



CONNECT 4 AGILE GROWTH

INVESTOR PRESENTATION - CONFIDENTIAL

May 27th, 2021

Corporate overview

Highlights

Circle Group is an international player specialised in providing innovative technological solutions for automation and digitalisation of the entire supply chain, with distinctive vertical skills in the port and intermodal logistics sectors. Through a vertically integrated business model, the Group completes its offering with services supporting its clients in gathering European funding and achieving a strategic positioning at European level.

Since
October 2018

Listed on AIM Italia

More than 30%

of revenues (Circle) realised outside Italy; focus on South Europe, Mediterranean area, Black Sea and Middle East

70

direct employees and a network of collaborators

Revenues € 7.5 mln
(+23% vs 2019)

Adj Ebitda € 1.3 m

Ebitda adj margin 17%

Circle Net Profit € 0.6 m

NFP € 0.61 m

Year 2020

3 main products

Milos®: innovative software focused on intermodal logistic operations dedicated to inland and port terminals, MTOs and maritime agencies

Sinfomar®: Extended Port Community System connecting all players and processes involved in a port

MasterSped®: evolutive platform for customs operators

2 main EU
services

Project Anticipation: support to Public and Private entities achieving strategic objectives exploiting EU funds

EU Branding: company positioning and visibility on the international market aimed at strengthening the relations and business proposals in Europe

4 successful M&A
since end of 2017

51% of Info.Era, specialised in software development with a deep experience in port sector with Sinfomar®

100% of Progetto Adele, specialised in the development of vertical software systems for the Supply Chain

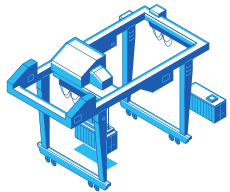
51% of Log@Sea, company network specialised in logistic nodes automation using OCR and IOT technologies

