



# SPAFID CONNECT

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| Informazione<br>Regolamentata n.<br>20104-32-2020 | Data/Ora Ricezione<br>30 Marzo 2020<br>20:16:47 | AIM -Italia/Mercato<br>Alternativo del Capitale |
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Societa' : CFT S.p.A.

Identificativo : 129915

Informazione  
Regolamentata

Nome utilizzatore : CFTSPANSS01 - Eslava

Tipologia : 1.1

Data/Ora Ricezione : 30 Marzo 2020 20:16:47

Data/Ora Inizio : 30 Marzo 2020 20:16:48

Diffusione presunta

Oggetto : CFT S.p.A. The BoD approves the  
Statutory and Consolidated financial Data  
as of 31 December 2019 and convenes the  
Shareholders' Meeting

*Testo del comunicato*

Vedi allegato.

**THE BOARD OF DIRECTORS APPROVES THE STATUTORY AND CONSOLIDATED FINANCIAL DATA AS OF 31 DECEMBER 2019 AND CONVENES THE SHAREHOLDERS' MEETING**

**REVENUES EQUAL TO 251 MILLION EUROS AND MARGIN AT 7%**

**RESULTS IN LINE WITH FORECASTS AND WITH THE STRATEGY OF INTEGRATION AND EXPANSION OF INVESTMENTS AIMED AT DEVELOPING TECHNOLOGICAL PLATFORMS FOR *ROBOTICS, FOOD TREATMENT & SORTING***

**ORDER PORTFOLIO AS OF 29 FEBRUARY 2020, INCLUDING ACQUIRED REVENUES, EQUAL TO 134.1 MILLION EUROS, IN LINE WITH THE PREVIOUS YEAR**

**Main consolidated results as of 31 December 2019 according to IAS/IFRS international accounting standards:**

- ✓ **Revenues** of 251 million Euros, an increase of 12.3% compared to the same period of the previous year (223.8 million Euros in 2018). Considering the pro-forma revenues<sup>1</sup> as of 31 December 2018 (248.6 million Euros) growth was equal to 1.1%. That change is linked principally to the growth of revenues of the Processing & Packaging division.
- ✓ **Adjusted EBITDA**<sup>2</sup> equal to 17.5 million Euros, an increase of 3% over the previous year (17 million Euros), with a margin on revenues of 7%. Considering the pro-forma figure<sup>1</sup> as of 31 December 2018 (20.9 million Euros), we see a reduction of 16 percentage points. That deviation is principally attributable to the contraction of the business linked to beer and the operational investments to support robotics and sorting.
- ✓ **Group Net profit for the period** of 4.7 million Euros, compared to 1 million Euros in the previous year. The Profit attributable to minorities was 1.2 million Euros, a reduction over the 2018 figure (2.2 million Euros), following the acquisition of 40% of the share capital of the German subsidiary Rolec Prozess- und Brautechnik GmbH ("**Rolec**"), of which CFT already held 60%, in line with the strategy of purchasing minorities.

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<sup>1</sup> In order to allow for easier comparison between the economic-financial data from the standpoint of full consolidation of the companies acquired during 2018, the pro-forma data as of 31 December 2018 was drawn up as if the respective aggregation operations had taken place on 1 January 2018. That pro-forma data is not subject to audit.

<sup>2</sup> The normalization performed in terms of EBITDA as of 31 December 2019 refers to non-recurring operating expenses equal to 2.4 million Euros, principally regarding consultancy costs for the M&A operations that took place during 2019, non-monetary costs relating to the stock incentive plan, and extraordinary expenses for prototyping on R&D projects.

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- ✓ **Net Financial Position** of negative 43.4 million Euros (including the negative IFRS16 effect of 17 million Euros), compared to a debt of 14.2 million Euros as of 31 December 2018; that change is principally linked to the investments made to support growth, in particular linked to the development of the robotics and sorting divisions and the acquisition of Siapi S.r.l.
- ✓ **Order Portfolio as of 29 February 2020** equal to 113.5 million Euros. The overall figure relating to orders already invoiced and those in the portfolio to be invoiced within the current year amounts to 134.1 million Euros and is in line with the same period of the previous year. The margins anticipated in relation to orders in the portfolio are slightly higher than in 2018.

#### Update on Covid-19:

- In order to guarantee the full operation of the entire organization and to minimize the impact of the situation, the CFT Group has extended smart working activities to all of the office personnel and has adopted restrictive measures regarding health/hygiene and access to the facilities to safeguard the health of all of the personnel working in the production divisions.
- With reference to the additional restrictions imposed by the Italian government with the Prime Minister's Decree of 22 March 2020, the CFT Group, as communicated to the market on 24 March 2020, is included in the list of companies authorized to continue their activities, since it provides essential services to guarantee the operational continuity of food industries.
- The Group is carefully monitoring the entire supply chain in order to remain up-to-date on potential criticalities and thus be able to adopt preventive measures that allow for continuing to manage operations according to plans.

**The proposal for authorization of the purchase and disposal of treasury shares pursuant to Articles 2357 and 2357-ter of the Civil Code was approved, upon revocation of the authorization granted by the Shareholders' Meeting on 10 May 2019 to be submitted to the Shareholders' Meeting.**

**The Shareholders' Meeting is convened for 29 April 2020, on first call, and 30 April 2020, on second call.**

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Alessandro Merusi, CEO of the CFT Group, stated: *"The 2019 financial year was closed with an increase in turnover over the previous period, characterized by a different mix that saw the processing and packaging activities drive growth and with margins that confirm the Group's expectations. The positive performance of the fruit & vegetables and food oil businesses and other food and non-food applications in 2019, driven by the development of the new technological platforms in which CFT has invested, has more than made up for the tomato business in terms of volumes and partially in terms of margins, as that business remained stable at the low levels of the cycle seen last year, and that of beverages, and of beer in particular.*

*The change in net financial position can be traced principally to the significant investments made by CFT, that are fundamental to provide the Group with the industrial infrastructure allowing for the growth of high-potential*

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*technological platforms for industrial robotics and sorting, and the acquisition of Siapi. The Group has invested heavily in the past two years and will continue to focus on increasing efficiency and profitability.*

*With reference to 2020, - Merusi continued – despite it being difficult to quantify the possible repercussions on the business due to the current situation linked to the COVID-19 epidemic at this point, the orders already invoiced and those to be invoiced by the end of the year, equal to 134 million Euros, are in line with the same period of 2018, with a slight improvement in expected margins.*

*In regard to the emergency underway - Alessandro Merusi concluded - we immediately established a permanent committee with the task of continuously monitoring the situation and making the decisions necessary to manage the emergency. In particular, we took all possible measures to safeguard the health and safety of all of our employees, starting with the maximum extension of smart-working to all company departments, to the application of strict behavioral and hygiene-health measures in order to minimize the risks of infection in all of the production facilities; all of this with the aim of reconciling the maximum protection of health with the necessary principle of business continuity to keep the promises made to all of the Group's stakeholders."*

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**Parma, 30 March 2020** – The Board of Directors of CFT S.p.A. ("CFT" or the "Company"), met on today's date, has approved, among other things, the draft statutory and consolidated financial statements as of 31 December 2019 according to the IAS/IFRS international accounting standards and the proposal for authorization of the purchase and disposal of treasury shares, upon revocation of the previous authorization, convening the Shareholders' Meeting to decide on these questions.

