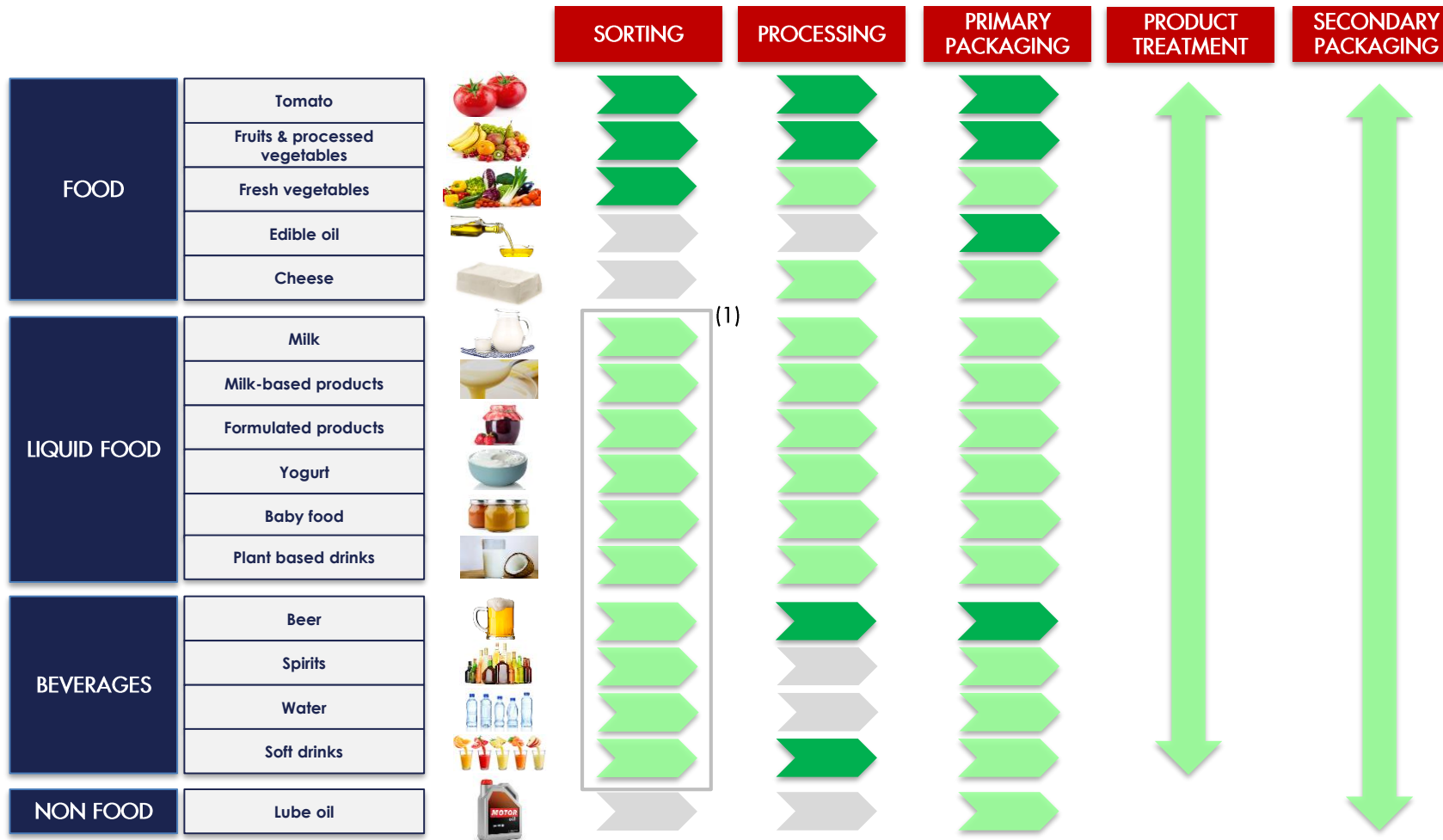
- **High profitability**
- **Recurring sales**
- **Preventive and predictive maintenance programs**

INCREASE RECURRING
REVENUES AND IMPROVE
GROUP PROFITABILITY

HIGHLY DIVERSIFIED AND PREMIUM CUSTOMER BASE



SIGNIFICANT ROOM FOR GROWTH THROUGH ACQUISITIONS AND INTERNAL DEVELOPMENT



In the **Sorting** sector, thanks to Raytec Vision, CFT Group can provide high technology optical sorting and quality control solutions for several products in the Food sector

With over 70 years of experience of Rossi&Catelli and Manzini brands, CFT is leader in the food **Processing** sector

In the **Primary Packaging** sector, CFT provides filling and seaming solutions for several products and container types

With the acquisition of Packaging del Sur, the CFT Group is able to offer solutions in **Secondary Packaging** that can be used for a wide variety of products

The **Product Treatment** Division's heat-treatment machines can be used right across the food & beverage lines offered by CFT group

- TECHNOLOGICAL LEADERSHIP
- PRESENT WITH GROWTH OPPORTUNITIES

(1) X-ray technologies

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Income statement

2018 Proforma Financial highlights

Pro-forma data include real estate spin off, the merger with Glenalta S.p.A and full year results for the companies acquired in 2018

249
M€

REVENUES

+21% YoY

Strong growth in sales volumes, mainly thanks to the acquisition of Co.Mac and Packaging del Sur

21
M€

EBITDA

-1,5% YoY

Profitability afflicted by drop in sales of tomato processing plants (due to the cyclical nature of the market) and low margin on strategic projects in beer segments

6
M€

NET PROFIT

-19% YoY

One-off negative effects:

- M&A transaction costs
- Financial expenses from early repayment of the previous loan
- FX effects



