



LEADERS  
INNOVATE.

# Roadshow presentation

*November 2018*

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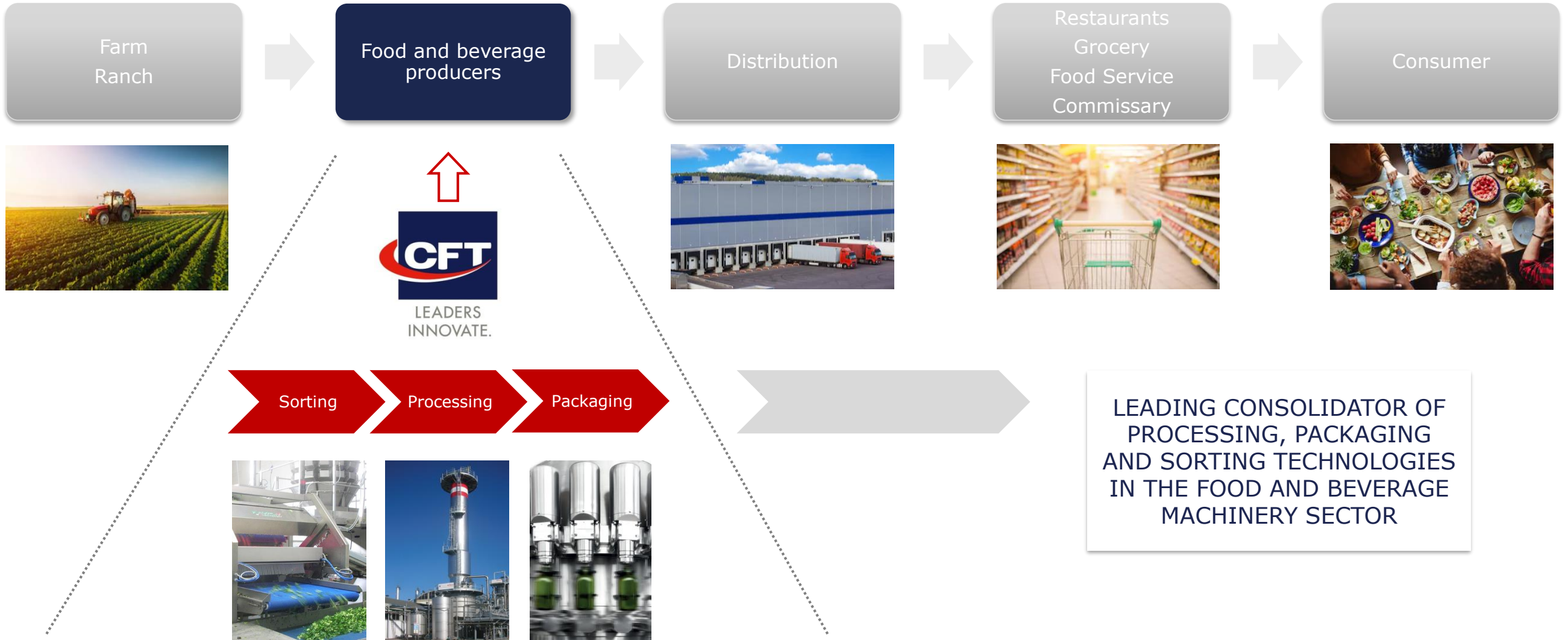
- **CFT Group overview**

- Financial highlights

- Strategic guidelines

- Appendix

# CFT in the food & beverage value chain



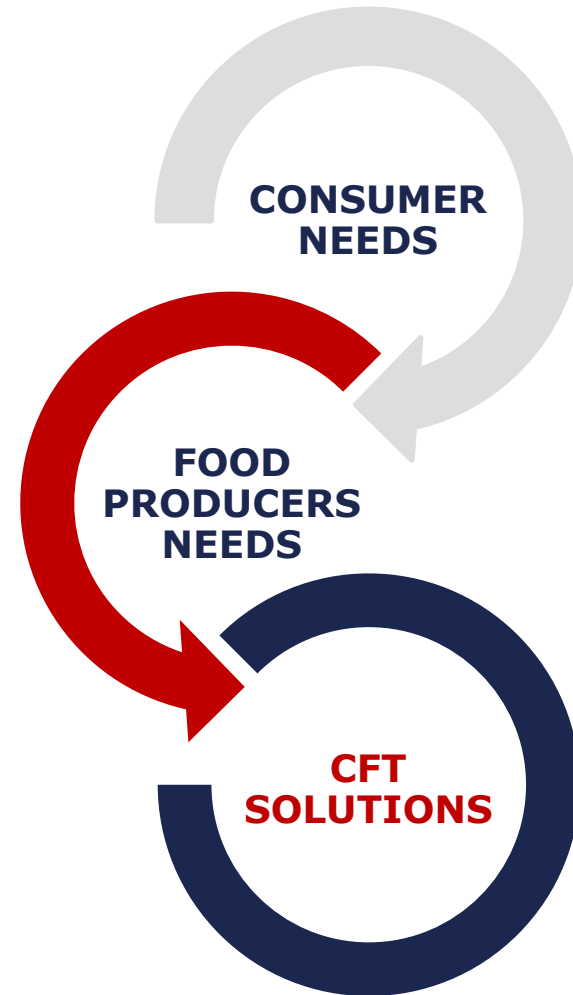
# CFT well positioned to benefit of positive megatrends and key drivers



**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

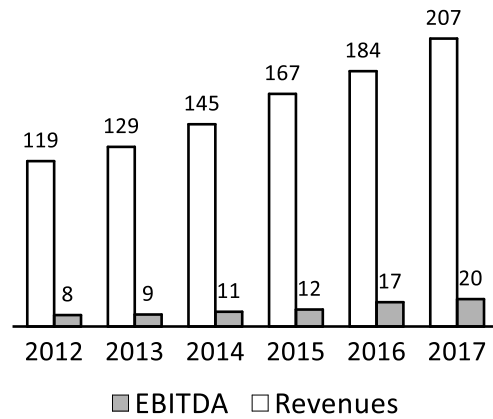


- **CERTIFIED ASEPTIC PROCESSES AND SORTING SOLUTIONS**
- **ENERGY SAVING MACHINES**
- **COMPLETE AUTOMATION**
- **GLOBAL SERVICE AND SUPPORT**