### **Analysis of income and balance sheet situation as of 31 December 2019 – CFT Group**

Below we provide a summary presentation of the main IFRS income, equity and financial indicators, or other indicators derived from that data, as well as of the order portfolio.

**As of 31 December 2019, the CFT Group earned revenues of 251 million Euros, an increase of 12.3%** over 31 December 2018. From a geographic standpoint, in 2019 the group generated approximately 77% of its turnover abroad.

The Processing & Packaging division had revenues of 226 million Euros in 2019, compared to 198.6 million Euros in 2018 (+13.8%), in particular thanks to the effect of the acquisitions carried out in the previous period. The Sorting division (whose revenues represent approximately 10% of total revenues) had an increase of 0.8% in revenues compared to 31 December 2018, going from 25.2 million Euros to 25.3 million Euros.

Considering the value of pro-forma revenues as of 31 December 2018 (248.6 million Euros), we see a growth of 1.1%.

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**Adjusted EBITDA** is equal to 17.5 million Euros, an increase of approximately 3% compared to 2018. A comparison with the pro-forma figure as of 31 December 2018 (20.9 million Euros) shows a reduction of approximately 16 percent. That reduction is principally attributable to:

- the performance of the beer business, that suffered a contraction linked to a known market contingency;
- the important operating investments made to support the Spanish company Packaging del Sur S.L. ("PKS"), a point of reference for the group's end-of-line platform, and Raytec Vision S.p.A. for the development of the sorting division.

The normalization carried out for EBITDA as of 31 December 2019 refers to non-recurring operating expenses of 2.4 million Euros, principally regarding consulting linked to the M&A operations that took place during 2019, and non-monetary costs relating to the stock incentive plan and extraordinary costs for prototyping on R&D projects and the opening of the new production facility of the subsidiary Raytec.

**Net Profit** equal to 5.9 million Euros, compared to 3.2 million Euros in 2018. The value of the profit attributable to minorities is equal to 1.2 million Euros, a reduction compared to the 2.2 million Euros as of 31 December 2018.

The reduction of the minorities is attributable to the purchase in October 2019 of an equity holding equal to 40% of the share capital of Rolec, of which CFT already owned 60%. Following that acquisition, CFT thus became the owner of the entire share capital of Rolec.

**Net Financial Position** is negative 43.4 million Euros (including the IFRS16 effect of negative 17 million), an increase compared to the respective figure as of 31 December 2018, equal to -14.2 million Euros (with IFRS16 effect equal to -13.7 million Euros). That change is attributable principally to:

- the positive generation of operating cash equal to approximately 8 million Euros;
- the negative effect of working capital of 3 million Euros;
- investments in tangible and intangible assets for a total of 26.8 million Euros, related in particular to the new facilities of Raytec Vision S.p.A. (9 million Euros) and PKS (3 million Euros), 4 million Euros of R&D investments, and 3 million Euros in the Co.Mac. S.r.l. factory;
- the acquisition of Siapi S.r.l., of the minority interest in Rolec, and treasury shares for a total of 4.4 million Euros.

**Shareholders' Equity** was equal to 73.7 million Euros, an increase compared to 67.7 million Euros as of 31 December 2018.

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For more details, please refer to the “2019 Full Year Results” presentation that will be made available to the public on the official site [www.cft-group.com](http://www.cft-group.com), in the section “Investor Relations/Financial Data/Financial Statements, reports and presentations”.

### Principal events in the 2019 accounting period and subsequent events

On the occasion of approval of the draft statutory and consolidated financial statements, we believe it is appropriate to provide a summary of the principal events regarding the Company that took place in the 2019 accounting period:

- **on 9 May 2019**, CFT purchased 100% of the share capital of Siapi S.r.l., a company with its registered office in Conegliano (TV) that is active in the design, production and sale of technological solutions for the stretch-blow market for bottles and containers in PET, PP, PLA and other environmentally friendly resins, focused in particular on high-quality two-stage linear blowers;
- **on 10 May 2019**, the Extraordinary Shareholders’ Meeting of CFT resolved the voluntary reduction of the share capital to 10 million Euros, allocating the remaining portion to a voluntary reserve, to allow for a better configuration and flexibility of the structure of the Shareholders’ Equity;
- **on 12 June 2019**, the company was notified of an order for search and seizure of documentation (“decreto di perquisizione e sequestro di documentazione”) at the Company, issued by the Public Prosecutor’s Office of Parma, in relation to investigations concerning the potential crimes: i) indicated in Art. 81 sub. of the Criminal Code and Art. 2621 of the Civil Code, with reference to the years from 2013 to 2016, and Art. 2 of Legislative Decree 74/2000, with reference to the years 2015 and 2016, alleged against the Managing Director, and (ii) indicated in Art. 81 sub. of the Criminal Code and Art. 2621 of the Civil Code, with reference to the years from 2013 to 2016, alleged against the Chairman of the Board of Directors;
- **on 20 June 2019**, CFT stipulated with Naddeo Technologies S.r.l (“Naddeo”) a partnership agreement in the context of the marketing and distribution of machines and/or lines for the processing of fresh products aimed at end clients (called the “4th range”). Naddeo is an Italian player with over thirty years of history in the sector of vegetable processing, which designs and produces innovative and personalized solutions for producers operating in the fresh food sector. Naddeo offers a broad range of machines and systems with high hygienic standards, guaranteeing better quality of the final product and longer shelf life. Thanks to the new partnership, CFT and Naddeo will operate jointly to offer machines for the supply, selection, cutting, washing and drying of fresh vegetables on the 4th

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range market. The agreement with Naddeo is an integral part of CFT's strategy aimed at strengthening the group's competitive position within the sector of fresh product processing;

