H1 2019 RESULTS

September 30th, 2019

LEADERS INNOVATE.

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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

LEADERS INNOVATE.

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

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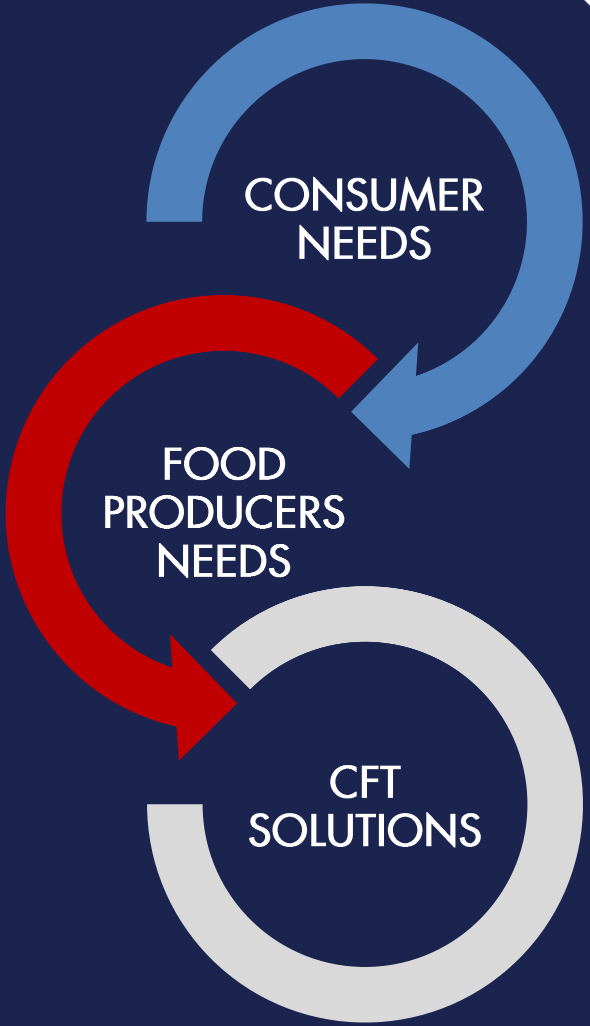
URBANIZATION AND GROWING MIDDLE CLASS

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

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~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**

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120.8 M€ REVENUES **+21%**

- Strong growth in sales volumes, mainly thanks to the acquisitions of Co.Mac Packaging del Sur and SIAPI;
- € 117.6 million net of the M&A effect, down 5,6% compared to the pro forma value* at June 30, 2018 (€ 124.6 million);
- Greater concentration of revenues linked to the Processing division in the second part of the year;
- Strong increase in Packaging Division revenues of 18%;
- Over 80% of revenue is generated abroad

CFT LEADERS INNOVATE.

* Pro forma figures have been prepared to enable a better comparison between economic and financial data, and are based on full consolidation of the companies acquired during 2018 as if the related acquisitions had taken place on 1 January 2018.

REVENUES BY DIVISION

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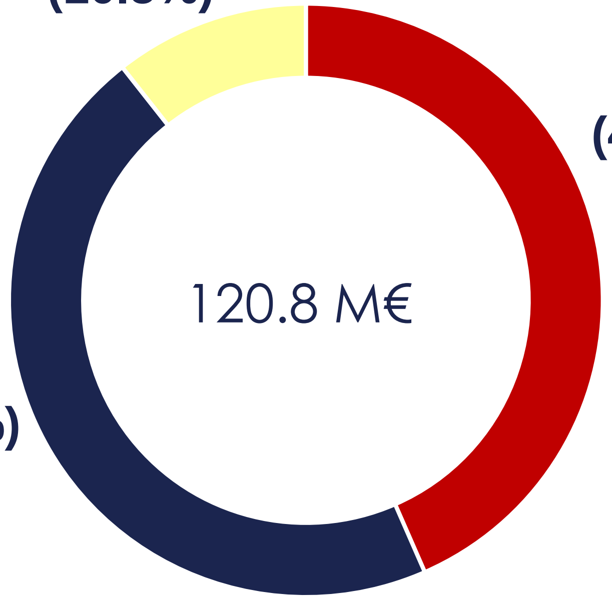
SORTING
Market leader in the vegetables applications