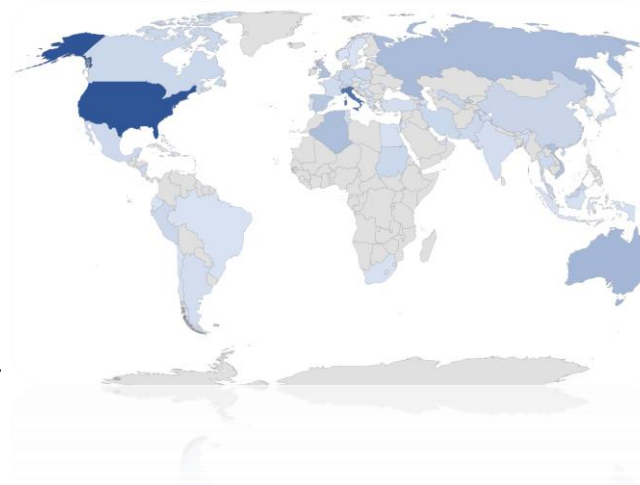
# CFT in a nutshell



## OUTSTANDING TRACKRECORD



## GLOBAL PRESENCE & CUSTOMER BASE



## STRONG INTEGRATION CAPABILITIES



**REVENUES > 10% CAGR 2012-2017**

**LOW CUSTOMER CONCENTRATION**

**4 NEW ACQUISITIONS IN 2018**

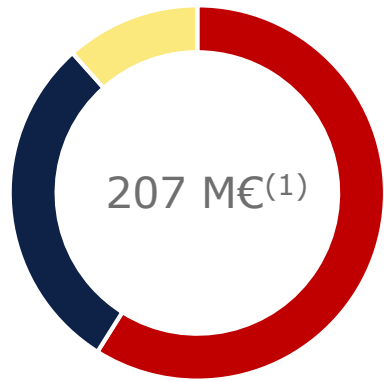
**EBITDA > 15% CAGR 2012-2017**

**>85% REVENUES FROM EXPORT**

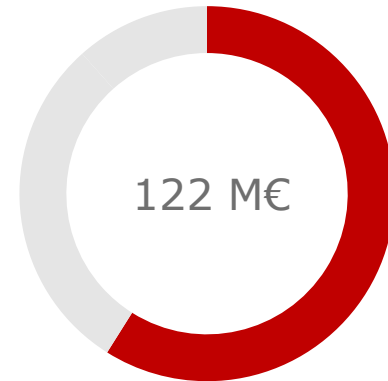
**80 M€ M&A FIREPOWER**

**TOP CUSTOMERS**

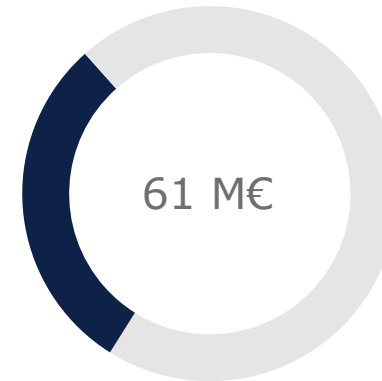
# Revenues breakdown



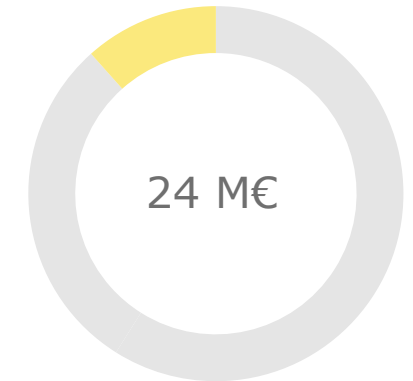
CFT GROUP



PROCESSING



PACKAGING



SORTING

## Technology

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

- Packaging and bottling machinery for liquid and viscous products

- Optical sorting and inspection systems for performing quality control activities

## Time to Market

~ 5/6 months

~ 5/6 months

~ 2/3 months

## Strengths

- Market leader in the Tomato processing business
- High capacity plants
- Development in the craft brewery industry

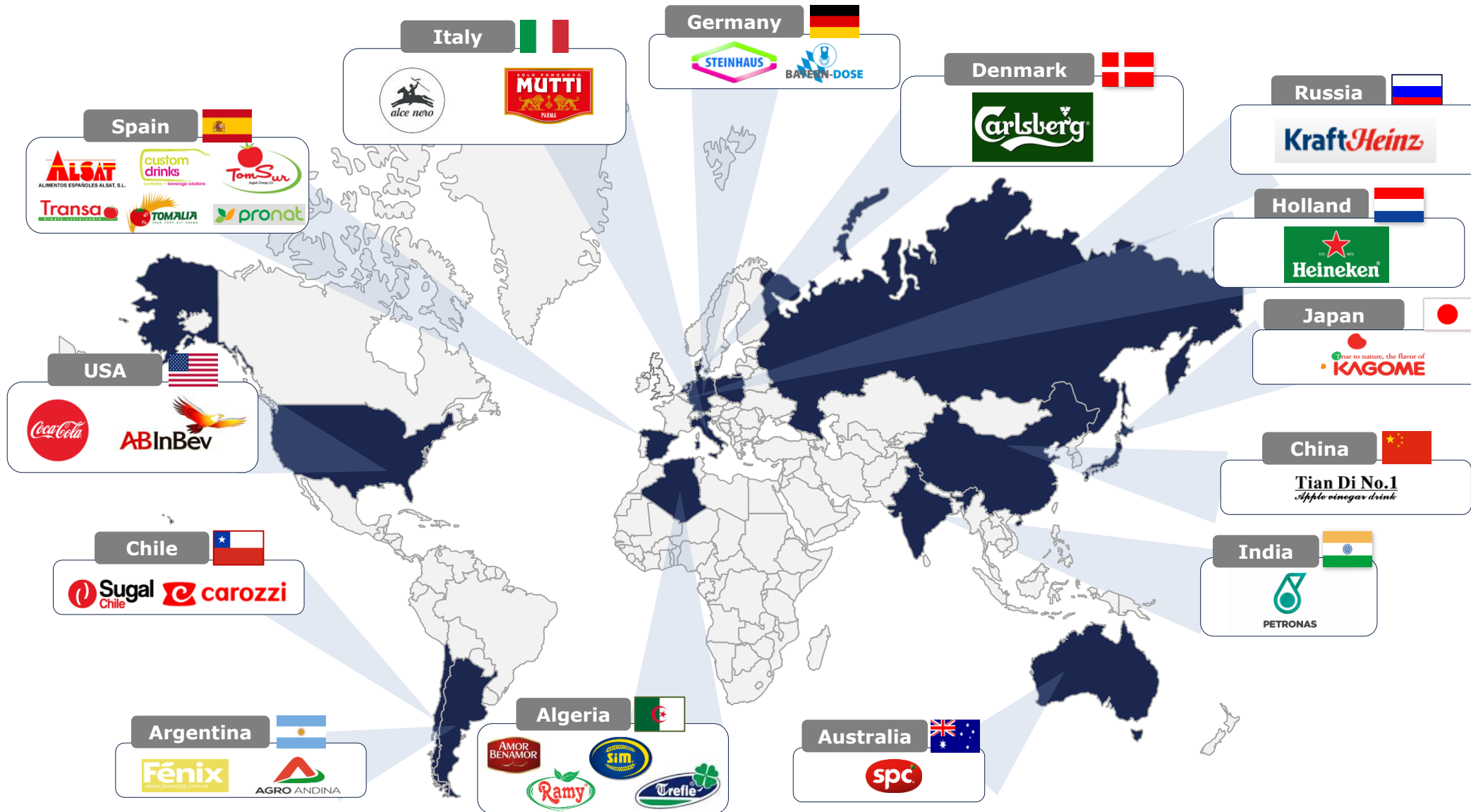
- Diversification of technologies and processable products
- Opportunity to sell complete lines
- Integration with the Processing Division
- Highly recognized positioning in beer market

- Strong market growth
- High profit margins
- Leader in the salad market

(1) 2017 Revenue (source: consolidated financial statements)



# Highly diversified and premium customer base



## GEOGRAPHICAL DIVERSIFICATION



Sales in over 90 countries worldwide. Over 86% 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



# Strong M&A activities in 2018



**Acquisition of 61.72% for 25 M€** -  
- 100% call option

Revenues  
**33 M€**

## Leader in the beer kegging sector

- Completion of the Beverages product range, and particularly in the beer keg filling
- Strong commercial and industrial synergies
- Business integration with the German subsidiary Rolec Prozess und Brautechnik GmbH for turnkey beer systems



**Acquisition of 51% for 4 M€** - 100%  
call option

Revenues  
**6 M€**

## Entry into the secondary packaging market

- Completion of the End-of-Line range with the supply of wrap-around packers and shrink-wrap machines
- Business integration in CFT turnkey lines
- Global market expansion through CFT Group's sales team



**Acquisition of 75% for 2 M€**

Revenues  
**6 M€**

## Business integration of high-added-value manufacturing activities

- Improved time and cost efficiency in critical value chain activities
- Business integration of a CFT-partner supplier of more than 10 years' standing
- High level of service and supply reliability for all Group companies



- CFT Group overview
- **Financial highlights**
- Strategic guidelines
- Appendix