- **on 25 June 2019**, the Revenue Police (Guardia di Finanza) served a Notice of Assessment (Processo Verbale di Constatazione – “PVC”) on the Company in which, upon conclusion of the investigations conducted with reference to the 2014-2015-2016 tax periods, the Company was charged with presumed tax violations regarding IRES and IRAP taxes involving an overall taxable amount of approximately 1.45 million Euros. With reference to only 2016, a formal charge regarding VAT was also formulated, without a demand for greater tax due. The Company has appointed a leading Italian Tax Law Firm to assist it in relation to those charges. Based on a detailed examination of the case, taking into consideration the analysis conducted by the cited Tax law Firm, the Company decided that it had well-grounded defense arguments, and thus the potential risk linked to the charges contained in the PVC was not been included in the data as of 30 June 2019;
- **on 15 July 2019**, the Director Martino Pozzi submitted his resignation from the position of Board Member of the Company, for personal reasons and considering the need for him to dedicate his energy to the Group's operating activities in his role as the CFO;
- **on 4 September 2019**, the Board of Directors of CFT co-opted and appointed Mr. Niccolò Querci as a new Board Member, pursuant to Art. 15.4 of the Company By-laws and Art. 2386 of the Civil Code;
- **on 27 September 2019**, the Board of Directors of CFT approved the half-year consolidated financial report as of 30 June 2019, drawn up in accordance with IAS/IFRS international accounting standards;
- **on 3 October 2019**, CFT exercised the purchase option on shares corresponding to 40% of the share capital of Rolec; therefore, as of the completion of the operation, the equity stake held in Rolec went from 60% to 100%;
- **on 4 October 2019**, CFT – pursuant to what had already been announced to the market, and in execution of the resolution of the Shareholders' Meeting of 10 May 2019, that authorized the program for purchase and disposal of its ordinary treasury shares, in the timeframe communicated to the market - announced the start of that program through a stock repurchase plan;
- **on 25 November 2019**, by way of an assessment agreement signed with the Revenue Agency (Agenzia delle Entrate), the tax dispute brought against CFT in the Notice of Assessment drawn up by the Revenue Police on 25 June 2019 regarding IRES and IRAP, in relation to the 2014, 2015 and

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2016 periods, was settled. Despite believing the Company had valid arguments to demonstrate that absolute propriety of its actions, as also formally stressed in the assessment agreement signed with the Revenue Agency, CFT decided to accept the assessment proposal exclusively for reasons of financial expediency and to avoid the initiation of litigation, with the related costs, risks, and times;

### **Principal events subsequent to 2019**

During the second half of the month of February of this year, some companies in the CFT Group, including the group leader itself, found themselves having to deal with the COVID-19 emergency. To face this unexpected and sudden emergency, the Company created an internal committee with the task of continuously monitoring the situation and making the decisions necessary to manage the emergency. In particular, to guarantee the full operation of the entire organization and to minimize the impact of the situation: on the one hand, smart-working activities were extended for all office personnel, and on the other, restrictive measures were adopted regarding both hygiene/health matters and access to the facilities, in order to safeguard the health of all of the personnel working in the production divisions. Nevertheless, although at the moment there are no significant elements to underline, without prejudice to the need to carefully evaluate future events, the directors do not rule out potential impacts on the progress of order acquisition process in the coming months as well as any postponements on the deliveries and installations of the orders expected to be shipped in the first half of the current year.

**On 5 February 2020**, CFT completed the purchase of an equity stake of 20% of the share capital of the subsidiary Levati Food Tech S.r.l. (“**Levati**”). Following the purchase of that equity stake, CFT - which already held a stake of 80% of the company’s share capital - thus become the owner of the entire share capital of Levati. The price for the purchase of the stake was equal to 500,000.00 Euros paid in part in cash and in part through CFT ordinary shares.

### **Business Outlook**

The CFT Group continues its growth process through the strengthening of its presence on the international market but also through the search for new opportunities that may arise within the international economic scenario.

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## **New authorization for the purchase and disposal of treasury shares upon revocation of the previous authorization.**

The Board of Directors has resolved to submit to the Shareholders' Meeting the proposal for a new authorization for the purchase and disposition of treasury shares pursuant to Articles 2357 and 2357-ter of the Civil Code, upon revocation of the authorization granted by the Shareholders' Meeting on 10 May 2019.

The proposal formulated by the Board of Directors foresees, among other things, that the authorization of the purchase of treasury shares - up to a maximum number of shares that, taking into account the Company's ordinary shares held from time to time in the Company's portfolio and that of its subsidiaries, does not exceed the maximum limit set by the regulations applicable *pro tempore* - shall be valid for the period of 18 months starting from the date it took effect, and that no final effective date will be set on the authorization to dispose of the treasury shares.

The request for authorization of purchase and disposal of ordinary treasury shares is aimed at providing the Company with a useful strategic investment opportunity for all purposes allowed by applicable regulations, including the aims contemplated by Art. 5 of Regulation (EU) No. 596/2014 (Market Abuse Regulation, hereinafter "**MAR**"), and in the practices admitted pursuant to Art. 13 MAR.

We recall that the Shareholders' Meeting held on 10 May 2019, acting pursuant to and within the limits of Art. 2357 of the Civil Code, authorized the purchase of treasury shares for the same purposes, for a period not exceeding 18 months starting on the effective date of the resolution for reduction of the share capital adopted on the same date (i.e. from 28 August 2019 until 28 February 2021); the authorization to dispose of treasury shares was granted, starting on the same date, without a final time limit.

That said - and considering the fact that as of today's date, **(i)** the Company **(a)** has still not fully executed the program for purchase of treasury shares that it approved, and **(b)** intends to fully execute it in the near future, and **(ii)** the effect of the aforementioned authorization is set to expire soon, and in any event is not suited to allow for full execution of the cited purchase program - the Board of Directors proposes adopting a new authorization for the purchase and disposal of treasury shares.

As of today's date, the Company's share capital amounts to 10,000,000 Euros and is represented by 16,026,357 ordinary shares, 3,000,000 shares with multiple voting rights, and 133,334 special shares, all without the indication of the nominal value. The Company also holds 993.065 ordinary treasury shares. The Company also has an available reserve that allows for executing the purchase of treasury shares within the limits set by Art. 2357 of the Civil Code.

The authorization is requested for the purchase, including in multiple tranches, of a number of ordinary shares of the Company, lacking an indication of nominal value, up to the maximum limit set by the regulations applicable *pro tempore*, taking into account the ordinary shares held in the portfolio of the Company and its subsidiaries from time to time.

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The purchase of treasury shares must in any event take place within the limits of the distributable profits and the available reserves indicated in the last financial statements (including interim statements) approved at the time the operation is carried out.

In the context of the resolution in question, the Board of Directors also approved the report illustrating the point on the agenda of the upcoming Shareholders' Meeting containing more details on the authorization of the purchase and disposal of treasury shares.