Balance sheet

2018 Financial highlights

14
M€

NET FINANCIAL POSITION

Including IFRS16, excluding
put option fair value

46
M€

EQUITY

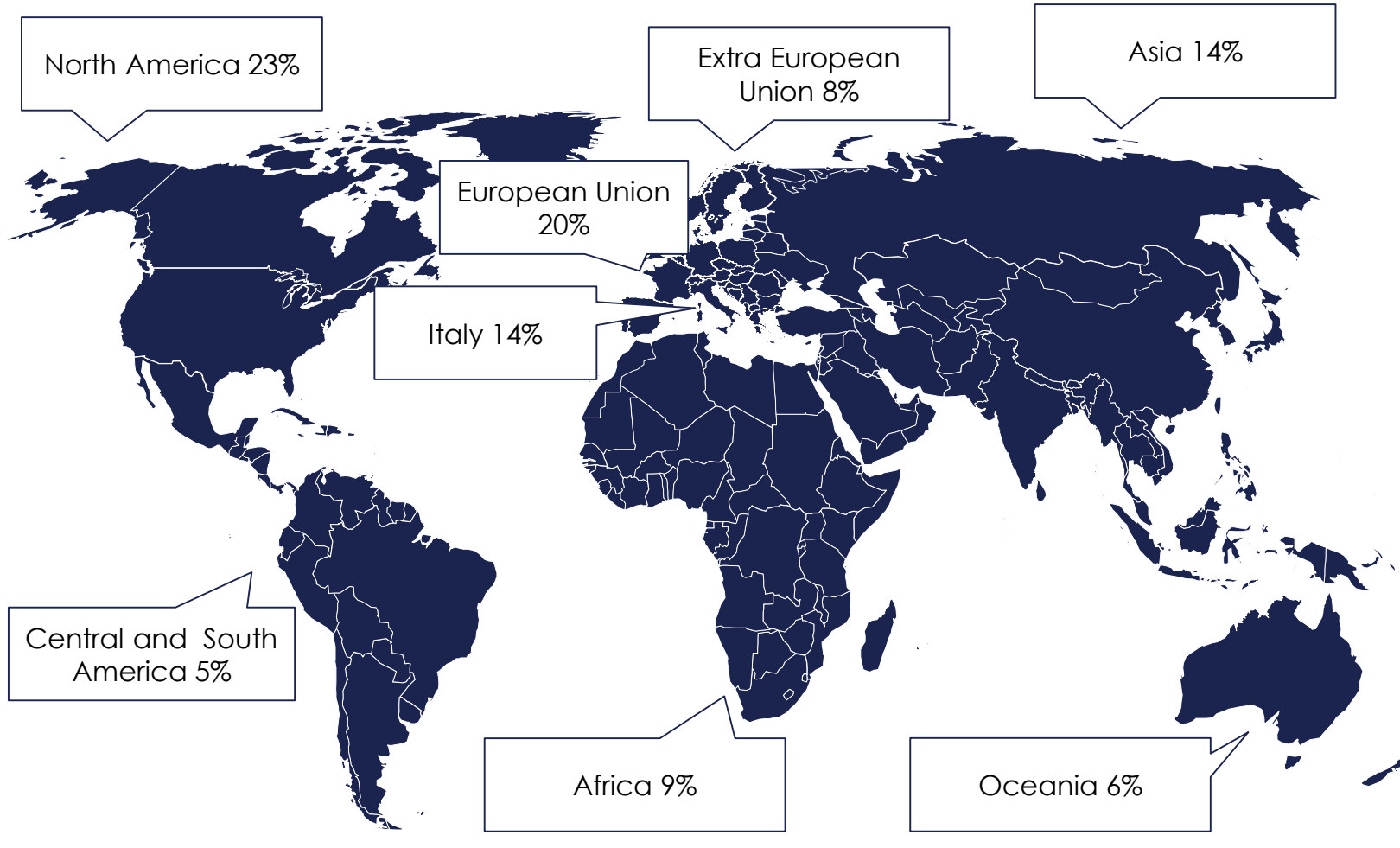
Including the effects from
the business combination
with Glenalta



LEADERS
INNOVATE.



REVENUES BY AREA



GEOGRAPHICAL DIVERSIFICATION

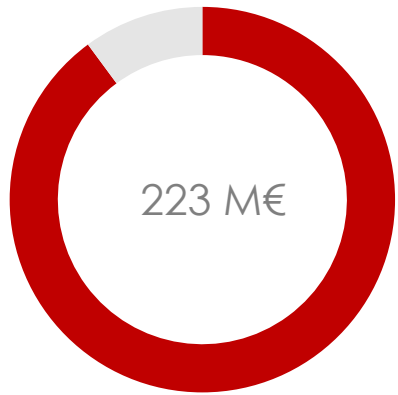
Sales in over 90 countries worldwide. Over 85% of revenue is generated abroad

LOW CUSTOMER CONCENTRATION

Due to the multi-year nature of investments, the customer portfolio is constantly growing.

The leading 5 customers generate less than 25% of turnover and they change year on year