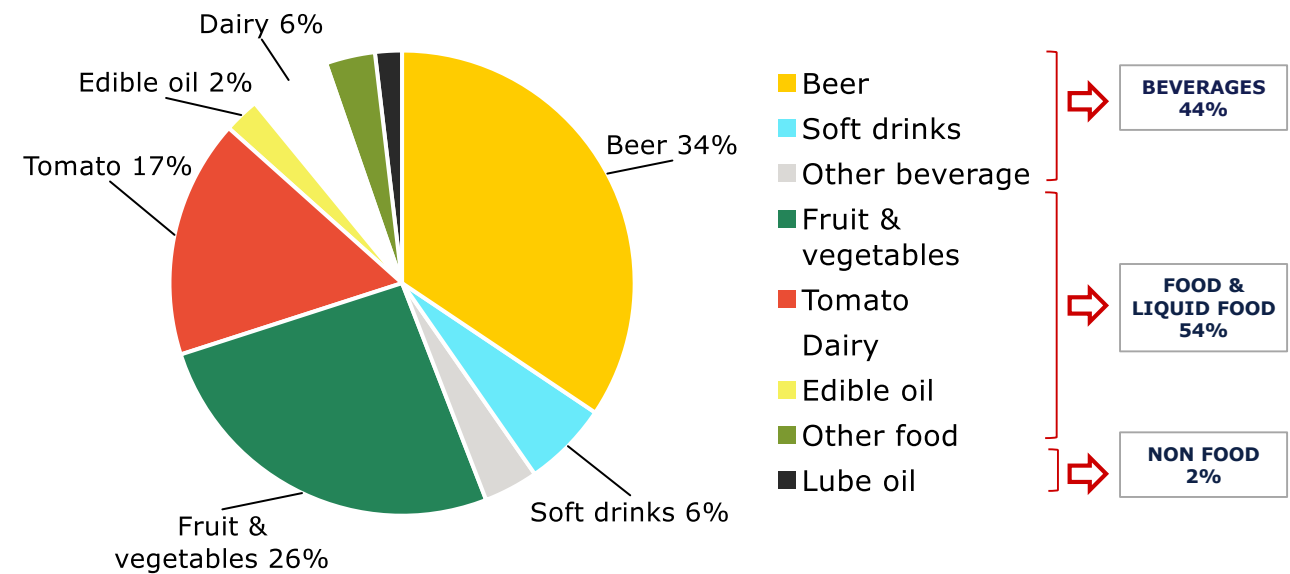
# Pro-forma financial highlights 2018

## HY1-2018 PRO FORMA <sup>(1)</sup>

<b>REVENUES</b>	<b>122 M€</b>
<b>EBITDA</b>	<b>10,8 M€</b>
<b>NFP</b> (cash positive)	<b>- 8 M€</b>
<b>NET INCOME</b> adjusted <sup>(2)</sup>	<b>4.4 M€</b>

- Pro-forma Revenues in the first half of 2018 amounted to around **122 M€**
- The Pro-forma Net Financial Position amounted to **8 M€ cash positive**, mostly as a result of Glenalta's capital contribution
- In order to comply with the applicable best practices, a project is underway aimed at a transition to **IAS/IFRS** international accounting standards, starting with the **2018 financial statements**

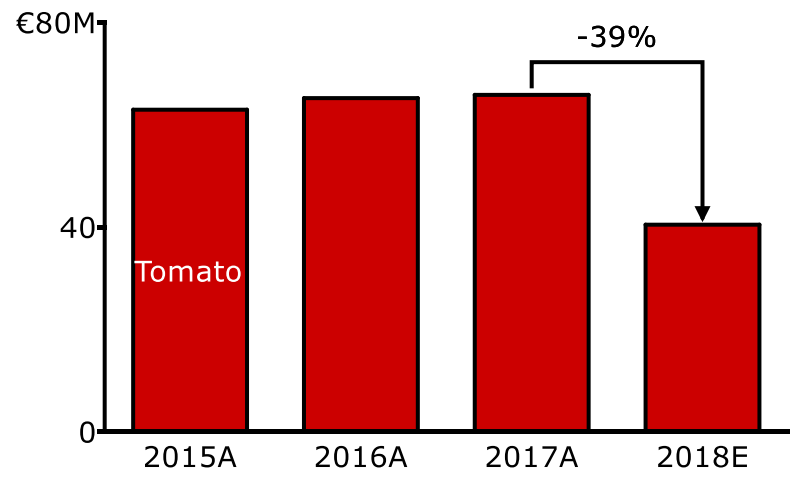
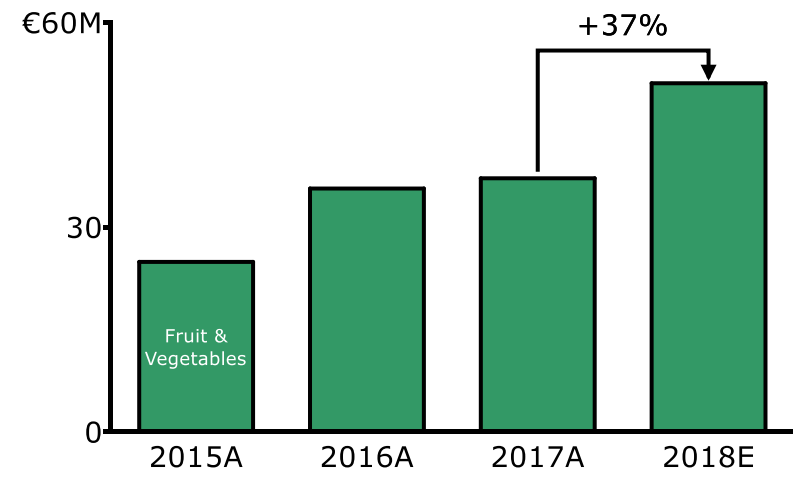
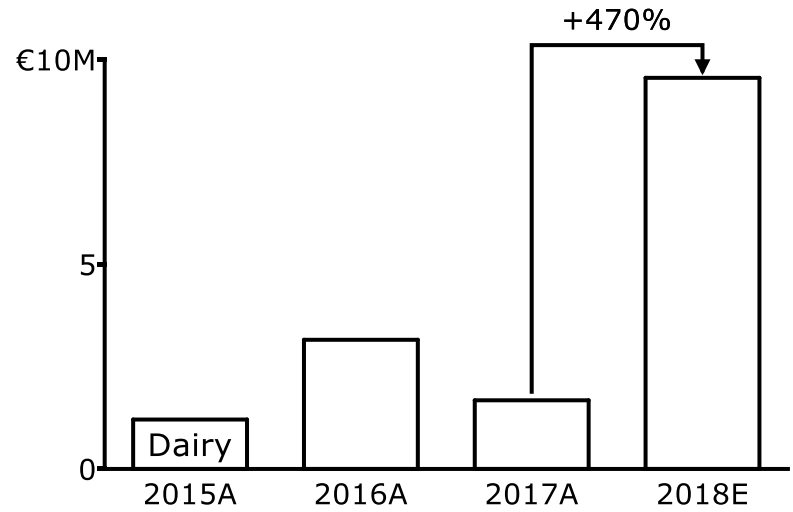
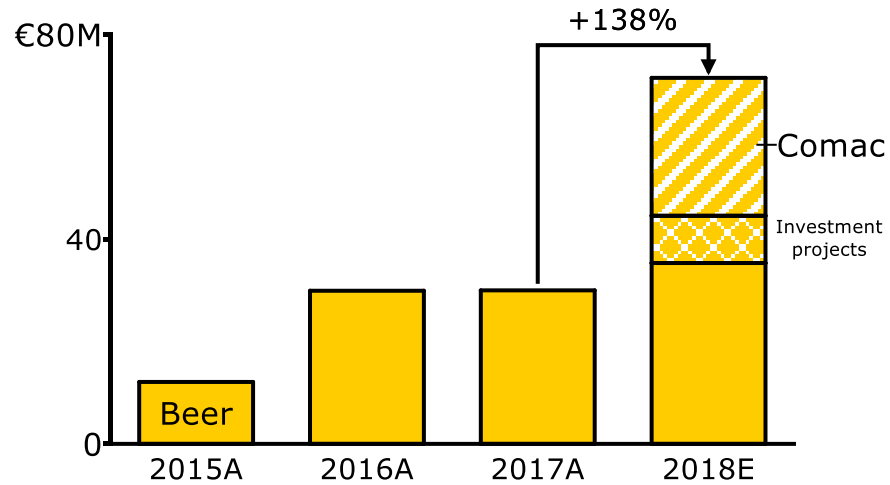
## REVENUES BY BUSINESS



- The **Beer** segment, further strengthened by the acquisition of *Comac*, proves to be the CFT Group's primary market
- Owing to the contribution provided by Raytec Vision and the development of multi-purpose machines in the Processing division, **Fruit & Vegetable** plants account for more than 25% of 2018 pro-forma revenues
- The **Tomato** sector has fallen to 17% of pro-forma revenues in 2018, owing to the diversification strategy pursued in recent years

(1) Pro-forma data include asset unbundling, the merger with Glenalta S.p.A and results for the companies acquired in 2018