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### **Convening of Ordinary Shareholders' Meeting**

Lastly, the Board of Directors of CFT resolved to convene the Ordinary and Extraordinary Shareholders' Meeting on the date of 29 April 2020 at 8:30 a.m. on first call, at the Company's registered office in Parma, Via Paradigna 94/A, and if necessary, on 30 April 2020 at 10:30 a.m., in the same place, on second call. The Shareholders shall be called on to discuss and act upon the following agenda:

- (1) annual financial statements for CFT S.p.A. as of 31 December 2019, directors' Report on Operations, report of the Board of Statutory Auditors, and report of the Auditing Firm. Presentation of the consolidated financial statements of the CFT Group as of 31 December 2019. Related and resulting resolutions;
- (2) authorization for the purchase and disposal of treasury shares pursuant to Articles 2357 and 2357-ter of the Civil Code, upon revocation of the authorization granted by the Company's Ordinary Shareholders' Meeting of 10 May 2019; related and resulting resolutions;
- (3) confirmation of appointment by co-optation of the board member Niccolò Querci, that took place pursuant to Article 2386 of the Civil Code with resolution of the Board of Directors of 4 September 2019;
- (4) miscellaneous.

*We note that in order to reduce as much as possible the risks linked to the current health emergency, the Company has decided, with reference to the Shareholders' Meeting to be convened, to exercise the right - provided for by Article 106 of Decree Law No. 18/2020 - to establish that the participation of the shareholders in the Meeting shall take place exclusively through the designated representative pursuant to Article 135-undecies of Legislative Decree No. 58/1998 (TUF), without the personal participation of the shareholders, according to the instructions that will be provided along with the notice of call of the Shareholders' Meeting.*

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The notice of call of the Ordinary and Extraordinary Shareholders' Meeting of CFT (*including the instructions relating to the methods of participation and voting in the Meeting*), and all of the reports on the matters on the agenda, will be made available to the public at the Company's registered office (Via Paradigna 94/A, Parma) and will be available for consultation on the Company's website ([www.cft-group.com](http://www.cft-group.com), in the section "Investor Relations/Shareholders' Meeting"), within the terms set by law.

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#### ALTERNATIVE PERFORMANCE INDICATORS

In this document, in addition to the financial indicators provided for by the International Financial Reporting Standards (IFRS), some other measures are presented ("Non-GAAP Measures") derived from those indicators, despite not being required by the IFRS.

Those measures are presented in order to allow for a better evaluation of the performance of the group's operations and are not to be considered a replacement for the indicators required by the IFRS. In particular, the Non-GAAP Measures used are the following:

- EBITDA: defined as the net result for the period, adjusted by the following items: (i) Income taxes for period; (ii) Financial income and charges; (iii) Depreciation and write-downs of tangible and intangible assets; (iv) Write-downs of financial assets; (v) Allocations; (vi) Non-monetary costs; (vii) Accessory costs for the purchase of equity holdings; and (viii) Income and charges that by their nature are not reasonably expected to be present in future periods.
- NFP: calculated as the algebraic sum of the following items: (-) Liquid assets; (+) Current and non-current loans; (-/+) Financial receivables/payables; and (+) Current and non-current right of use and leasing liabilities.

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#### FILING OF DOCUMENTATION

A copy of the Annual Financial Report for the CFT Group will be made available to the public in the terms set by law at the registered office of CFT in Parma, via Paradigna 94/A, and through publication on the official website [www.cft-group.com](http://www.cft-group.com), in the section "Investor Relations/Financial Data/Financial Documents", and on the authorized storage mechanism eMarket Storage ([www.emarketstorage.com](http://www.emarketstorage.com)).

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### **CFT Group**

CFT S.p.A. is the operational holding company of the CFT Group, listed since July on the AIM Italia market organized and managed by Borsa Italiana S.p.A. The company is active in Italy and internationally in the design, development and production of machines and complete turnkey lines principally for the Food, Liquid Food and Beverage sector. The company, the result of a project by the Catelli family for the creation of machines specialized in the processing of tomatoes, now boasts more than 70 years of experience focused on three specific macro-areas of activity: processing, packaging and sorting. Decades of experience and the know-how of leading brands in the respective sectors allow CFT Group to offer a complete portfolio of solutions based on the most advanced technologies. Each day, in the plants operated by the CFT Group, millions of tons of fresh products are processed and millions of cans, bottles and special containers are filled for multiple applications. Thanks to innovative technological solutions, CFT Group helps its clients obtain higher performance in terms of efficiency and quality.

With over 900 employees, 15,000 references, 15 brands, 8 production facilities, a widespread network of 10 branches, a presence in over 90 countries and turnover of 251 million Euros in 2019, CFT Group is synonymous with quality, innovation and reliability throughout the world.

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### **DISCLAIMER**

This release contains statements with forecasts, based on the CFT Group's current expectations and projections relating to future events. Therefore, by their very nature, they are subject to an intrinsic component of uncertainty. They are statements that refer to events, and depend on circumstances, that may or not occur in the future, and thus must not be unduly relied upon. The actual results could differ from the ones contained in those statements due to multiple factors, including, but not limited to, volatility and deterioration of the markets, changes in the prices of raw materials, changes in macroeconomic conditions and in economic growth and other changes in the business conditions, changes in regulations and the international context both in Italy and abroad, as well as many other factors outside of the Company's control. What is presented in this release may in no way be considered a guarantee or indication of the actual future income, financial and equity results of the Company. Therefore, within the limits allowed by law, the Company and its respective representatives, managers, employees and consultants do not make any declarations, provide any guarantees, assume any obligations, or assume any liability in regard to those forecasted results.

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*This release is available on the CFT website [www.cft-group.com](http://www.cft-group.com) in the section Investor relations/SDIR releases.*