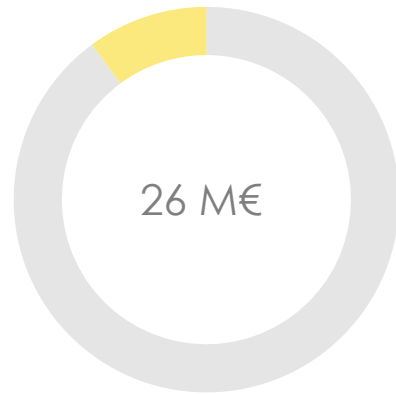
REVENUES BY DIVISION



PROCESSING & PACKAGING

Market leader in the tomato processing business and in the beer keg filling

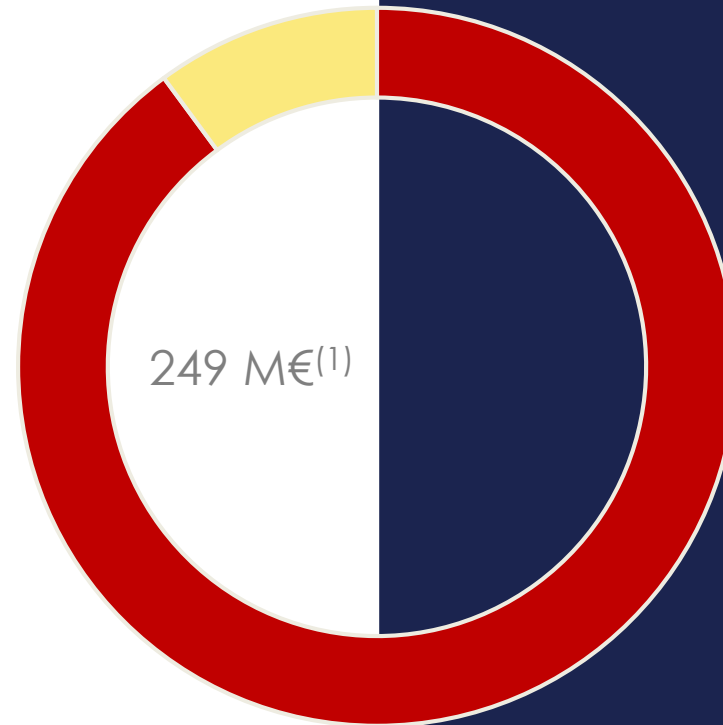
Machinery and systems for processing raw materials into semi-finished and/or finished products; packaging and bottling machinery for liquid and viscous products



SORTING

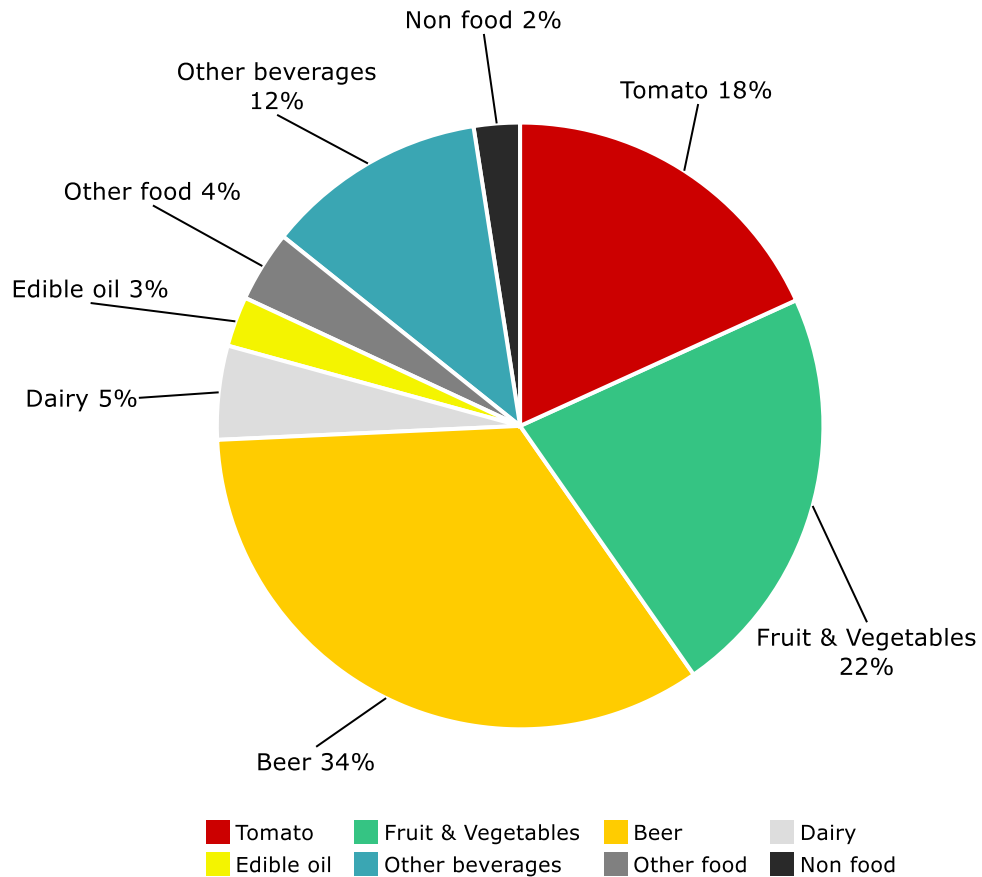
Market leader in the vegetables applications

Optical sorting and inspection systems for performing quality control activities



(1) Pro-forma revenues include full year results for the companies acquired in 2018

REVENUES BY BUSINESS



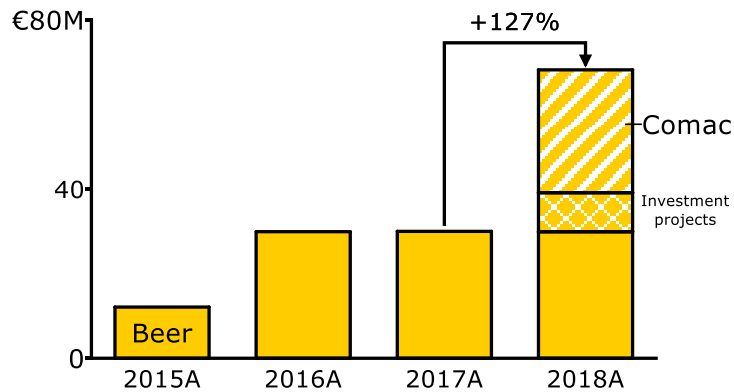
The **Beer** segment, further strengthened by the acquisition of Co.Mac, proves to be the CFT Group's primary market

As a result of the contribution provided by Raytec Vision and the development of multi-purpose machines in the Processing division, **Fruit & Vegetable** plants account for more than 20% of 2018 pro-forma revenues⁽¹⁾

The **Tomato** sector has fallen to 18% of pro-forma revenues in 2018

(1) Pro-forma revenues include full year results for the companies acquired in 2018