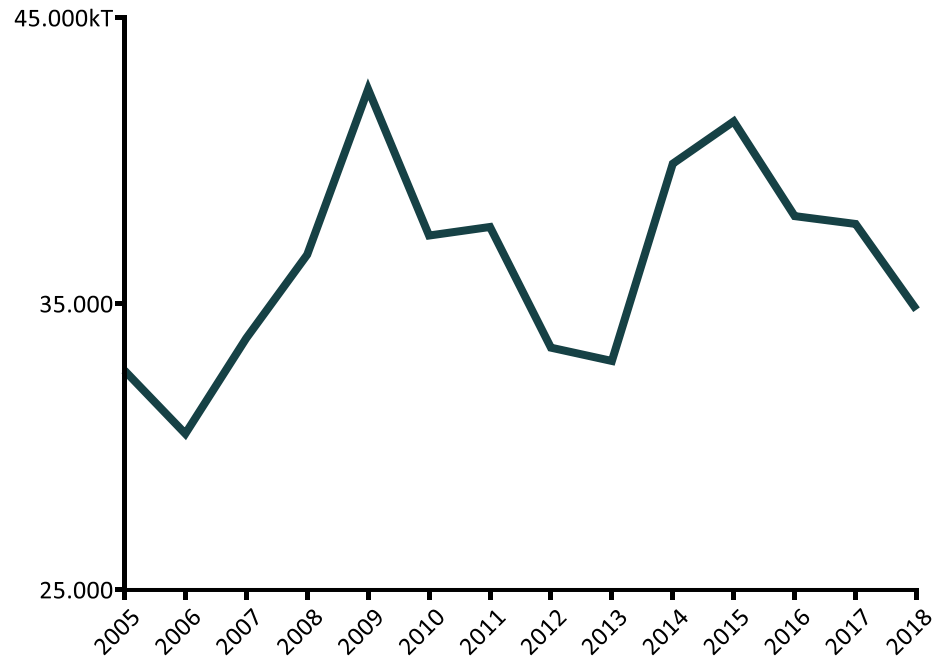
(2) Adjusted net profit is obtained by adjusting the amortisation relating to goodwill arising from merger and acquisition operations



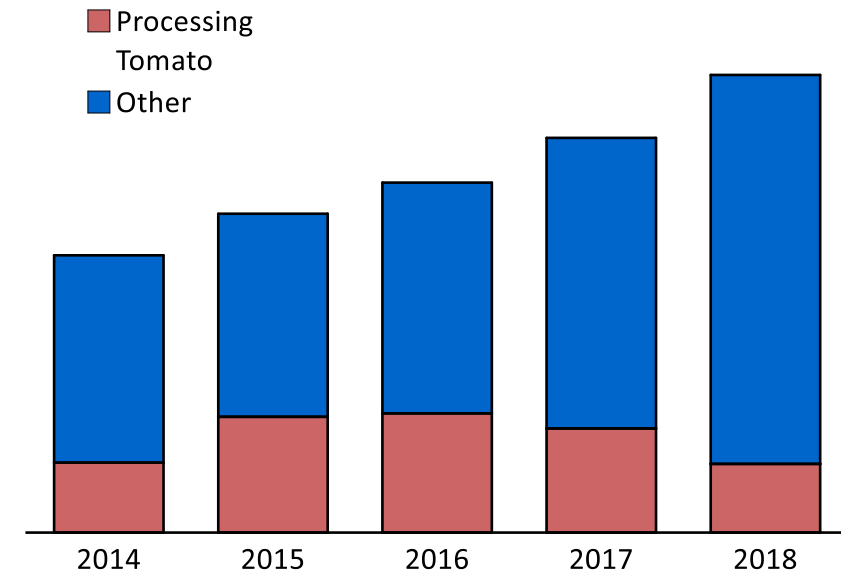
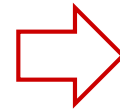
2018 Revenues of machines and plants are forecasted to be up on the previous year, specifically:

- A strong rise in sales volumes in the **Beer** business, thanks also to the acquisition of Comac
- Significant growth in the **Fruit & Vegetables** business, in particular in *Sorting* technology
- The substantial development of the **Milk & Dairy** business, mainly within the *Processing* division
- A significant reduction in the **Tomato** business due to cyclicality

# Tomato business traditionally cyclical



World production of tomatoes for processing<sup>(1)</sup>

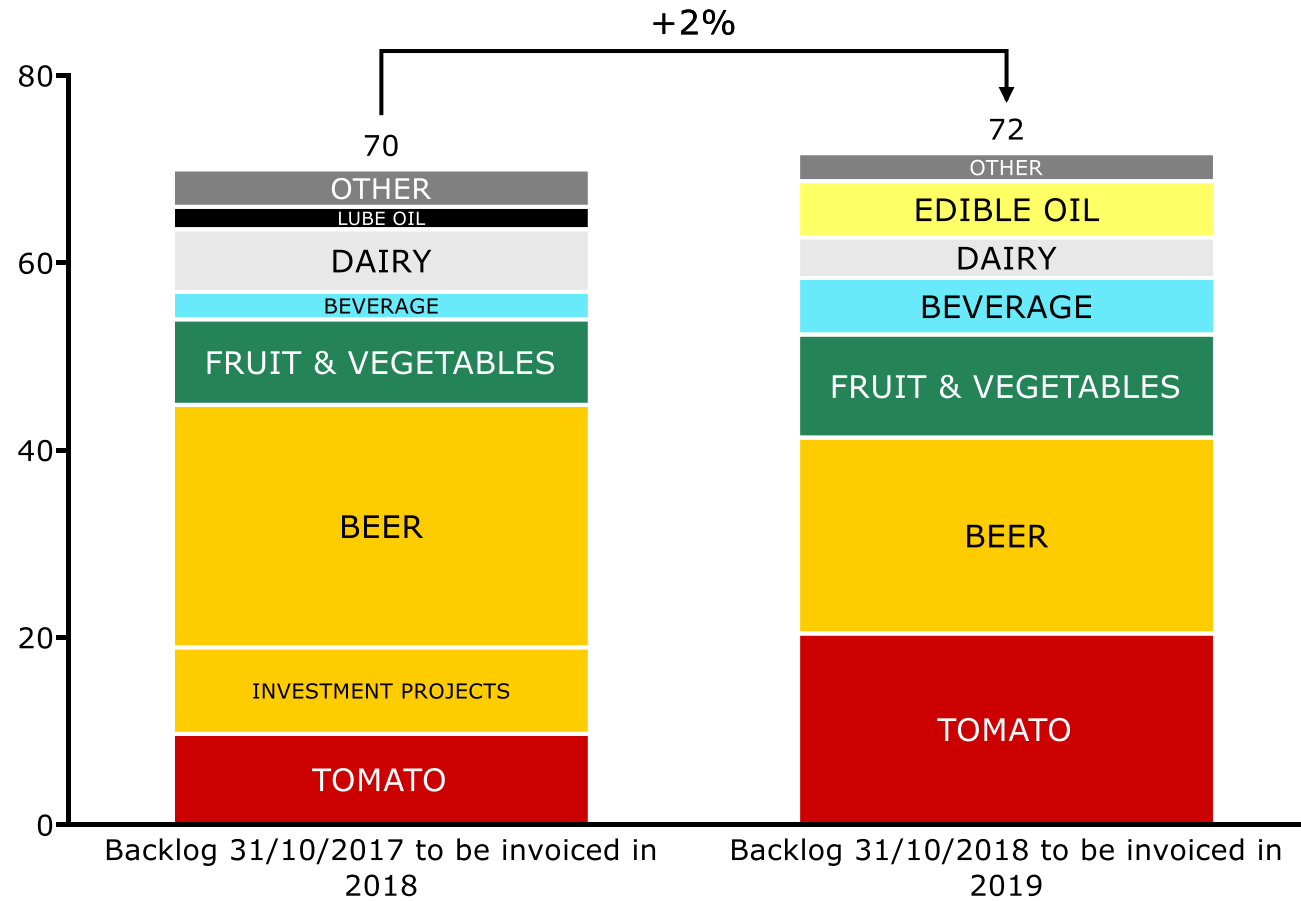


- The tomato processing market is characterised by high volatility, mainly due to climatic factors
- The variable volume of processed product against substantially stable demand causes strong price fluctuation that affects profitability for tomato by-product producers, and as a consequence affects their 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

(1) Fonte: World Tomato Processing Congress

# Positive outlook for 2019



- Strong trend of order intake continuing also in 2018 with a considerable number of negotiations currently underway
- **CFT group backlog<sup>1</sup> as of October 31<sup>st</sup> 2018, expected to be invoiced in 2019, 2% higher than as of October 31<sup>st</sup> 2017**
- Backlog related to the **tomato business 10 M€ higher than the previous year**