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## CONSOLIDATED FINANCIAL STATEMENTS AS OF 31 DECEMBER 2019

### Consolidated Balance Sheet

| <i>(In thousands of Euros)</i>   | As of 31 December |                |
|--|-------------------|----------------|
|  | 2019              | 2018           |
| <b>ASSETS</b>  |                   |                |
| <i>Non-current assets:</i>   |                   |                |
| Right of use assets  | 16,675            | 13,490         |
| Tangible assets  | 37,362            | 20,639         |
| Intangible assets  | 50,659            | 44,609         |
| Holdings in affiliates evaluated with Shareholders' Equity method        | 233               | 426            |
| Prepaid tax assets   | 5,141             | 4,117          |
| Non-current financial assets   | 1,893             | 1,791          |
| <b>Total non-current assets</b>  | <b>111,962</b>    | <b>85,072</b>  |
| <i>Current assets:</i>   |                   |                |
| Inventories  | 92,709            | 88,039         |
| Financial derivative assets  | -                 | 97             |
| Trade receivables  | 56,104            | 61,737         |
| Current tax assets   | 5,321             | 2,834          |
| Cash and cash equivalents  | 36,027            | 41,798         |
| Other current assets   | 9,995             | 11,085         |
| <b>Total current assets</b>  | <b>200,156</b>    | <b>205,590</b> |
| <b>TOTAL ASSETS</b>  | <b>312,118</b>    | <b>290,662</b> |
| <b>SHAREHOLDERS' EQUITY</b>  |                   |                |
| Share capital  | 10,000            | 98,300         |
| Legal reserve  | 151               | 71             |
| Share premium reserve  | -                 | (8,300)        |
| Other reserves   | 35,642            | (47,311)       |
| Profits carried forward  | 6,119             | 2,952          |
| <b>Shareholders' Equity attributable to shareholders of group leader</b> | <b>51,912</b>     | <b>45,712</b>  |
| Shareholders' Equity attributable to minority shareholders               | 21,763            | 22,026         |
| <b>TOTAL SHAREHOLDERS' EQUITY</b>  | <b>73,675</b>     | <b>67,738</b>  |
| <b>LIABILITIES</b>   |                   |                |
| <i>Non-current liabilities:</i>  |                   |                |
| Non-current payables to banks  | 59,306            | 40,236         |
| Non-current right of use and leasing liabilities                         | 12,839            | 10,151         |
| Non-current put option payables  | 22,646            | 28,603         |
| Provisions for personnel   | 4,538             | 4,799          |
| Non-current trade payables   | 906               | 1,151          |
| Provisions for risks and charges   | 2,839             | 1,375          |
| Other non-current liabilities  | 4,113             | 1,548          |
| <b>Total non-current liabilities</b>                                     | <b>107,187</b>    | <b>87,863</b>  |
| <i>Current liabilities:</i>  |                   |                |
| Current payables to banks  | 2,129             | 489            |
| Current right of use and leasing liabilities                             | 3,874             | 3,512          |
| Current put option payables  | -                 | 2,848          |
| Current tax liabilities  | 78                | -              |
| Financial derivative liabilities   | 106               | 120            |
| Current trade payables   | 70,599            | 75,966         |
| Other current liabilities  | 54,470            | 52,126         |
| <b>Total current liabilities</b>   | <b>131,257</b>    | <b>135,061</b> |
| <b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>                        | <b>312,118</b>    | <b>290,662</b> |

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## Consolidated Income Statement

| <i>(In thousands of Euros)</i>   | Accounting period closed as of 31 December |                |
|--|--|----------------|
|  | 2019                                       | 2018           |
| Revenues from contracts with clients   | 251,323                                    | 223,759        |
| Other revenues and income  | 3,079                                      | 2,569          |
| <b>Total revenues</b>  | <b>254,402</b>                             | <b>226,328</b> |
| Costs for services   | (68,344)                                   | (65,842)       |
| Costs for finished products, raw materials and consumables                               | (113,437)                                  | (97,772)       |
| Personnel costs  | (54,566)                                   | (44,402)       |
| Other operating costs and charges  | (2,973)                                    | (2,198)        |
| Depreciation and write-downs of tangible and intangible assets                           | (12,110)                                   | (8,582)        |
| Write-downs of financial assets  | (316)                                      | (800)          |
| Other net allocations  | (707)                                      | 1,019          |
| <b>Operating result</b>  | <b>1,950</b>                               | <b>7,751</b>   |
| Financial income   | 7,800                                      | 183            |
| Financial expense  | (2,255)                                    | (1,718)        |
| Income /(Charges) from write-down of holdings evaluated with Shareholders' Equity method | (296)                                      | 80             |
| Exchange rate gains/(losses)   | (351)                                      | (1,414)        |
| <b>Profit before taxes</b>   | <b>6,847</b>                               | <b>4,882</b>   |
| Income taxes for period  | (917)                                      | (1,687)        |
| <b>Profit for year</b>   | <b>5,930</b>                               | <b>3,195</b>   |
| Profit for year attributable to minority interests                                       | 1,233                                      | 2,238          |
| <b>Profit for year attributable to group</b>   | <b>4,697</b>                               | <b>957</b>     |
| Basic earnings per share   | 0,26                                       | 0,07           |
| Diluted earnings per share   | 0,26                                       | 0,07           |

## Consolidated Comprehensive Income Statement

| <i>(In thousands of Euros)</i>   | Accounting period closed as of 31 December |              |
|--|--|--------------|
|  | 2019                                       | 2018         |
| <b>Profit for year</b>   | <b>5,930</b>                               | <b>3,195</b> |
| Actuarial gains / (losses) on defined benefit plans  | (135)                                      | 86           |
| Tax effect   | 32   | (21)         |
| <b>Other income components that will not be reversed to the income statement in subsequent years</b> | <b>(103)</b>                               | <b>65</b>    |
| Profit / (loss) from conversion of financial statements of foreign companies                         | 429  | 173          |
| <b>Other income components that will be reversed to the income statement in subsequent years</b>     | <b>429</b>                                 | <b>173</b>   |
| <b>Overall income for year</b>   | <b>6,256</b>                               | <b>3,433</b> |
| Profit for year attributable to minority interests   | 1,233                                      | 2,238        |
| <b>Overall income for year attributable to group</b>   | <b>5,023</b>                               | <b>1,195</b> |

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## Statement of Changes in Consolidated Shareholders' Equity