Optical sorting and inspection systems for performing quality control activities



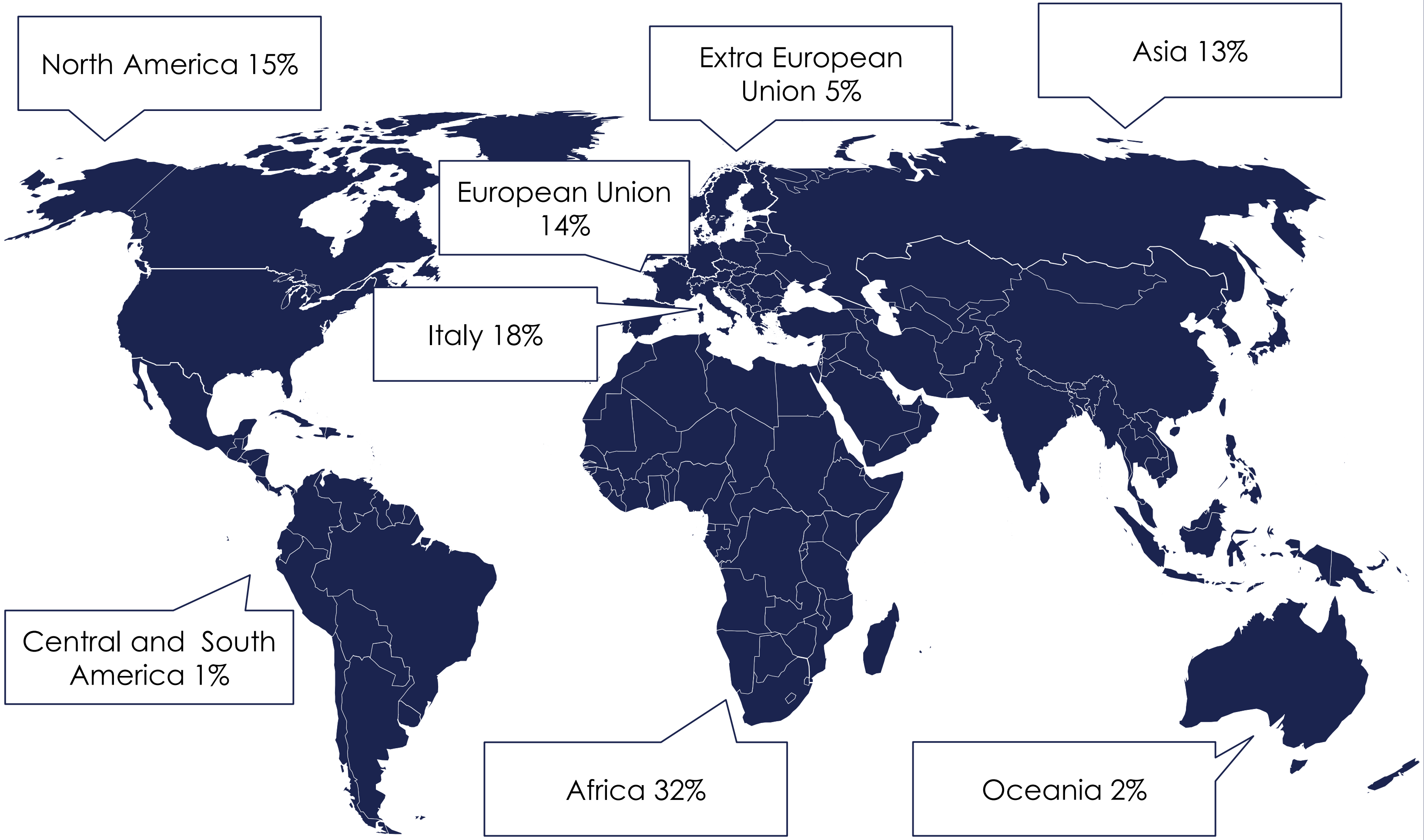
PROCESSING
Market leader in the tomato processing business