(1) Considering 2018 acquisitions on a like for like basis



- CFT Group overview

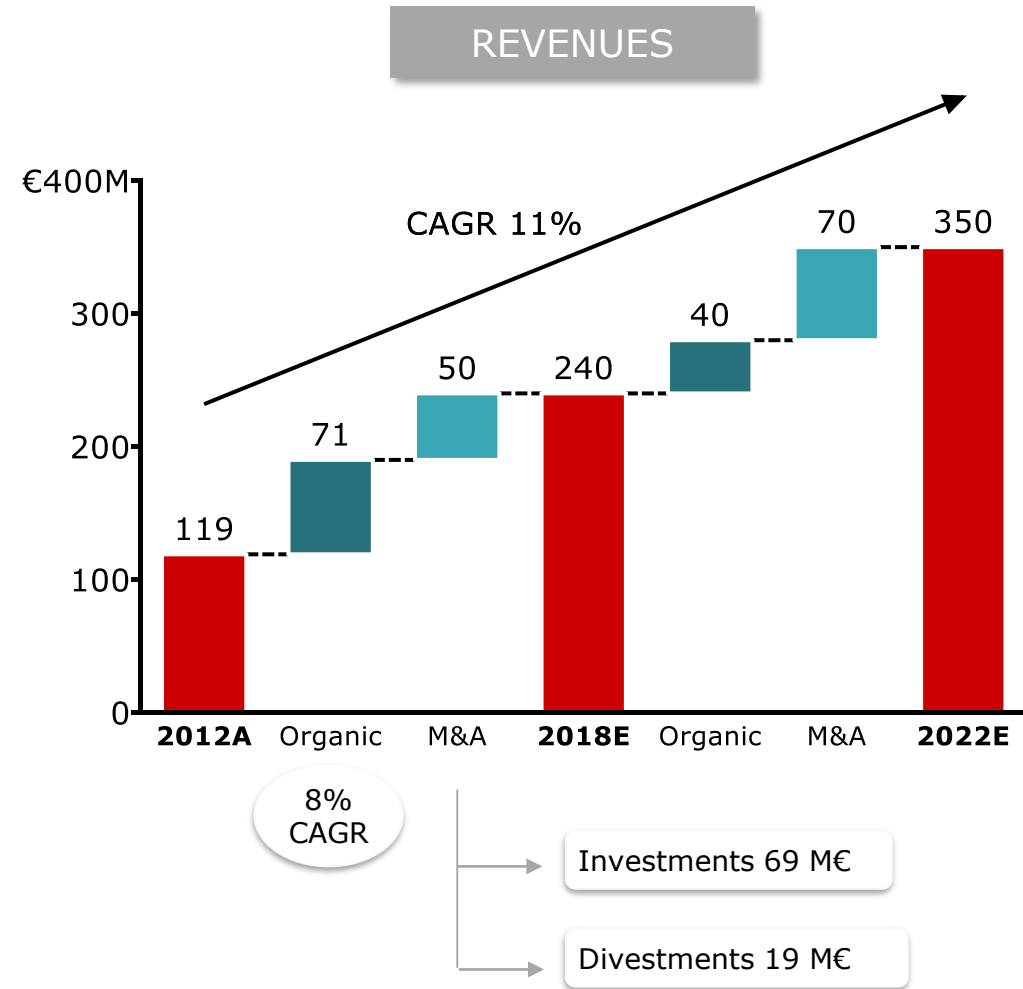
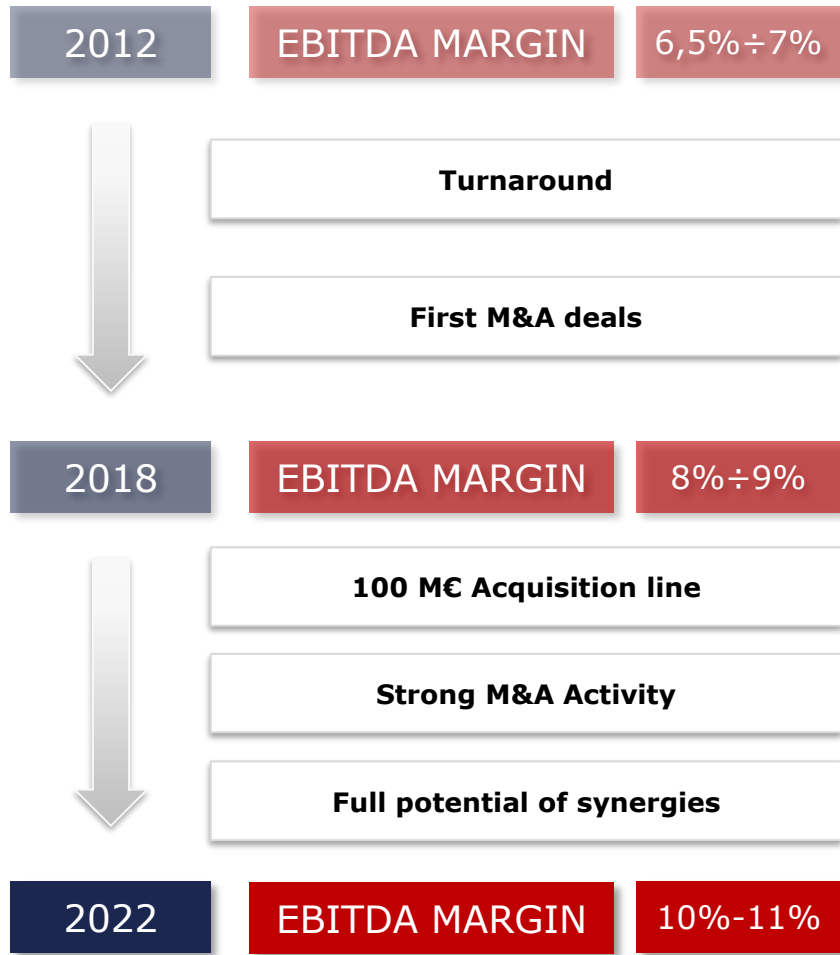
- Financial highlights