REVENUES BY BUSINESS

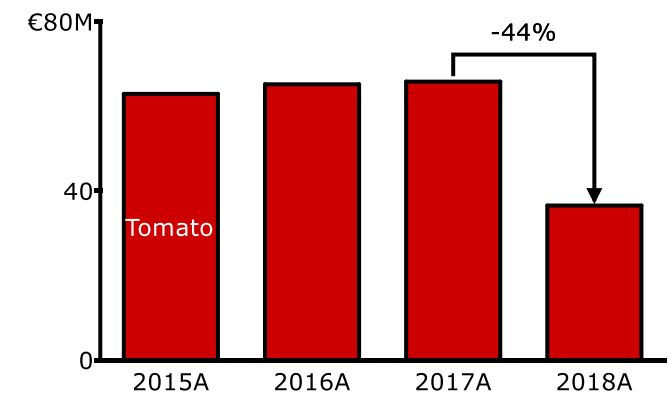
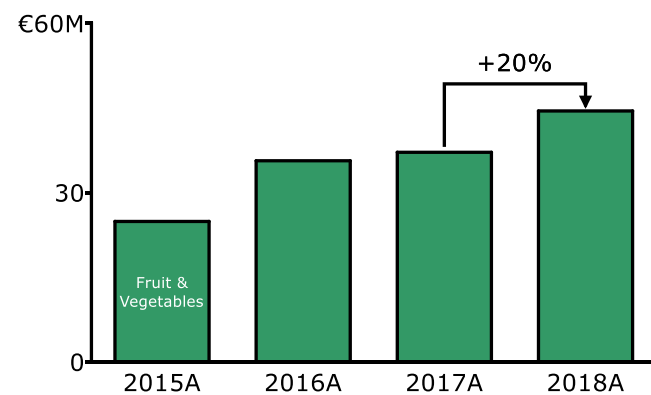
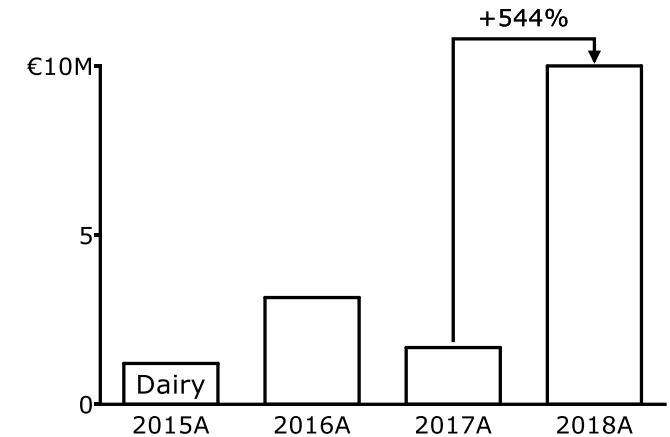


Tomato affected by cyclicality

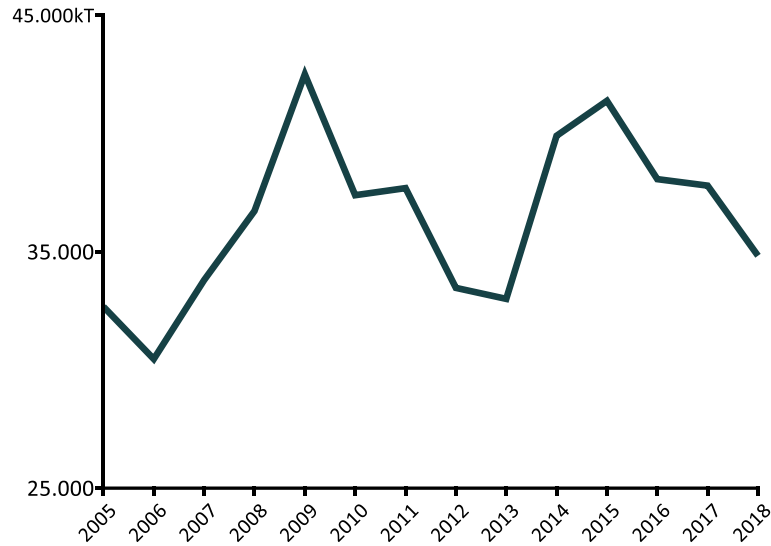
Strong growth in other business

2018 pro-forma revenues of machines and plants show:

- A strong growth:
 - In the **Beer** business, mainly driven by the acquisition of Co.Mac;
 - In the **Fruit & Vegetables** business, particularly in *Sorting* technology and processing plants;
 - In the **Milk & Dairy** business, mainly within the Processing division;
- A significant reduction in the **Tomato** business due to cyclicality.



FOCUS ON THE TOMATO MARKET



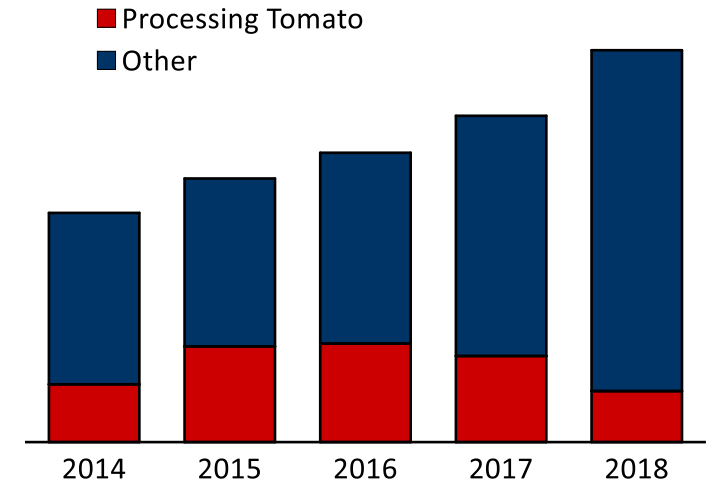
World production of tomatoes for processing⁽¹⁾

The tomato processing market is characterised by high volatility, mainly due to climatic factors

The variable volume of processed product against substantially stable demand causes strong price fluctuation that affects profitability for tomato by-product producers, and as a consequence affects their ability to invest in new production facilities