51% of Magellan, EU business

Corporate Overview

3 Business Units, targets and products

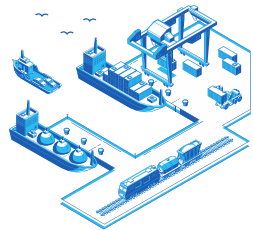
Innovative and Smart Supply Chain



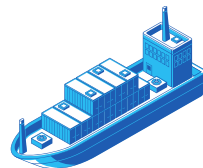
Inland and Port Terminal Operators



Multimodal Transport Operators & Rail Companies



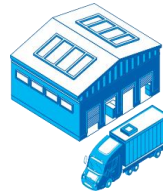
Port Authorities and Port Communities



Shipping Agencies

(Milos (Sinfomar

Global Supply Chain Visibility



Shippers



Freight Forwarders



Customs Operators

(Milos (MasterSPED

Connecting EU

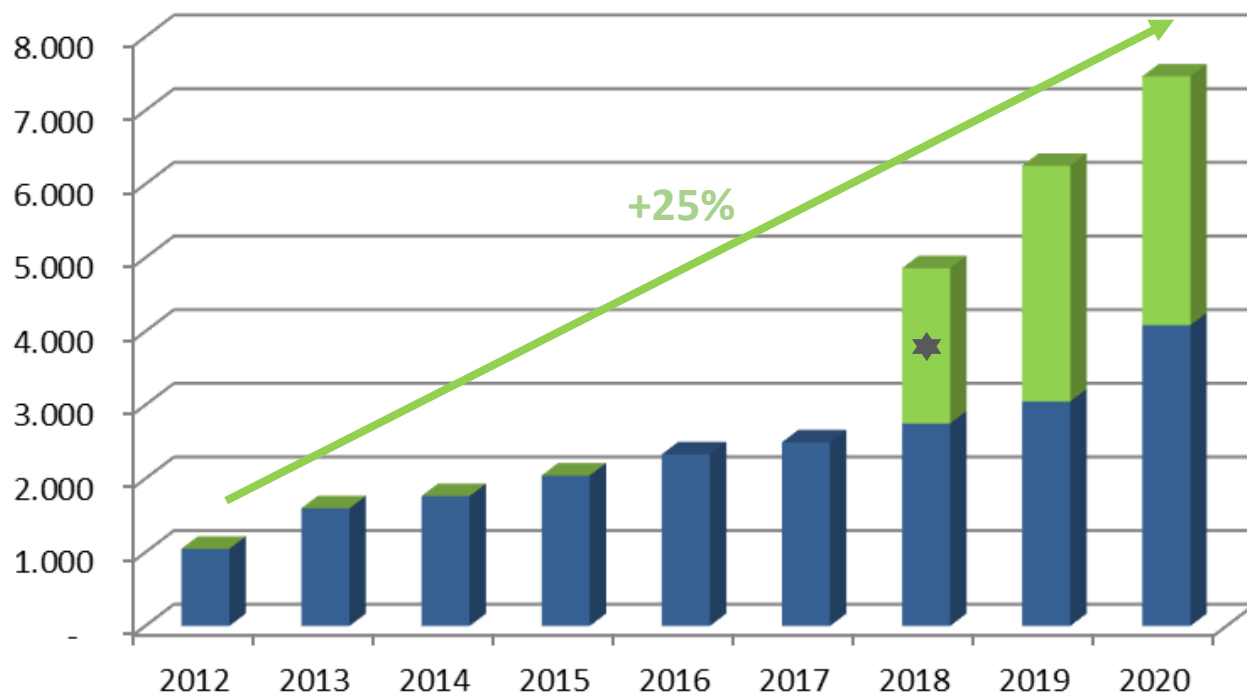


Private and Public entities specialised in port, transport and logistics

Project Anticipation
EU Branding

Financials

2012-2020 Group revenues



	2020	vs 2019
Group Revenues	€ 7,4 mln	+23%

★ Green numbers are related to Systematic M&A; Info.era (acquisition 01.01.2018), Progetto Adele (acquisition 01.08.2019), Log@Sea (51% defined July 2020)

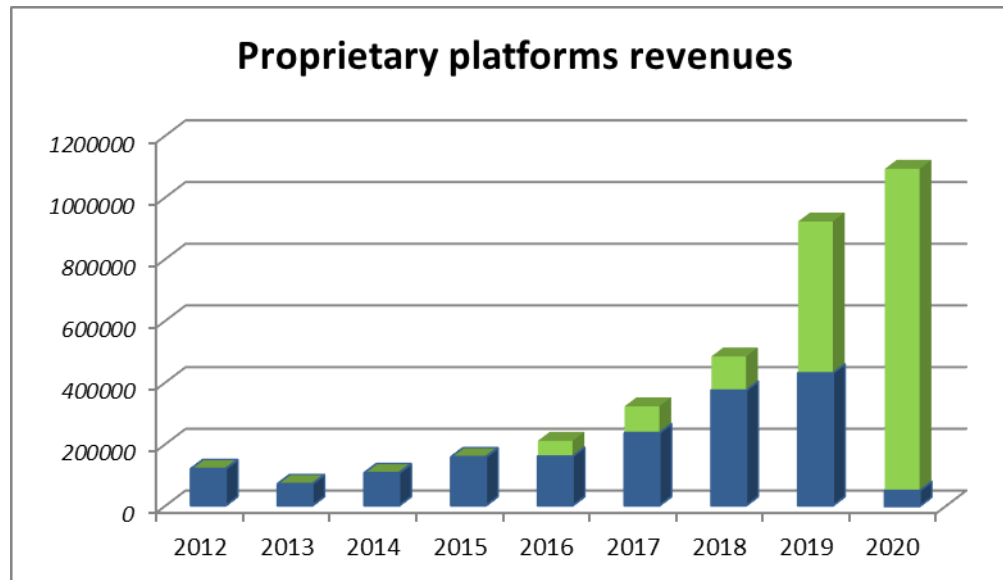
)))))) Circle Group Financial Statement FY2020

	2020	2019
Revenues	€ 7,4 mln (+23%)	€ 6,1 mln
EBITDA adjusted* <i>*excluding not recurrent costs</i>	€ 1,3 mln (EBITDA 0,7 mln)	€ 1,5 mln (EBITDA 1,2 mln)
EBIT adjusted* <i>*excluding not recurrent costs</i>	€ 0,65 mln (after ammortisations and depreciation of about 0,7 ml; EBIT 0,04)	€ 0,9 mln (after ammortisations and depreciation of about 0,6 ml; EBIT 0,6)
Net profit	€ 0,03 mln (Circle Spa +10%)	€ 0,5 mln (Circle Spa + 51%)
NFP	€ 0,61 mln (+81%)	€ 0,33 mln