- **Strategic guidelines**

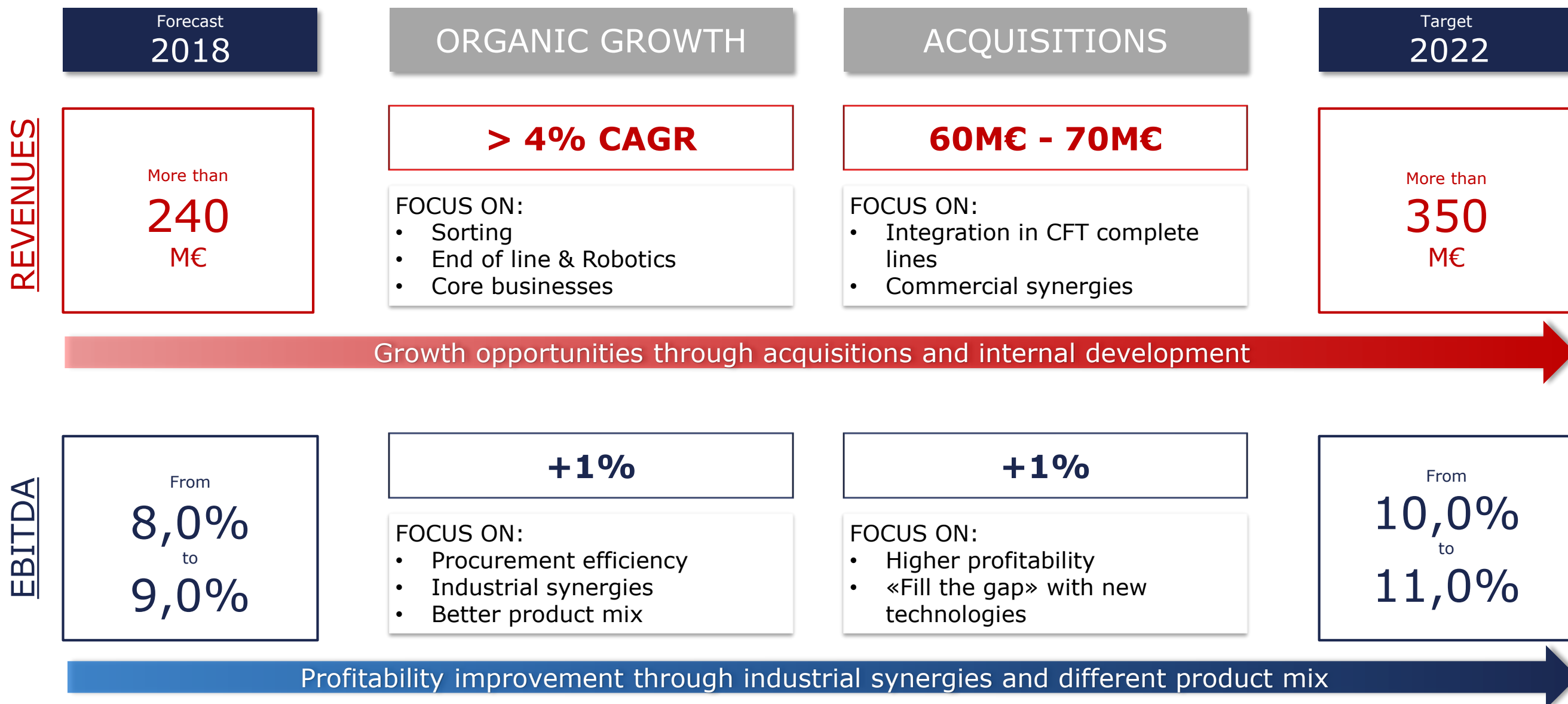
- Appendix



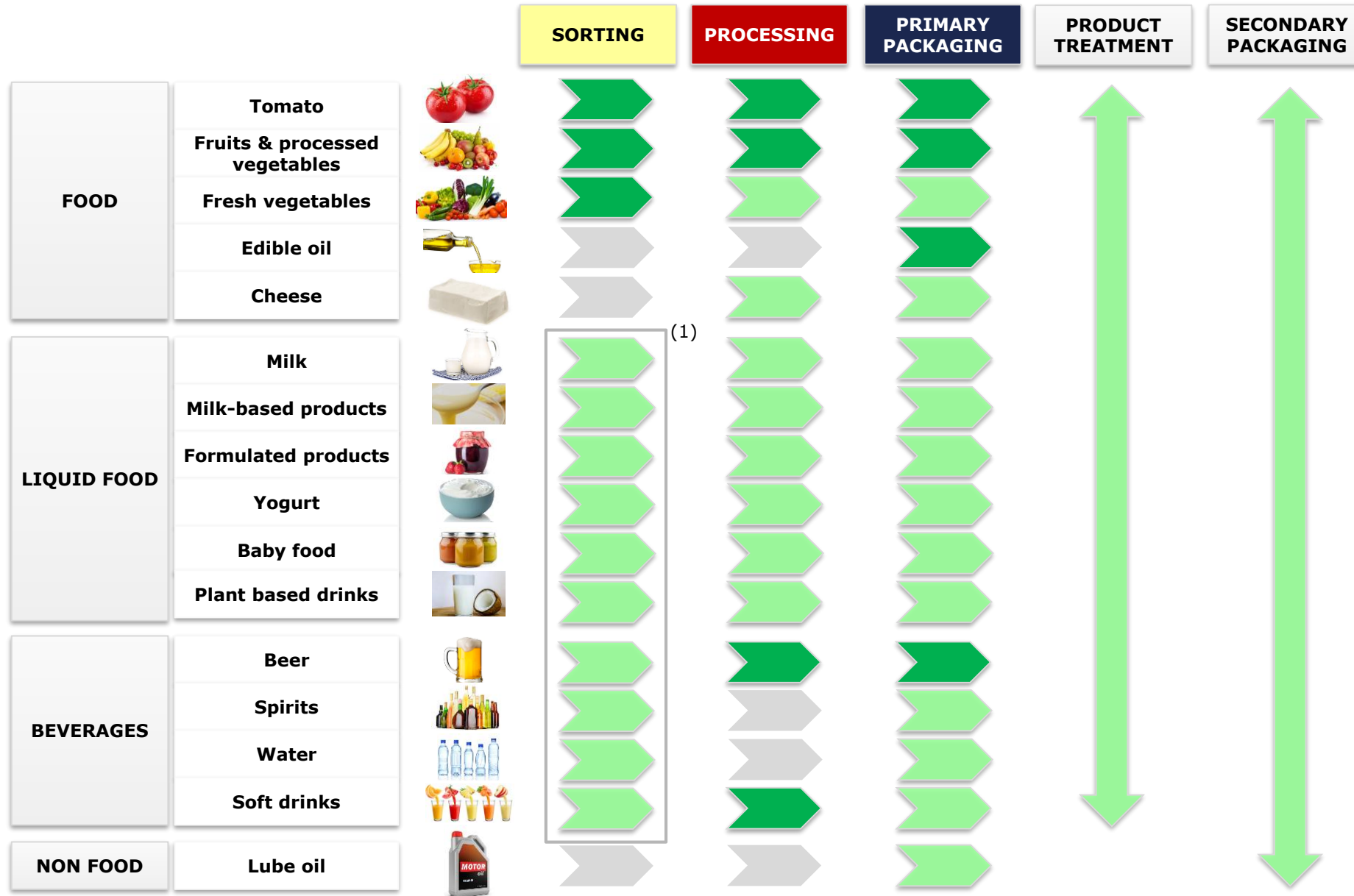
# Moving forward on our goal ...



... to become the Italian leading Food & Beverage Technology Solution Provider



# 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

# Growing revenues streams

~60%



## COMPLETE LINES DEVELOPMENT

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



~ 25%



## GROWTH OF SINGLE MACHINES

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



~ 15%



## FOCUS ON AFTER SALES

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

**MAIN TARGET: INCREASE RECURRING REVENUES AND IMPROVE GROUP PROFITABILITY**

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# History of the CFT Group



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



**Glenalta**

In **2018**, the merger with Glenalta (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 **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



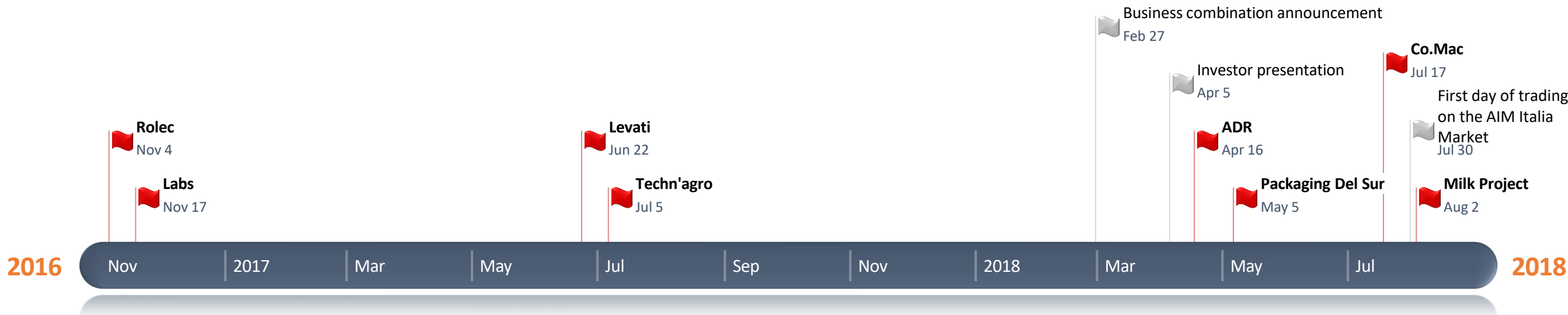
In **2017** Levati Food Tech, a company specializing in pasteurisation and sterilization processes, as well as end-of-line processes, was acquired. Furthermore, the Technagro partnership was strengthened as the latter company joined the CFT Group



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.



Since 1945, CFT has developed extensive know-how in the design and manufacture of machinery for the food industry, in both the processing and packaging sectors. Continuous investment in the development of new technologies, together with the acquisition of leading brands in their respective sectors, have led CFT to become a leading group operating internationally, and one that offers a complete range of products based on the most advanced technologies.