The sales volume of full lines and machines for tomato processing is affected by the volatility of the underlying market

The diversification strategy implemented over the past few years has allowed CFT Group to continue growing despite the high volatility of Tomato Processing turnover

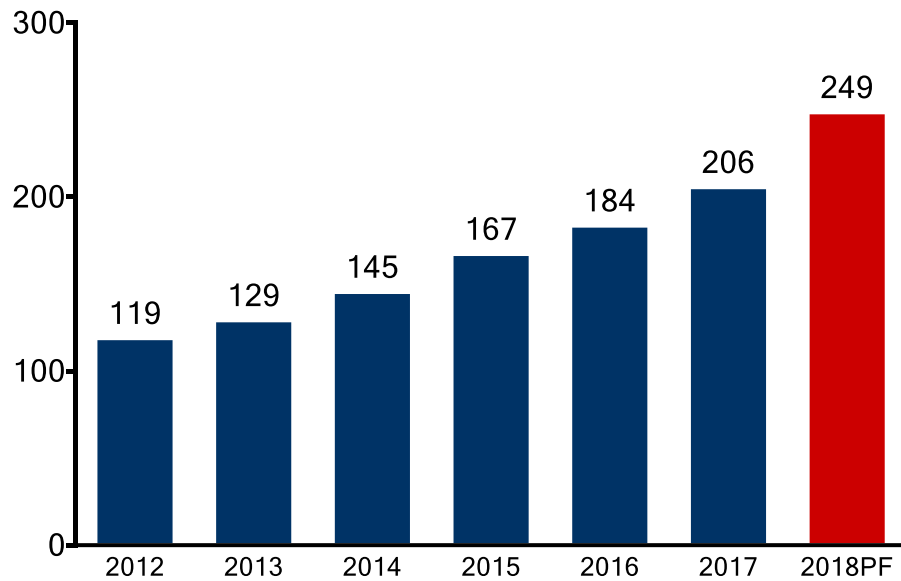


CFT Group sales volume of tomato processing equipment

(1) Source: World Tomato Processing Council

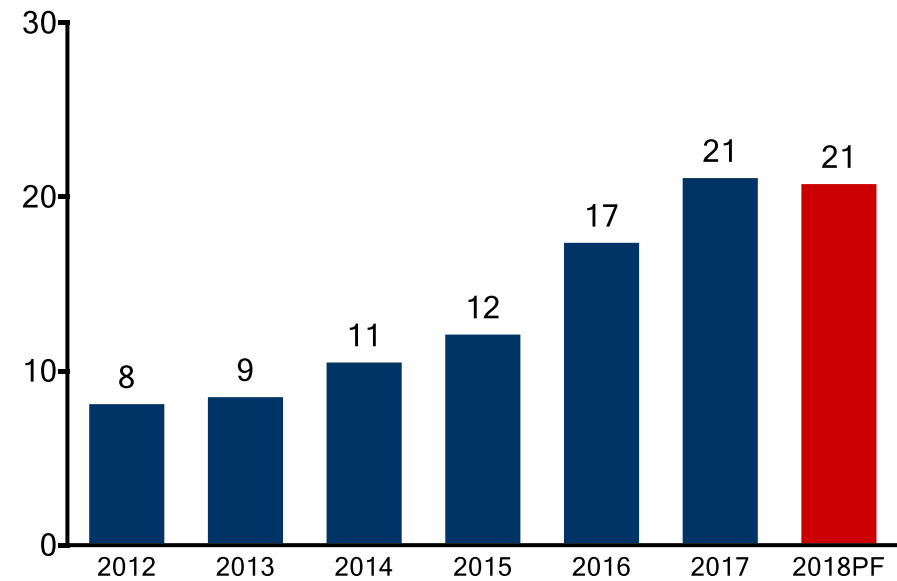
KEY FIGURES 2018

REVENUES



> 10% CAGR 2012-2018

EBITDA



> 15% CAGR 2012-2018

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CFT Group overview

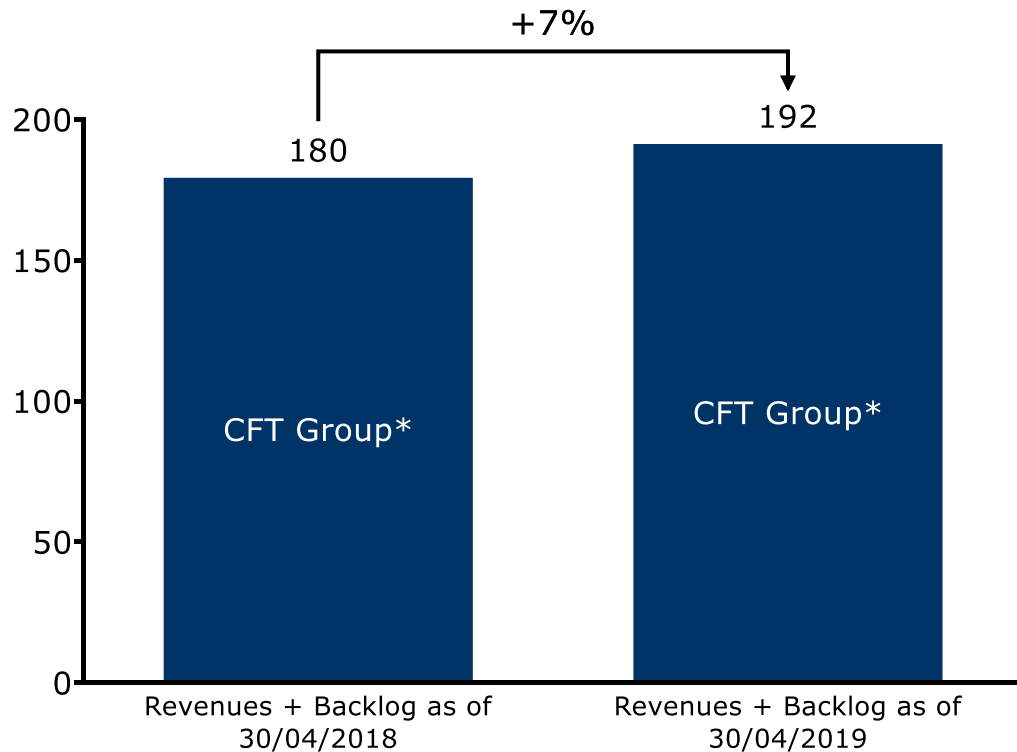
2018 Financial highlights

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Appendix

BACKLOG 2019

Positive outlook for 2019



The total amount of revenues and order backlog⁽¹⁾ as of April 30th 2019 is 7% higher than April 30th 2018

Stable trend of order intake continuing also during May 2019 with a considerable number of negotiations currently underway.