| <i>(In thousands of euros)</i>                 | Share capital | Legal reserve | Share premium reserve | Other reserves  | Profit carried forward | Total Shareholders' Equity of Group leader shareholders | Shareholders' Equity of minority interests | Total Consolidated Shareholders' Equity |
|--|---------------|---------------|-----------------------|-----------------|------------------------|---|--|---|
| <b>Balance as of 1 January 2018</b>            | <b>11,800</b> | <b>388</b>    | <b>-</b>              | <b>1,857</b>    | <b>(152)</b>           | <b>13,893</b>   | <b>3,953</b>                               | <b>17,846</b>                           |
| <i>Overall profit for year:</i>                |               |               |                       |                 |                        |   |  |   |
| Net result for year                            | -             | -             | -                     | -               | 957                    | 957   | 2,238                                      | 3,195                                   |
| Change in conversion reserve                   | -             | -             | -                     | 173             | -                      | 173   | -  | 173                                     |
| Actuarial gains/(losses) for employee benefits | -             | -             | -                     | -               | 65                     | 65  | -  | 65                                      |
| <b>Overall income for year</b>                 | <b>-</b>      | <b>-</b>      | <b>-</b>              | <b>173</b>      | <b>1,022</b>           | <b>1,195</b>  | <b>2,238</b>                               | <b>3,433</b>                            |
| <i>Operations with shareholders:</i>           |               |               |                       |                 |                        |   |  |   |
| Allocation of result for previous year         | -             | 237           | -                     | 4,419           | (4,652)                | -   | -  | -                                       |
| Real estate spin-off                           | -             | -             | -                     | (19,034)        | 1,109                  | (17,925)  | -  | (17,925)                                |
| Contribution from Glenalta merger              | 86,500        | (550)         | (8,300)               | 1,759           | 981                    | 80,390  | -  | 80,390                                  |
| Put option                                     | -             | -             | -                     | (28,432)        | -                      | (28,432)  | -  | (28,432)                                |
| Company mergers                                | -             | -             | -                     | -               | -                      | -   | 15,985                                     | 15,985                                  |
| Dividends                                      | -             | -             | -                     | -               | -                      | -   | (150)                                      | (150)                                   |
| <i>Other changes</i>                           |               |               |                       |                 |                        |   |  |   |
| Stock Grant                                    | -             | -             | -                     | 134             | -                      | 134   | -  | 134                                     |
| Cost of CFT listing                            | -             | -             | -                     | (3,253)         | -                      | (3,253)   | -  | (3,253)                                 |
| <b>Balance as of 31 December 2018</b>          | <b>98,300</b> | <b>71</b>     | <b>(8,300)</b>        | <b>(47,311)</b> | <b>2,952</b>           | <b>45,712</b>   | <b>22,026</b>                              | <b>67,738</b>                           |
| <b>Balance as of 1 January 2019</b>            | <b>98,300</b> | <b>71</b>     | <b>(8,300)</b>        | <b>(47,311)</b> | <b>2,952</b>           | <b>45,712</b>   | <b>22,026</b>                              | <b>67,738</b>                           |
| <i>Overall income for year:</i>                |               |               |                       |                 |                        |   |  |   |
| Net result for year                            | -             | -             | -                     | -               | 4,697                  | 4,697   | 1,233                                      | 5,930                                   |
| Change in conversion reserve                   | -             | -             | -                     | 429             | -                      | 429   | -  | 429                                     |
| Actuarial gains/(losses) for employee benefits | -             | -             | -                     | (170)           | -                      | (170)   | -  | (170)                                   |
| <b>Overall profit for year</b>                 | <b>-</b>      | <b>-</b>      | <b>-</b>              | <b>259</b>      | <b>4,697</b>           | <b>4,956</b>  | <b>1,233</b>                               | <b>6,189</b>                            |
| <i>Operations with shareholders:</i>           |               |               |                       |                 |                        |   |  |   |
| Allocation of result for previous year         | -             | 80            | -                     | 1,516           | (1,596)                | -   | -  | -                                       |
| Dividends                                      | -             | -             | -                     | -               | -                      | -   | (174)                                      | (174)                                   |
| Derivatives                                    | -             | -             | -                     | 16              | -                      | 16  | 28   | 45                                      |
| Share repurchase                               | -             | -             | -                     | (425)           | -                      | (425)   | -  | (425)                                   |
| Stock Grant                                    | -             | -             | -                     | 323             | -                      | 323   | -  | 323                                     |
| Change of consolidation perimeter              | -             | -             | -                     | 1,364           | -                      | 1,364   | (1,350)                                    | 14                                      |
| Change in share capital                        | (88,300)      | -             | -                     | 88,300          | -                      | -   | -  | -                                       |
| Other changes and reclassifications            | -             | -             | 8,300                 | (8,400)         | 66                     | (34)  | -  | (34)                                    |
| <b>Balance as of 31 December 2019</b>          | <b>10,000</b> | <b>151</b>    | <b>-</b>              | <b>(35,642)</b> | <b>6,119</b>           | <b>51,912</b>   | <b>21,763</b>                              | <b>73,675</b>                           |

For more details we refer to Note 8.12 "Shareholders' Equity".

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## Consolidated Cash Flow Statement

| <i>(In thousands of Euros)</i>   | Accounting period closed as of 31 December |                 |
|--|--|-----------------|
|  | 2019                                       | 2018            |
| <b>Profit before taxes</b>   | 6,847                                      | 4,882           |
| <i>Adjustments for:</i>  |  |                 |
| Depreciation and write-downs of tangible and intangible assets               | 12,110                                     | 8,582           |
| Write-downs of financial assets and other net allocations                    | 1,023                                      | (219)           |
| Income / (charges) from evaluation of holdings with SE method                | 296  | (80)            |
| Net financial expense and exchange rate gains/(losses)                       | (5,194)                                    | 2,949           |
| (Capital gains)/capital losses from sales of assets                          | -  | -               |
| Other non-monetary changes   | (3,411)                                    | 247             |
| <b>Cash flow from operating activities before changes in working capital</b> | <b>11,671</b>                              | <b>16,361</b>   |
| <i>Changes in working capital:</i>   |  |                 |
| - Inventories  | (1,623)                                    | (4,212)         |
| - Trade receivables  | 7,714                                      | (1,493)         |
| - Trade payables   | (8,790)                                    | 4,261           |
| - Other changes in working capital   | (278)                                      | (10,486)        |
| <b>Cash flow from changes in working capital</b>                             | <b>(2,977)</b>                             | <b>(11,930)</b> |
| Income taxes paid  | 1,902                                      | (3,614)         |
| Provisions for personnel and risk provisions                                 | (191)                                      | 853             |
| <b>Cash flow related to operating activities</b>                             | <b>10,406</b>                              | <b>530</b>      |
| <i>Cash flow from investment activities</i>                                  |  |                 |
| Investments in:  |  |                 |
| -intangible and tangible   | (26,803)                                   | (12,289)        |
| -right of use  | (3,185)                                    | (2,383)         |
| -equity holdings   | (213)                                      | (284)           |
| Changes in current and non-current financial assets                          | 26   | (499)           |
| Deferred payment of price for purchase of equity holdings                    | -  | (100)           |
| Acquisitions net of cash acquired  | (839)                                      | (19,338)        |
| <b>Cash flow related to investment activities</b>                            | <b>(31,006)</b>                            | <b>(35,003)</b> |
| <i>Cash flow from financial activities</i>                                   |  |                 |
| Taking out/(repayment) current bank loans                                    | -  | (18,943)        |
| Taking out/(repayment) non-current bank loans                                | 20,000                                     | 6,206           |
| Shareholder loans  | -  | 1,548           |
| Change in bank liabilities   | (1,358)                                    |                 |
| Change in leasing liabilities  | (34)                                       | (2,579)         |
| Change in put payables   | (1,400)                                    |                 |
| Net financial expense paid   | (1,719)                                    | (2,479)         |
| Dividends paid   | (174)                                      | (150)           |
| Share repurchase   | (425)                                      | (4,840)         |
| Contribution from Glenalta merger and IPO costs                              | -  | 76,782          |
| Other  | -  | 13              |
| <b>Cash flow related to financing activities</b>                             | <b>14,890</b>                              | <b>60,398</b>   |
| <b>Net cash flow for period</b>  | <b>(5,771)</b>                             | <b>25,925</b>   |
| Liquid assets at start of period   | 41,798                                     | 15,873          |
| Liquid assets at end of period   | 36,027                                     | 41,798          |