Machinery and systems for processing raw materials into semi-finished and/or finished products

PACKAGING
Market leader in the beer keg filling

Packaging and bottling machinery for liquid and viscous products

REVENUES BY AREA



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GEOGRAPHICAL DIVERSIFICATION

Sales in over 90 countries worldwide. Over 80% 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

H1 2019 Financial highlights

* Pro forma figures have been prepared to enable a better comparison between economic and financial data, and are based on full consolidation of the companies acquired during 2018 as if the related acquisitions had taken place on 1 January 2018.

7.8 M€ EBITDA ADJ

-7.4%

€ 7.4 million net of the M&A effect, down € 3.7 million compared to the pro forma value* at June 30, 2018 (€ 11.1 million);

Ebitda difference mainly driven by:

- ~ 2,1 M€ related to the contingent slowdown in the beer business;
- ~ 1,0 M€ related to the operational investments for the construction of a solid technological robotics industrial platform to support the Group's core businesses;
- ~ 0,6 M€ related to change in the sales mix of the first six months between the Processing division and the Packaging division. This effect will be rebalanced in the second half of the year;
- The adjustment carried out at the EBITDA level as at 30 June 2019 refers to non-recurring operating costs of € 0.9 million, mainly regarding consultancy related to 2019 M&A transactions, to non-monetary costs related to the stock incentive plan and extraordinary prototyping costs for R&D projects.

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H1 2019 Financial highlights

1.3 M€ NET PROFIT

-10.3%

The value of the minority profit in H1 2019 amounts to € 0.4 million, down compared to € 0.7 million in the first half of 2018.

16.2 M€ NET FINANCIAL POSITION

Including IFRS16 effect of € 13.9mln

increasing € 2.0 million on December 31, 2018:

This increase principally concerns:

- net operating cash flow of € 4.5 million (including financial charges)
- the positive cash effect related to the management dynamics of the working capital for € 9.4 million
- net investments in Tangible and Intangible Assets for € 11.9 million mainly for the development of the Robotics, Product Treatment and Sorting technology platforms
- the acquisition of Siapi Srl for € 4 million

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2019 Outlook

- Revenues **250/260 M€**
- EBITDA margin adj. ~ 7%
- Main Drivers

Group Organization

Integration of corporate and sales structures;

Development of operational excellence centres by technology;

Investments

Strong investments for further develpment of *robotics*, *food treatment* & *sorting* as high-value added technological platforms;

Focus on diversification to mitigate business trends

1. Beer: Down due to temporary contingent slowdown in some geographies;
2. Tomato: Stable on the low-end business cycle as the previous year;
3. Milk & Dairy: strong growth due to commercial investments;

REVENUES BY BUSINESS

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Business	% FY 2018	% FY 2019 Trend
Tomato	18 %	stable
Fruit & Vegetables	22 %	growth
Beer	34 %	decrease
Other beverages	12 %	decrease
Dairy	5 %	growth
Edible Oil	3 %	growth
Other food	4 %	growth
Lube Oil	2 %	stable

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Consolidated Income Statement

(Thousands of Euros)	For the period ended June 30,	
	2019	2018
Revenue	120,839	99,582
Other revenue	2,775	1,173
Total revenue	**123,614**	**100,755**
Cost of services	(34,180)	(35,392)
Cost of raw material, ancillary and goods for resale	(53,152)	(36,814)
Personnel costs	(27,838)	(19,487)
Other operating costs	(1,540)	(777)
Depreciation and amortization of property, plant and equipment, intangibles assets	(4,605)	(4,220)
Depreciation of financial assets	(181)	840
Other net provisions	(233)	-
Operating profit	**1,885**	**4,905**
Financial income	1,470	11
Financial expenses	(933)	(646)
Profit/(Loss) from investments accounted for using the equity method	(101)	-
Profit/(Loss) from foreign exchange	(160)	(1,009)
Profit before tax	**2,161**	**3,261**
Income taxes	(452)	(1,123)
Profit for the year	**1,709**	**2,138**
Profit for the year attributable to non-controlling interests	397	675
Profit for the year attributable to equity holders of the Parent	**1,312**	**1,463**