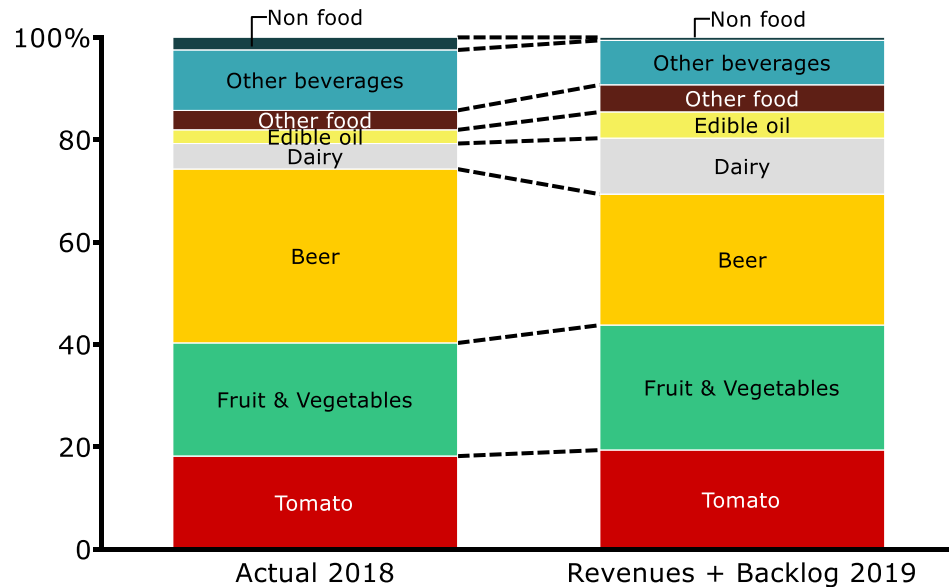
The orders backlog is very solid and provides CFT with a good basis for further sales growth.

* Revenues and backlog related to the companies acquired during 2018 are evaluated on a pro-forma basis, as it would have been if these companies had been consolidated with effect from 1 January 2018.

(1) Calculated as the sum of 2019 revenues and order backlog as of April 30th 2019

BACKLOG 2019

Product mix 2018 - 2019



The product mix related to the expected 2019 revenues shows:

- A slight increase in **Tomato** business compared to 2018 which, however, remains **at low level**
- **A good performance of Fruit & Vegetables** business, with a considerable number of negotiations currently underway for the new Product Treatment division
- A **stable trend in the Beer** business, excluding the investment projects performed in 2018
- An **increasing trend in Dairy** sector

MID TERM OUTLOOK

➤ Revenues	120 M€	249 M€	350 M€
➤ EBITDA	6,7%	8,4%	10÷11%



- Turnaround
- First M&A Deals
- Focus on diversification in order to mitigate the risk of tomato cyclicity

- Listing on AIM Italia
- 4 acquisitions
- IAS/IFRS transition
- 100 M€ acquisition line
- Start up of new business unit:
 - Product treatment
 - End of line



- Further acquisitions in pipeline to strengthen the technology footprint
- Increasing revenues and improving profitability:
 - Shared sales network
 - Consolidation of procurement
 - High value oriented product mix

SIAPI ACQUISITION

First M&A deal of 2019



EV/EBITDA⁽¹⁾
3,8x ÷ 4,5x

Revenues	11 M€
EBITDA	0,8 M€
Net Financial Position	0 M€
Stake acquired	100%
Purchase price	3 M€ + earn out



(1) Maximum earn out of 2,4 M€ in the event that average EBITDA 2020-22 is at least 1,2 M€

Strategic guidelines:

- Entry into the blowing machines market
- Completion of the Beverage product range
- Integration in CFT turnkey lines
- Global market expansion through CFT Group's sales team

SIAPI's strenghts

- Top quality two-stage linear blow molding machines
- High speed (up to 28,000 b/hr)
- High energy savings with air recovery system
- 100% Made in Italy
- Recurring after sales revenues

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HISTORY OF CFT GROUP



Glenalfa



In 1945 Camillo Catelli started manufacturing tomato processing machinery, setting up the Rossi & Catelli Company

In the 1970s, CFT launched the Vesuvio peeler, the Venus and Califfo evaporators and the Stematic Long Run and Olympic sterilizers, with various applications in the dairy sector

The 1990s saw a boom in tomato processing in China and Rossi & Catelli strengthened their industrial presence in the sector, also through the acquisition of FBR Elpo

In 2007, after the winding up of the JV with Sacmi, Raytec and FBR Elpo remained part of the CFT Group. The first branches were established in China and Ukraine.

In 2012, CFT and CFT Packaging merged into a single company providing both processing and packaging solutions. In 2013, FBR Elpo was sold.

In 2016 CFT invested in Rolec, a German brewery plant manufacturer, with a view to strengthening its presence in this sector.

In 2018, the merger with Glenalfa (a SPAC) was finalized, resulting in approximately 80 M€ of capital being raised. Since 30 July 2018, CFT has been listed on the AIM Italia market.

In 2019, owing to the acquisition of Siapi, CFT Group entered the market of blowing machines for bottles and containers in plastic and other eco-sustainable resins. An additional 20% stake of Milk Project has been acquired.