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## SEPARATE FINANCIAL STATEMENTS AS OF 31 DECEMBER 2019

### Balance Sheet

| <i>(In Euros)</i>                                       | As of 31 December  |                    |
|---|--------------------|--------------------|
|   | 2019               | 2018               |
| <b>ASSETS</b>   |                    |                    |
| <b>Non-current assets</b>                               |                    |                    |
| Right of use assets                                     | 8,635,204          | 7,485,511          |
| Tangible assets   | 5,921,209          | 5,050,257          |
| Intangible assets                                       | 6,392,924          | 6,694,742          |
| Equity holdings valued with Shareholders' Equity method | 63,233,414         | 54,649,675         |
| Prepaid tax assets                                      | 4,215,566          | 4,334,010          |
| Non-current financial assets                            | 23,984,443         | 5,653,167          |
| <b>Total non-current assets</b>                         | <b>112,382,760</b> | <b>83,867,362</b>  |
| <b>Current assets</b>                                   |                    |                    |
| Inventories   | 60,936,232         | 62,806,803         |
| Financial derivative assets                             | 27,786             | 96,789             |
| Trade receivables                                       | 33,781,300         | 36,962,826         |
| Current tax assets                                      | 3,355,635          | 3,055,635          |
| Cash and cash equivalents                               | 22,252,023         | 23,125,282         |
| Other current assets                                    | 5,026,174          | 6,583,465          |
| <b>Total current assets</b>                             | <b>125,379,150</b> | <b>132,630,800</b> |
| <b>TOTAL ASSETS</b>                                     | <b>237,761,910</b> | <b>216,498,162</b> |
| <b>SHAREHOLDERS' EQUITY</b>                             |                    |                    |
| Share capital   | 10,000,000         | 98,300,000         |
| Legal reserve   | 151,030            | 71,214             |
| Share premium reserve                                   | -                  | (8,300,000)        |
| Other reserves  | 67,159,331         | (14,673,773)       |
| Profits carried forward                                 | (1,211,926)        | 2,806,702          |
| <b>TOTAL SHAREHOLDERS' EQUITY</b>                       | <b>76,098,435</b>  | <b>78,204,143</b>  |
| <b>Non-current liabilities</b>                          |                    |                    |
| Non-current payables to banks                           | 59,305,795         | 39,168,991         |
| Non-current right of use and leasing liabilities        | 6,804,751          | 5,921,739          |
| Provisions for personnel                                | 2,717,976          | 2,883,938          |
| Provisions for risks and charges                        | 1,960,208          | 1,583,274          |
| Other non-current liabilities                           | 2,880,000          | -                  |
| <b>Total non-current liabilities</b>                    | <b>73,668,730</b>  | <b>49,557,942</b>  |
| <b>Current liabilities</b>                              |                    |                    |
| Current payables to banks                               | 250,843            | 189,398            |
| Current right of use and leasing liabilities            | 2,201,500          | 2,203,580          |
| Financial derivative liabilities                        | 31,999             | 72,126             |
| Trade payables  | 54,363,655         | 60,006,472         |
| Other current liabilities                               | 31,146,748         | 26,264,501         |
| <b>Total current liabilities</b>                        | <b>87,994,745</b>  | <b>88,736,077</b>  |
| <b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>       | <b>237,761,910</b> | <b>216,498,162</b> |

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## Income Statement

| <i>(In Euros)</i>   | Accounting period closed as of 31<br>December |                    |
|---|---|--------------------|
|   | 2019  | 2018               |
| Revenues from contracts with clients  | 160,095,410                                   | 55,044,300         |
| Other revenues and income   | 4,183,246                                     | 836,505            |
| <b>Total revenues</b>   | <b>164,278,656</b>                            | <b>55,880,805</b>  |
| Costs for services  | (47,429,874)                                  | (18,969,152)       |
| Costs for finished products, raw materials and consumables                                    | (81,182,867)                                  | (25,940,259)       |
| Personnel costs   | (28,940,143)                                  | (10,430,891)       |
| Other operating costs and charges   | (1,292,909)                                   | (602,959)          |
| Depreciation and write-downs of tangible and intangible assets                                | (5,825,875)                                   | (2,632,479)        |
| Write-downs of financial assets   | (226,800)                                     | (361,098)          |
| Other net allocations   | (280,000)                                     | 50,513             |
| <b>Operating result</b>   | <b>(899,813)</b>                              | <b>(3,005,520)</b> |
| Financial income  | 208,843                                       | 747,893            |
| Financial expense   | (1,522,022)                                   | (916,515)          |
| Income / (Charges) from equity holdings in other enterprises with Shareholders' Equity method | (470,945)                                     | 2,759,866          |
| Exchange rate gains/(losses)  | (201,139)                                     | (292,153)          |
| <b>Profit before taxes</b>  | <b>(2,885,076)</b>                            | <b>(706,429)</b>   |
| Income taxes for period   | 462,754                                       | 2,302,735          |
| <b>Profit for year</b>  | <b>(2,422,322)</b>                            | <b>1,596,306</b>   |

## Comprehensive Income Statement

| <i>(In Euros)</i>  | Accounting period closed as of 31<br>December |                  |
|--|---|------------------|
|  | 2019  | 2018             |
| <b>Profit for year</b>   | <b>(2,422,322)</b>                            | <b>1,596,306</b> |
| Actuarial gains / (losses) on defined benefit plans  | 41,796  | 106,540          |
| Tax effect   | (10,031)                                      | (25,570)         |
| <b>Other income components that will not be reversed to the income statement in subsequent years</b> | <b>31,765</b>                                 | <b>80,970</b>    |
| <b>Profit/ (loss) from conversion of financial statements of foreign companies</b>                   | <b>514,280</b>                                | <b>172,677</b>   |
| <b>Other income components that will be reversed to the income statement in subsequent years</b>     | <b>514,280</b>                                | <b>172,677</b>   |
| <b>Overall income for year</b>   | <b>(1,876,277)</b>                            | <b>1,849,953</b> |