Consolidated statement of financial position

(Thousands of Euros)	As at June 30, 2019	As at December 31, 2018
ASSETS		
Non-current assets:		
Right of use assets	15,655	13,490
Property, plant and equipment	26,036	20,639
Intangible assets	50,297	44,609
Investments accounted for using the equity method	217	426
Deferred tax assets	4,816	4,117
Non-current financial assets	1,907	1,791
Other non-current assets	-	-
Total non-current assets	98,928	85,072
Current assets:		
Inventory	100,544	88,039
Derivative financial instruments	-	97
Trade and other receivables	62,521	61,737
Income tax receivables	2,303	2,834
Cash and cash equivalents	51,417	41,798
Other current assets	12,727	11,085
Total current assets	229,512	205,590
TOTAL ASSETS	328,440	290,662

(Thousands of Euros)	As at June 30, 2019	As at December 31, 2018
EQUITY		
Share Capital	10,000	98,300
Statutory reserve	151	71
Share premium reserve	(8,300)	(8,300)
Other reserves	42,527	(47,311)
Retained earnings	2,778	2,952
Equity attributable to equity holders of the Parent	47,156	45,712
Non-controlling interests	22,252	22,026
TOTAL EQUITY	69,408	67,738
LIABILITIES		
Non-current liabilities:		
Non-current bank borrowings	49,632	40,236
Non-current lease liabilities	10,948	10,151
Non-current put option liabilities	28,774	28,603
Employee defined benefit payables	5,526	4,799
Non-current trade payables	876	1,151
Provisions for risks and charges	2,288	1,375
Other non-current liabilities	3,918	1,548
Total non-current liabilities	101,962	87,863
Current liabilities:		
Current bank borrowings	2,022	489
Current lease liabilities	2,984	3,512
Current put option liabilities	1,400	2,848
Income tax payables	-	-
Derivative financial instruments	93	120
Current trade payables	75,867	75,966
Other current liablities	74,704	52,126
Total current liabilities	157,070	135,061
TOTAL EQUITY AND LIABILITIES	328,440	290,662

Consolidated statement of cash flows

(Thousands of Euros)	For the period ended June 30 2019	2018
Profit before tax	**2,161**	**3,261**
Adjustments:		
Depreciation and amortization of property, plant and equipment, intangibles assets	4,605	4,220
Depreciation of financial assets and other net provisions	339	(840)
Profit/(Loss) from investments accounted for using the equity method	101	
Net financial expenses and Profit/(Loss) on foreign exchange	(299)	1,644
Other non-monetary movements	(1,471)	(2,405)
Cash flow from operating activities before changes in net working capital	**5,436**	**6,240**
Changes in net working capital:		
- Inventory	(9,471)	(8,446)
- Trade Receivables	1,105	2,796
- Trade payables	(3,552)	(4,386)
- Other changes in net working capital	20,667	6,314
Net cash flow from changes in net working capital	**8,748**	**(3,722)**
Income tax paid	-	-
Employee defined benefit payables and provisions for risks and charges	671	(2,588)
Net cash flow provided by/(used in) operating activities	**14,856**	**(70)**

(Thousands of Euros)	For the period ended June 30 2019	2018
Net cash flow provided by/(used in) operating activities	**14,856**	**(70)**
Net cash flow provided by/(used in) financing activities:		
Investments in:		
-Intangible and tangible assets	(9,430)	(7,002)
-Right of use	(2,109)	(2,383)
-Equity investments	(2)	(348)
Changes in current and non-current financial assets	(40)	465
Net assets acquired	(339)	(4,891)
Net cash flow provided by/(used in) investing activities	**(11,920)**	**(14,159)**
Net cash flow provided by/(used in) financing activities:		
Current bank borrowings	(600)	-
Non-current bank borrowings	9,913	-
Changes of bank liabilities	(379)	21,356
Changes of lease liabilities	(1,187)	(2,047)
Net financial expenses paid	(889)	(1,627)
Dividends paid	(174)	(150)
Other	-	803
Net cash flow provided by/(used in) financing activities	**6,684**	**18,335**
Total cash flow provided/(used) in the year	**9,619**	**4,106**
Cash and cash equivalents at the beginning of the period	41,798	15,873
Cash and cash equivalents at the end of the period	51,417	19,979