In 1957 the patent of the first evaporator was registered

In the 1980s innovation continued with new products such as the Eldorado enzymatic inactivator

In 2001 the Sacmi & Catelli JV was created, owned by Sacmi (60%) and the Catelli family (40%), with the purpose of making acquisitions within the processing & packaging sectors. In 2001 Raytec Vision was established, and FBR Elpo joined the JV in 2003.

In 2005 Rossi & Catelli acquired Manzini and Comaco. In 2006 CFT Packaging was set up by merging Comaco and Sima, a company acquired in the same year. Rossi & Catelli and Manzini together became CFT.

In 2011, SBC was acquired and CFT expanded into the beverages sector.



In 2015 CFT sold Bertoli (pumps and homogenizers) to the Interpump Group. The End-of-Line and Product Treatment Divisions were established, this operation also comprising the acquisition of Labs



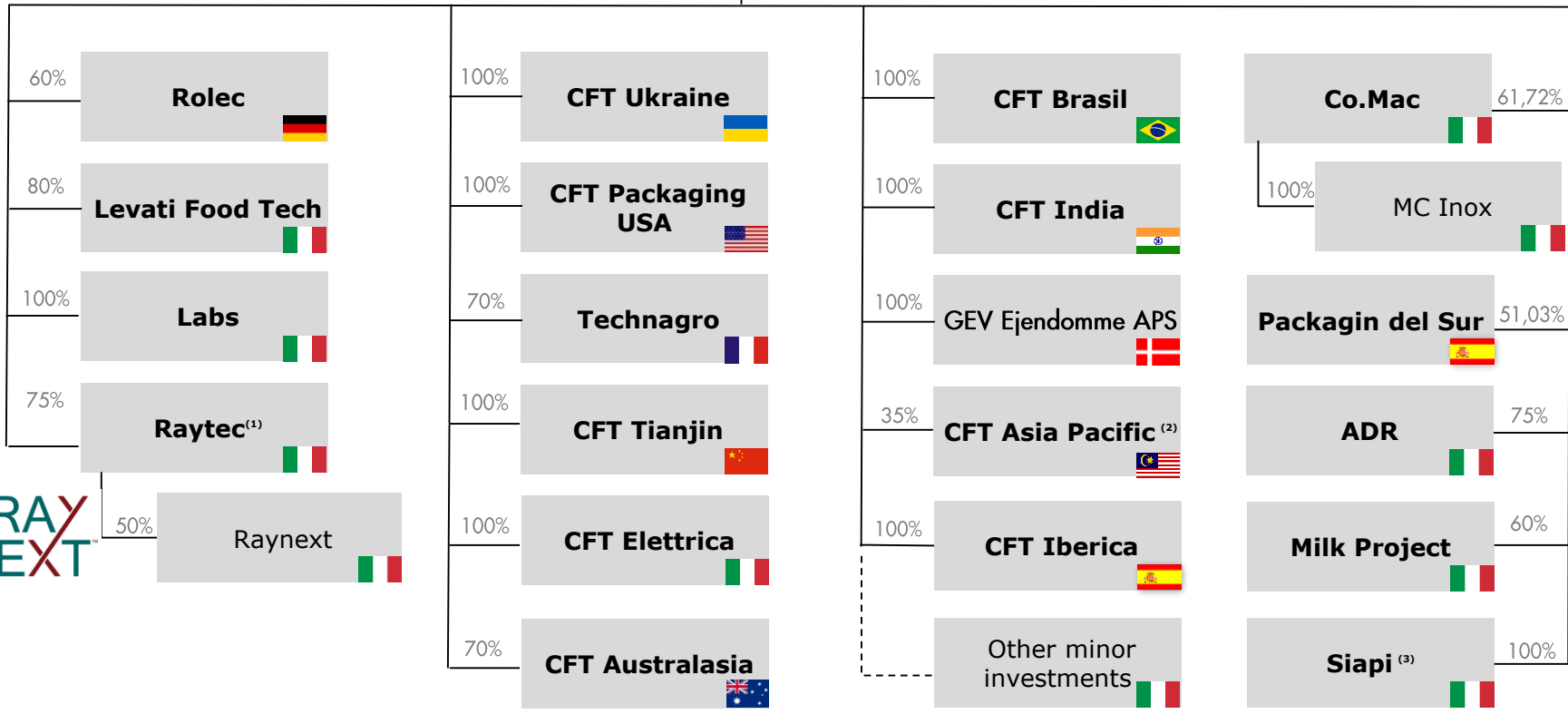
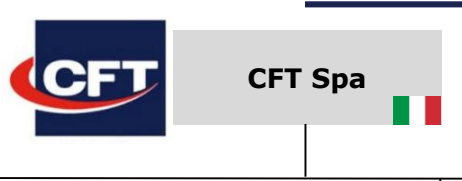
In 2017 Levati Food Tech, a company specializing in pasteurisation and sterilization processes, as well as end-of-line processes, was acquired. Furthermore, the Technagro partnership was strengthened as the latter company joined the CFT Group



Acquisitions have continued throughout 2018 - ADR, Packaging del Sur and Comac have joined the Group and a minority stake in Milk Project has been acquired.



CORPORATE ORGANIZATIONAL CHART



1)Raytec also holds 49% of Gemini, 5% of DNA Phone and 1,08% of Xnext; 2) CFT Asia Pacific holds 100% of CFT Vietnam; 3) Siapi holds 100% of Siapi America Inc, 74,5% of Siapi Africa T.A. and 48% of Siapi Tech.