**ROLEC**  
Prozess- und Brautechnik GmbH

60%

**LABS**

100%

**LEVATI**  
Food Tech

80%

**TECHN'AGRO** s.a.s

70%

**A.D.R. s.r.l.**  
Costruzioni Meccaniche

75%

**pks**

51.03%

**comac**  
kegging, bottling & canning plants

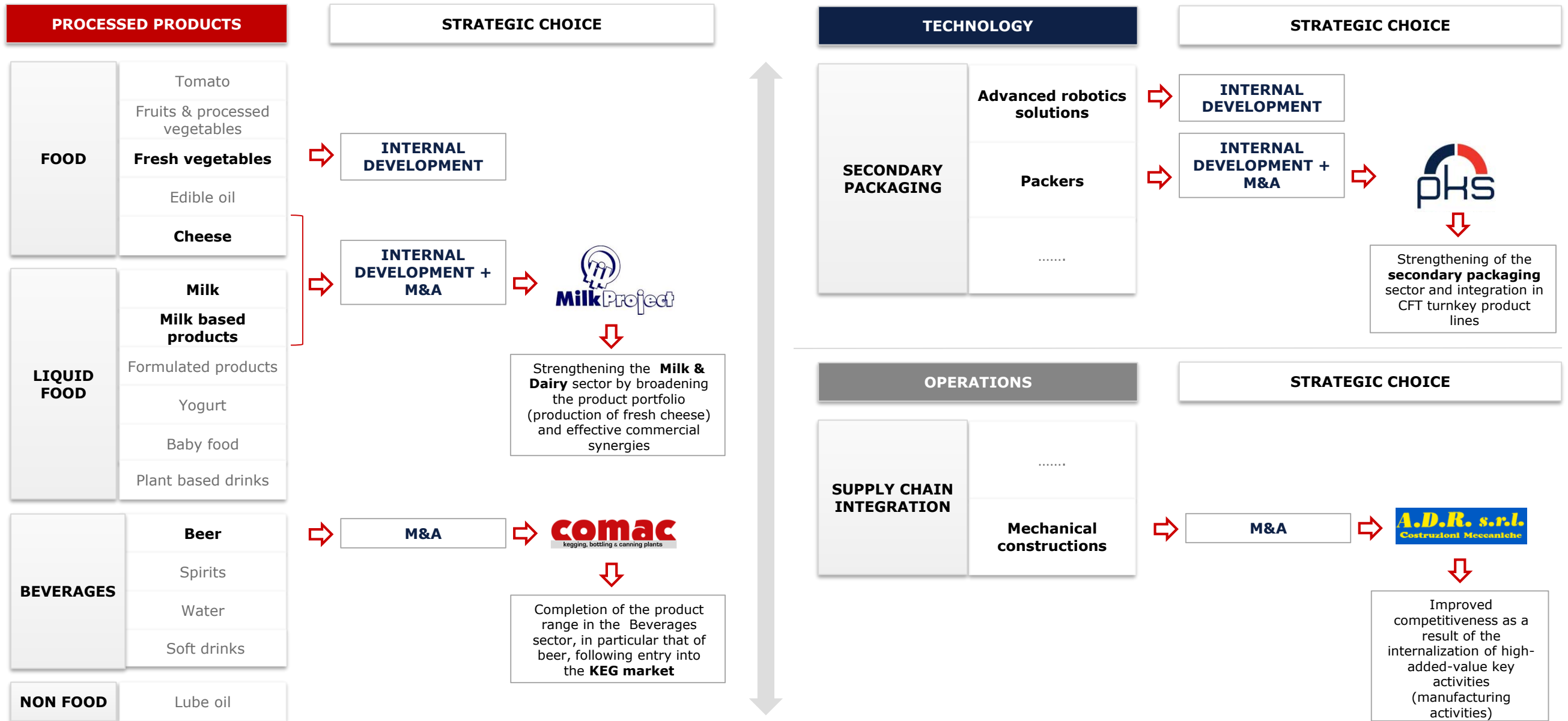
61.72%

**MilkProject**

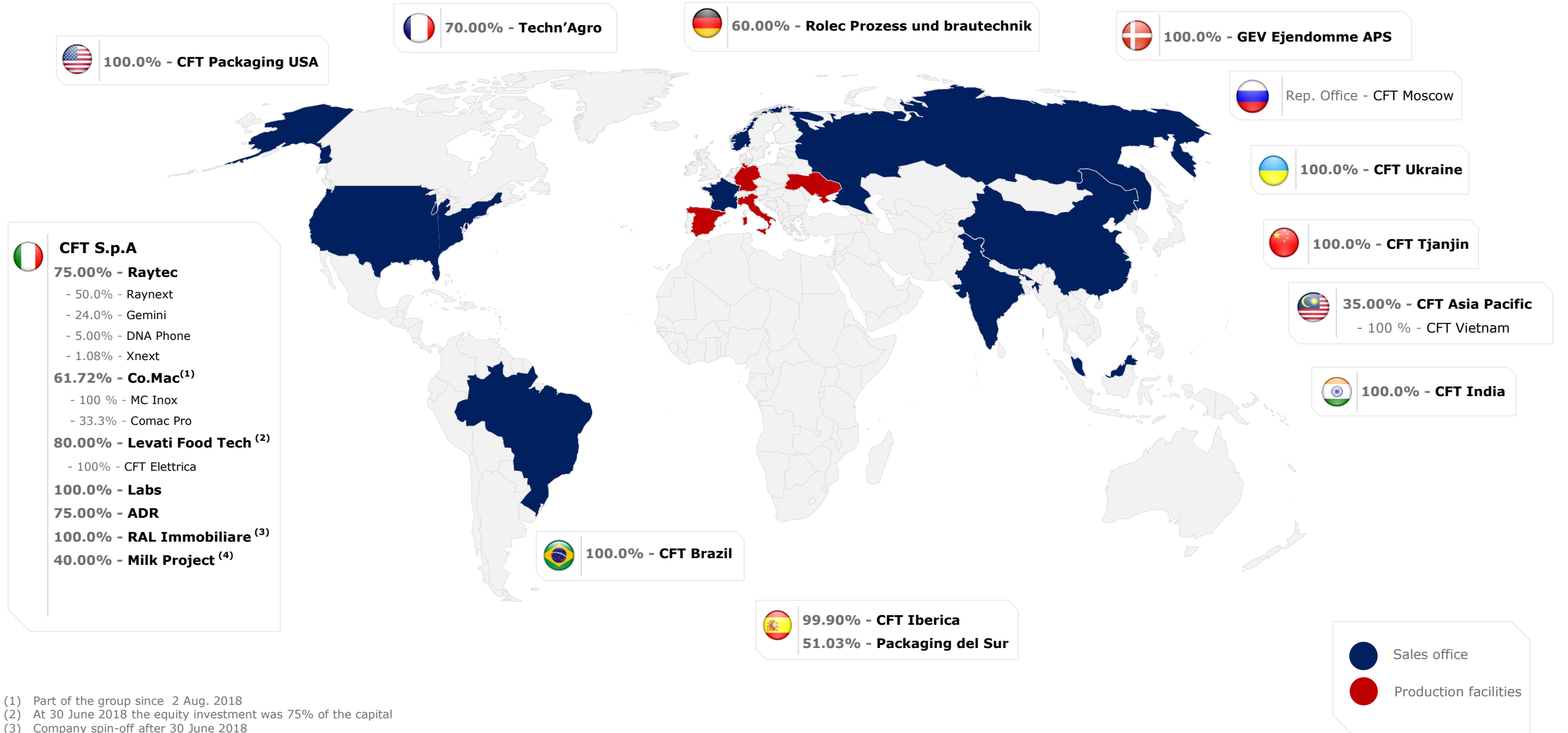
40%



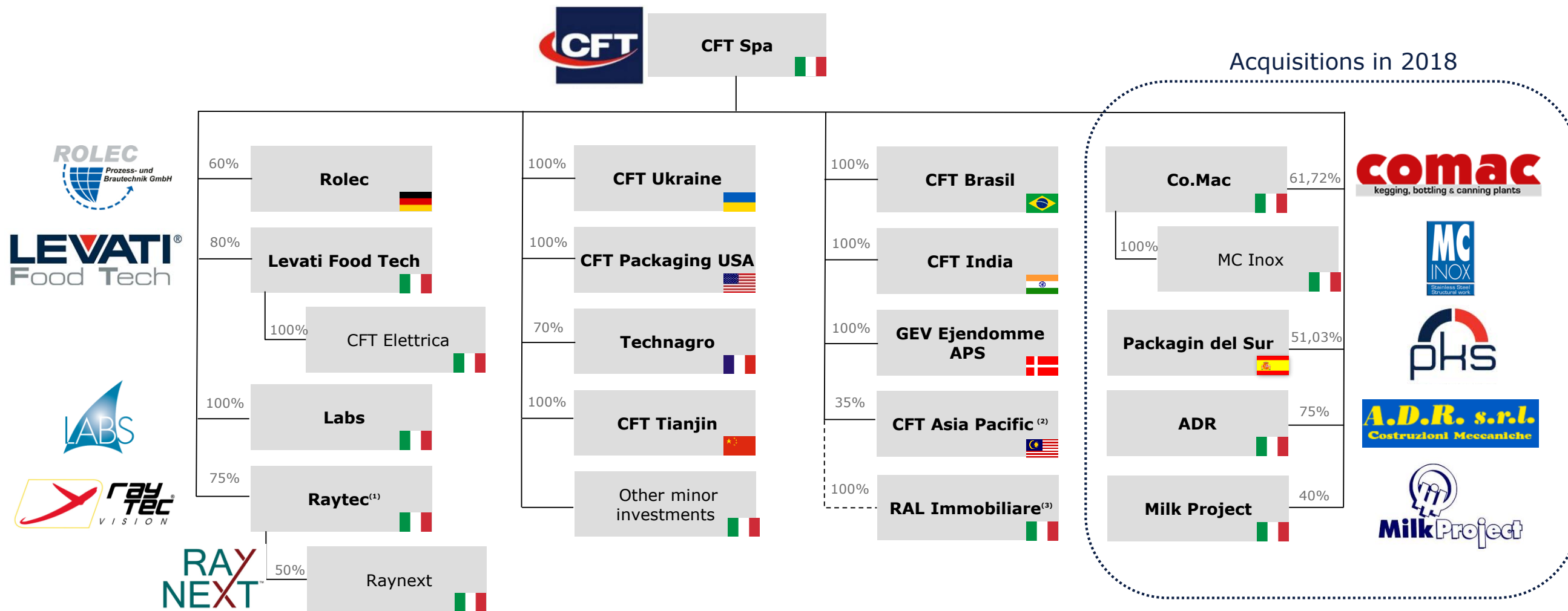
# Strategic view and key investments



# CFT global footprint



(1) Part of the group since 2 Aug. 2018  
 (2) At 30 June 2018 the equity investment was 75% of the capital  
 (3) Company spin-off after 30 June 2018  
 (4) Part of the group since 10 Sept. 2018



1)Raytec also holds 24% of Gemini, 5% of DNA Phone and 1,08% of Xnext;

2) CFT Asia Pacific holds 100% of CFT Vietnam; 3) Real estate company subject to spin-off



**SORTING**

**ROSSI & CATELLI**

**MANZINI**



**PROCESSING**

**COMACO**

**comac**  
kegging, bottling & canning plants



**PRIMARY  
PACKAGING**



**LEVATI**  
Food Tech








**PRODUCT  
TREATMENT**



**LEVATI**  
Food Tech

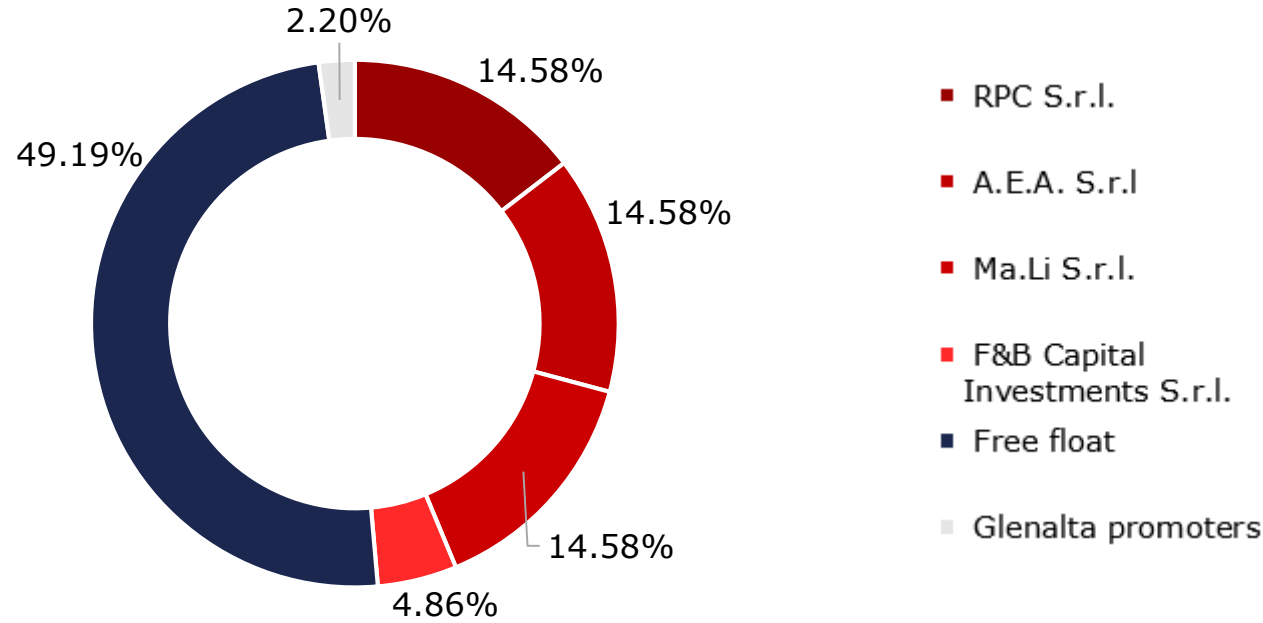
**SECONDARY  
PACKAGING**

# Business overview – Product portfolio

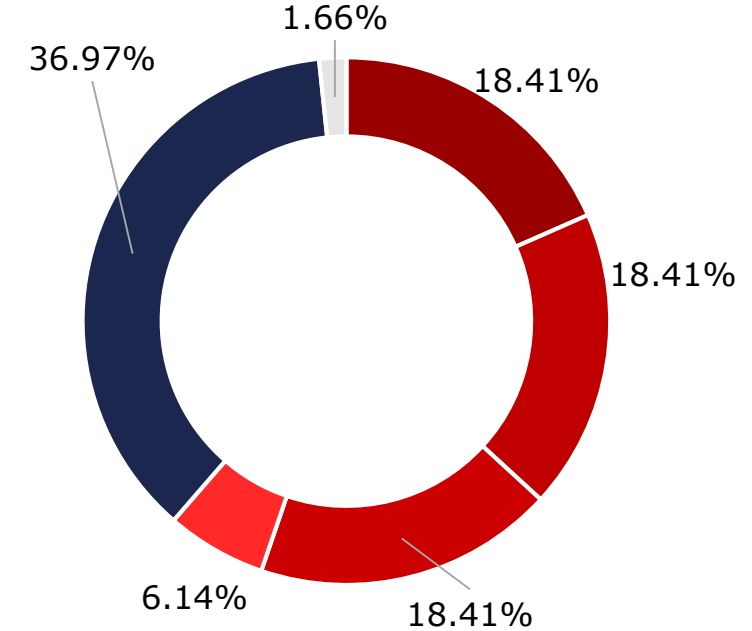
	TECHNOLOGY	MACHINES	
<b>SORTING</b>	Optical sorting and inspection systems for quality control operations	Optical sorters with cameras and pulsed-light sensors, X-ray machines and systems for inspecting food in cans, jars or bags	