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## Statement of Changes in Shareholders' Equity

| <i>(In Euros)</i>                               | Share capital     | Legal reserve  | Share premium reserve | Reserve for listing costs | Other reserves     | Profit carried forward | Total Shareholders' Equity |
|---|-------------------|----------------|-----------------------|---------------------------|--------------------|------------------------|----------------------------|
| <b>Balance as of 01/01/2018</b>                 | <b>11,800,000</b> | -              | 88,200,000            | (1,012,630)               | -                  | 304,258                | <b>99,291,628</b>          |
| <i>Overall profit for accounting period:</i>    |                   |                |                       |                           |                    |                        |                            |
| Net result for year                             | -                 | -              | -                     | -                         | -                  | 1,596,306              | 1,596,306                  |
| Actuarial gains / (losses) on employee benefits | -                 | -              | -                     | -                         | -                  | 80,970                 | 80,970                     |
| <b>Overall income for year</b>                  | -                 | -              | -                     | -                         | -                  | <b>1,677,276</b>       | <b>1,677,276</b>           |
| <i>Operations with shareholders:</i>            |                   |                |                       |                           |                    |                        |                            |
| Share repurchase                                | -                 | -              | -                     | -                         | (8,680,650)        | -                      | (8,680,650)                |
| Pre-merger purchase of CFT holding              | -                 | -              | (10,000,000)          | -                         | -                  | -                      | (10,000,000)               |
| Contribution of CFT merger                      | -                 | -              | -                     | (2,386,778)               | (929,631)          | 872,729                | (2,443,680)                |
| <i>Other changes</i>                            |                   |                |                       |                           |                    |                        |                            |
| Glenalta listing costs Glenalta                 | -                 | -              | -                     | (910,897)                 | -                  | -                      | (910,897)                  |
| Cost of CFT listing                             | -                 | -              | -                     | (866,222)                 | -                  | -                      | (866,222)                  |
| Stock grant                                     | -                 | -              | -                     | -                         | 134,000            | -                      | 134,000                    |
| Other changes and reclassifications             | 86,500,000        | 71,214         | (86,500,000)          | -                         | (20,965)           | (47,561)               | 2,688                      |
| <b>Balance as of 31/12/2018</b>                 | <b>98,300,000</b> | <b>71,214</b>  | <b>(8,300,000)</b>    | <b>(5,176,527)</b>        | <b>(9,497,246)</b> | <b>2,806,702</b>       | <b>78,204,143</b>          |
| <b>Balance as of 1 January 2019</b>             | <b>98,300,000</b> | <b>71,214</b>  | <b>(8,300,000)</b>    | <b>(5,176,527)</b>        | <b>(9,497,246)</b> | <b>2,806,702</b>       | <b>78,204,143</b>          |
| <i>Overall profit for accounting period:</i>    |                   |                |                       |                           |                    |                        |                            |
| Net result for year                             | -                 | -              | -                     | -                         | -                  | (2,422,322)            | (2,422,322)                |
| Actuarial gains / (losses) on employee benefits | -                 | -              | -                     | -                         | -                  | -                      | -                          |
| <b>Overall profit for year</b>                  | -                 | -              | -                     | -                         | -                  | <b>(2,422,322)</b>     | <b>(2,422,322)</b>         |
| <i>Operations with shareholders:</i>            |                   |                |                       |                           |                    |                        |                            |
| Allocation of result for previous year          | -                 | 79,816         | -                     | -                         | 1,516,490          | (1,596,306)            | -                          |
| Share repurchase                                | -                 | -              | -                     | -                         | (425,302)          | -                      | (425,302)                  |
| Change of share capital                         | (88,300,000)      | -              | -                     | -                         | 88,300,000         | -                      | -                          |
| <i>Other changes</i>                            |                   |                |                       |                           |                    |                        |                            |
| Stock grant                                     | -                 | -              | -                     | -                         | 246,684            | -                      | 246,684                    |
| Other changes and reclassifications             | -                 | -              | 8,300,000             | 5,176,527                 | (12,981,295)       | -                      | 495,232                    |
| <b>Balance as of 31/12/2019</b>                 | <b>10,000,000</b> | <b>151,030</b> | <b>-</b>              | <b>-</b>                  | <b>67,159,331</b>  | <b>(1,211,926)</b>     | <b>76,098,435</b>          |

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## Cash Flow Statement

| <i>(In Euros)</i>  | Accounting period closed as of 31 |                     |
|--|-----------------------------------|---------------------|
|  | December                          |                     |
|  | 2019                              | 2018                |
| <b>Profit before taxes</b>   | <b>(2,885,076)</b>                | <b>(706,429)</b>    |
| <i>Adjustments for:</i>  |                                   |                     |
| Depreciation and write-downs of tangible and intangible assets               | 5,825,875                         | 2,632,479           |
| Write-downs of financial assets and other net allocations                    | 506,800                           | 310,585             |
| Charges from evaluation of equity holdings in other companies with SE method | 470,945                           | (2,759,866)         |
| Net financial expense and exchange rate gains/(losses)                       | 1,514,318                         | 460,775             |
| Other non-monetary changes   | 2,004,079                         | 1,579,746           |
| <b>Cash flow from operating activities before changes in working capital</b> | <b>7,436,941</b>                  | <b>1,517,290</b>    |
| <i>Net change in working capital:</i>  |                                   |                     |
| - Inventories  | 1,830,444                         | (4,340,616)         |
| - Trade receivables  | 2,954,726                         | 2,680,197           |
| - Trade payables   | (5,642,817)                       | 7,862,473           |
| - Other changes in working capital   | 5,039,658                         | (6,989,252)         |
| <b>Cash flow from changes in working capital</b>                             | <b>4,182,011</b>                  | <b>(787,198)</b>    |
| Income tax paid  | -                                 | (2,330,000)         |
| Provisions for personnel and for risks                                       | (178,608)                         | (281,908)           |
| <b>Cash flow related to operating activities</b>                             | <b>11,440,343</b>                 | <b>(1,881,816)</b>  |
| <i>Cash flow from investment activities</i>                                  |                                   |                     |
| Investments in fixed assets:   | (4,647,861)                       | (3,455,610)         |
| -intangible  | (2,953,767)                       | (1,728,104)         |
| -tangible  | (1,694,094)                       | (1,727,506)         |
| Change in non-current financial assets                                       | (18,262,273)                      | (60,030)            |
| Acquisitions of equity holdings  | (6,110,855)                       | (25,326,228)        |
| <b>Cash flow relating to investment activities</b>                           | <b>(29,020,990)</b>               | <b>(28,841,868)</b> |
| <i>Cash flow from financing activities</i>                                   |                                   |                     |
| Taking out/(repayment) current bank loans                                    | -                                 | (39,094,409)        |
| Taking out/(repayment) non-current bank loans                                | 20,000,000                        | 11,847,853          |
| Change in leasing liabilities  | (2,191,596)                       | (606,224)           |
| Net financial expense paid   | (713,336)                         | (305,208)           |
| Share repurchase   | (425,302)                         | (18,680,650)        |
| Contribution from merger (CFT liquid assets at merger date)                  | -                                 | 3,307,360           |
| Payment of CFT IPO costs   | -                                 | (1,777,119)         |
| Other  | -                                 | 2,688               |
| <b>Cash flow relating to financing activity</b>                              | <b>16,707,388</b>                 | <b>(45,305,709)</b> |
| <b>Net cash flow in period</b>   | <b>(873,259)</b>                  | <b>(76,029,393)</b> |
| Liquid assets at start of period   | 23,125,282                        | 99,154,675          |
| Liquid assets at end of period   | 22,252,023                        | 23,125,282          |

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Numero di Pagine: 22