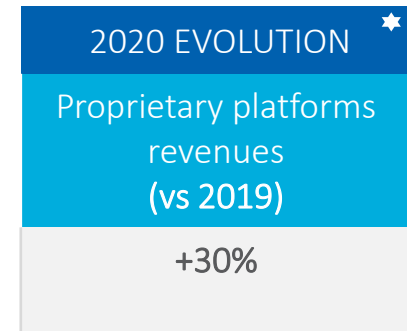
Group Backlog: more than € 9 mln

Products

Product revenues evolution



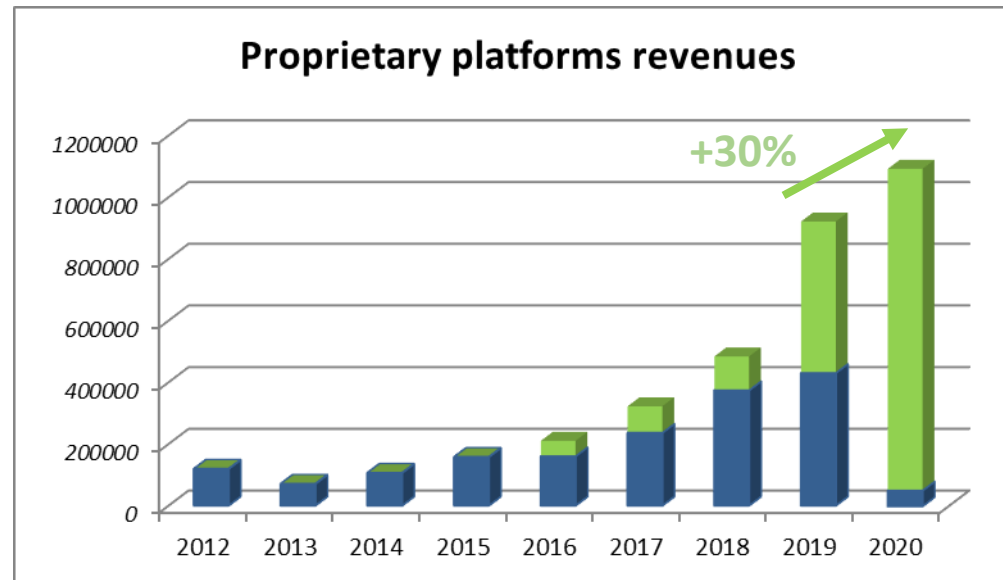
■ SAAS and PPU model for proprietary products revenues



★ Milos, MasterSped, MasterTrade

SaaS: + 105% vs 2019

Products: SaaS evolution



SaaS more than 90%

- As a result of the **growth of digitalization** trends in logistics in 2020, that the **Coronavirus Pandemic** has made even more evident, the company strengthen the use of **SaaS services** and became more resilient.
- For this reason in 2020 the **split** of proprietary platforms between «licence+maintenance» and **SaaS** has **shifted** in an evident way on SaaS (+ 105% SaaS vs 2019).
- The **major consequence and advantage** of SaaS business model on financial reports is a **stable increase of revenues** from proprietary platforms for the next (at least) five years.



Q1 2021

Some numbers about

- Additional 0,5 mln € from Carige Bank for strategic plan implementation
- Q1 federative services SaaS growth more than 51%
- GoLive of Morocco IFSTL project for first phase from Italy to Morocco
- First International Fast and Secure Trade Lane project between UK, Irland and France signed
- Vasanda Agreement for UK expansion
- Important additional projects at international level: 2 tenders WON, contracts under signature
- **Magellan won Green Deal proposal on greening of European ports**; coordinated by the Port of Antwerp, an international consortium including Magellan, will soon sign a contract as a one of the two successful proposal of the Green Deal European Horizon 2020 programme. PIONEERS will showcase concrete solutions reducing GHG emissions in ports while safeguarding their competitiveness.

))) Strategic guidelines

The development plan 2021 - 2024

Product evolution

- Roadmap Milos®, MasterSped®, MasterTrade®, Sinfomar® 2024
- Rail last mile and Optimisation roadmap
- Federative Services

EU Services evolution

- Docks the Future Network of Excellence
- Advocacy and international presence
- Next Generation EU

Geographical expansion

- 2021 Focus markets
- Med area
- Central Europe
- Middle East area
- Baltic Region

Strategic projects and operations

- **Systematic M&A** in complementary services & geographical focus markets
- **Strategic Alliances** in complementary technologies and second level of geographical focus market (arriving to possible Joint ventures)