EBITDA RECONCILIATION

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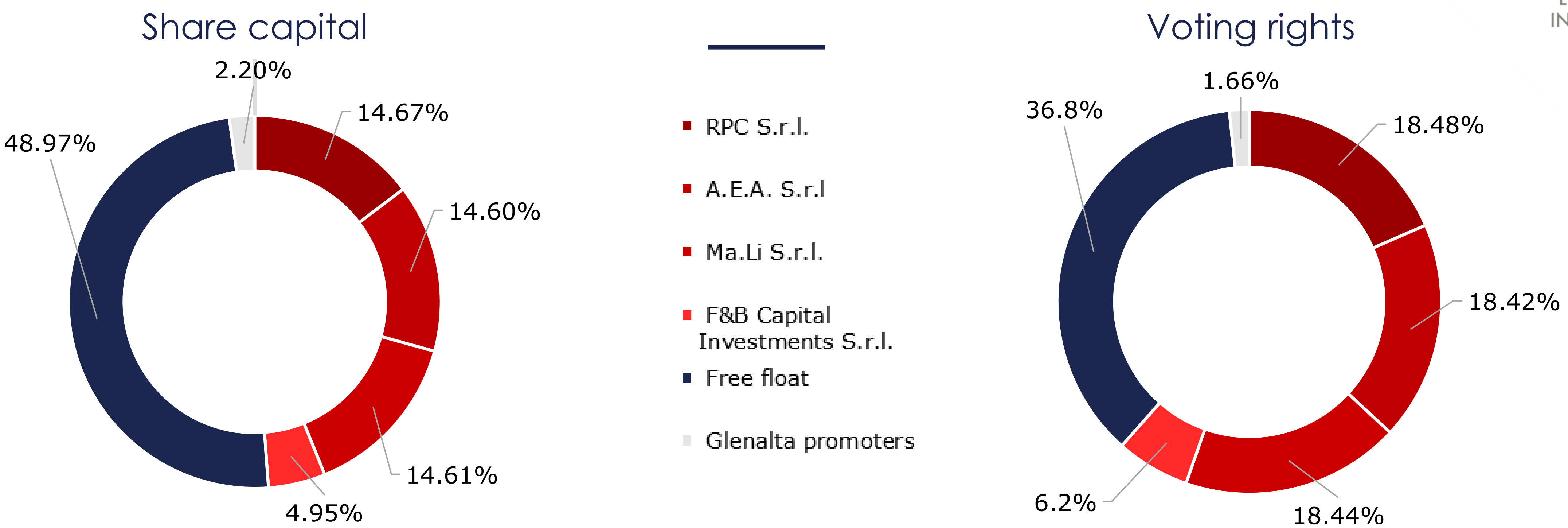
(Thousands of Euros)	As at June 30	
	2019	2018
Profit for the year	1,709	2,138
Income Taxes	452	1,123
Profit/(Loss) from foreign exchange	160	1,009
Profit/(Loss) from investments accounted for using the equity method	101	-
Financial Expenses	933	646
Financial Income	(1,470)	(11)
Depreciation of financial assets	181	(840)
Other net provisions	233	-
Depreciation and amortization of property, plant and equipment, intangibles assets	4,605	4,220
Other non-monetary movements	162	-
Other costs for equity investments	174	108
Non-recurrent income or expenses	536	-
EBITDA	**7,776**	**8,393**

SHAREHOLDING STRUCTURE



The share capital is equal to € 10.000.000 divided into 16.026.357 ordinary shares listed for trading on the MTF AIM Italia, 133.334 type B shares without voting right and 3.000.000 multiple voting shares, all without indication of nominal value. In addition, there are n. 4.739.577 Warrants outstanding.

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.

THANK YOU

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