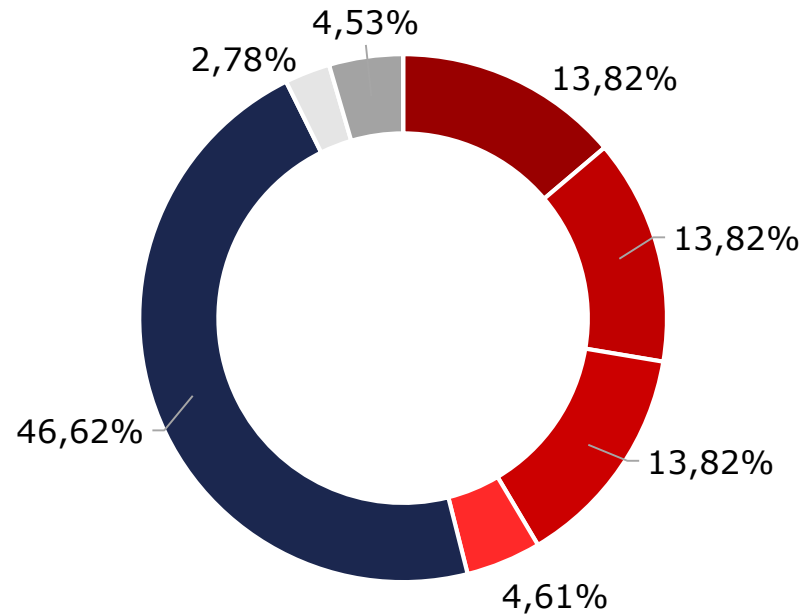
2018 EBITDA RECONCILIATION

<i>(In Euro thousands)</i>	31.12.2018 Pro-forma	31.12.2018	31.12.2017
Net profit	6.104	3.195	7.527
Income taxes	2.256	1.687	4.221
Exchange rate (gains)/losses	1.573	1.414	(369)
Share of profit/(loss) of investments accounted for using the equity method	(80)	(80)	(41)
Financial expenses	1.722	1.718	1.240
Financial income	(860)	(183)	(10)
Impairment of financial assets	833	800	832
Other net provisions	(1.019)	(1.019)	1.041
Depreciation and amortization	9.423	8.582	6.743
Non-monetary costs	134	134	0
Investment acquisition transaction costs	768	768	0
Income and expenses that are not reasonably expected to re-occur in future periods	0	0	0
EBITDA	20.854	17.016	21.184

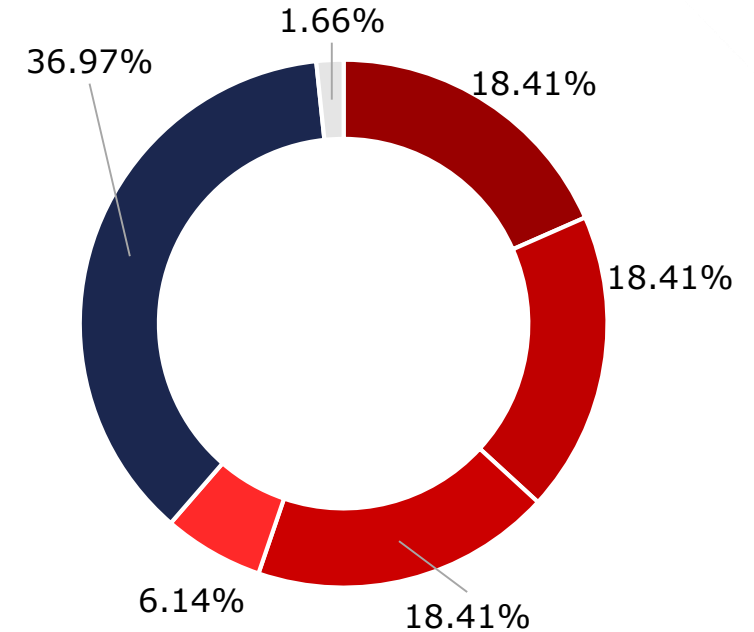
In preparing 2018 Consolidated Financial Statements, the Company has chosen to make use of the option to adopt IFRS 16 - Leases in advance of its effective date of 1 January 2019, adopting the "modified retrospective approach".

SHAREHOLDING STRUCTURE

Share capital



Voting rights



- RPC S.r.l.
- A.E.A. S.r.l.
- Ma.Li S.r.l.
- F&B Capital Investments S.r.l.
- Free float
- Glenalta promoters
- Treasury shares

On 27 February 2018 a new, renewable five-year shareholders' agreement was drawn up, whereby RPC, A.E.A., Ma.Li and F&B Capital Investment's shareholders undertake to:

- refrain from transferring any of the post-merger company's ordinary shares, or the rights associated with such shares, for a three-year period;
- guarantee a pre-emption right, which may be exercised under certain terms and conditions, to the other parties to the shareholders' agreement, in the event of any share transfer by any one of CFT's shareholders;
- submit a single joint list for the appointment of the Board of Directors, with the name of Roberto Catelli as the first on the list;
- exercise the right to vote in compliance with the provisions of said shareholders' agreement; hence, a voting committee is established, consisting of a representative for each CFT shareholder. The chairman of this committee shall be Roberto Catelli.

A lock-up agreement is provided for the shareholders of RPC, A.E.A., Ma.Li and F&B Capital Investment :

- in the case of **ordinary shares**, for a period of **36 months** from the effective date of the merger;
- in the case of **multiple voting shares**, for a period of **48 months** from the effective date of the merger.

A lock-up agreement is provided for Glenalta Promoter:

- with regard to the **ordinary shares** held in the post-merger company and originating from the conversion of the special shares within the scope of the merger or subsequent to the effective date of the merger, for a period of **18 months** starting on the date of their conversion into ordinary shares of the post-merger company.

GOVERNANCE



Roberto Catelli
Chairman



Alessandro Merusi
CEO



Martino Pozzi
CFO



Stefano Malagoli
Director



Adele Catelli
Director



Guido Riccardi
Chairman



Gino Lugli
Director



Livia Catelli
Director



Daniele Raynaud
*Independent
director*



Stefano Rossi
*Independent
director*



Andrea Foschi
*Standing statutory
auditor*



Angelo Anedda
*Standing statutory
auditor*

Board of
directors

Board of statutory
auditors

PricewaterhouseCoopers S.p.A



Auditing firm

THANK YOU



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