<b>PROCESSING</b>	Machinery and systems for processing raw materials into semi-finished and/or finished products	Receiving and washing systems, peelers, choppers, extractors, refiners, mixer, cookers, evaporators, sterilizers, pasteurizers, aseptic fillers, processed cheese systems, breweries	
<b>PRIMARY PACKAGING</b>	Packaging and bottling machinery for liquid and viscous products	Volumetric, weight, telescopic, rotary, gas and vacuum fillers, electronic and vacuum seamers	
<b>PRODUCT TREATMENT</b>	Heat treatment solutions	Tunnel pasteurisers, spirals, freezers, dryers, batch retorts, air separators, cooling system, portion formers	
<b>SECONDARY PACKAGING</b>	End of line, wrapping and palletizing machines	Palletizers and depalletizers, packers, pick and place, robotic systems	

# Shareholding Structure

## SHARE CAPITAL



## VOTING RIGHTS



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.



## BOARD OF DIRECTORS



**Roberto Catelli**  
*Chairman*



**Stefano Malagoli**  
*Director*



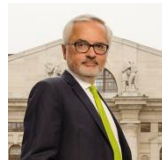
**Alessandro Merusi**  
*CEO*



**Adele Catelli**  
*Director*



**Martino Pozzi**  
*CFO*



**Daniele Raynaud**  
*Independent director*



**Livia Catelli**  
*Director*



**Stefano Rossi**  
*Independent director*



**Gino Lugli**  
*Director*

## BOARD OF STATUTORY AUDITORS



**Guido Riccardi**  
*Chairman*



**Angelo Anedda**  
*Standing statutory auditor*



**Andrea Foschi**  
*Standing statutory auditor*

## AUDITING FIRM



**PricewaterhouseCoopers**  
*S.p.A*





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