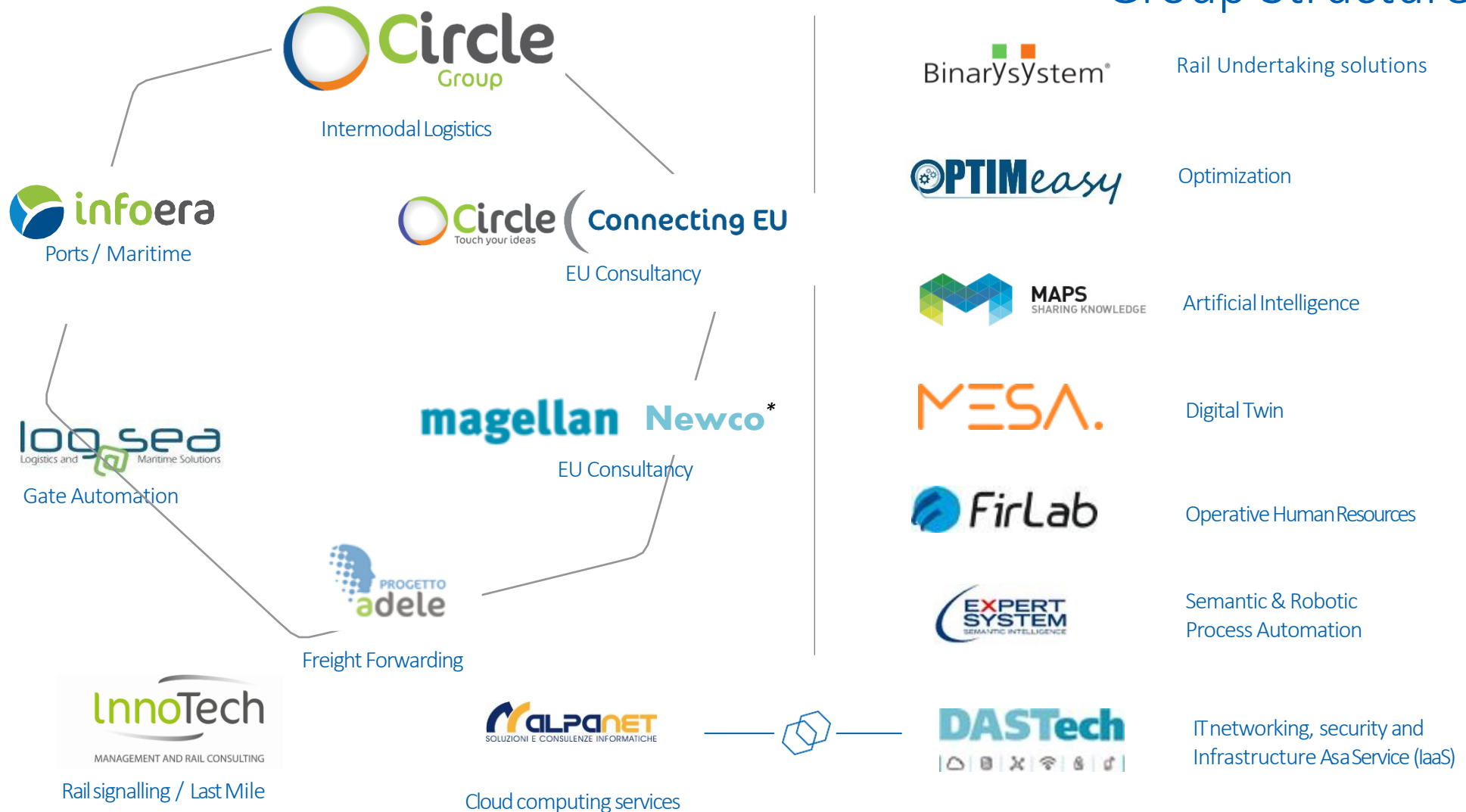
2018-2021

6 M&A/ JV /Strategic Alliances

TARGET	TYPE	ADVANTAGED		(%)
INFOERA	M&A	<ul style="list-style-type: none"> Port business and Agencies, Trieste Port 	Q1 2018 DONE	51%
PROGETTO ADELE	M&A	<ul style="list-style-type: none"> Freight & Customs operators, Shipper / food 	Q3 2019 DONE	100%
LOGSEA	Joint Venture evolution	<ul style="list-style-type: none"> Focus on GATE AUTOMATION,with native integration with Milos® & Sinfomar®; Target scope: main terminal and ports (MED, central Europe) 	Q3 2020 DONE	51%
Alliance	Circle Group-Maps	<ul style="list-style-type: none"> Digitalisation + Artificial Intelligence focused on Supply Chain 	Q1 2020 AGREED	50%
Alliance	Circle Group-Expert	<ul style="list-style-type: none"> Digitalisation + Semantic Robotic Intelligence focused on Supply Chain 	Q1 2020 AGREED	50%
MAGELLAN	Joint Venture	<ul style="list-style-type: none"> EU Business 	Q1 2021 AGREED	51%

Corporate Overview

Group Structure



*Agreement signed, procedures completed December 31th, 2020 for Circle Connecting EU; final closing about Magellan planned for May 31th, 2021



Capital increase

Reserved to pre-identified investors

- Reserved capital increase for a **maximum amount of Euro 2,5 mln** including share premium, in cash and indivisible form, with the exclusion of the option right by issuance of a **maximum no. 660,660** ordinary shares, without par value, having the same characteristics as those outstanding, with a final deadline for subscription set at June 30th, 2021
- The investors to whom the proposed capital increase is reserved, already pre-identified, are both **Italian qualified investors**, with which to realize synergies also from the **industrial** point of view, both **foreign institutional investors**, with which to maximize **synergies in the path of internationalization**
- The **subscription price** of each share will be **the highest of € 3.20** and the **volume weighted average price of CIRCLE** shares recorded on the market in the 30 calendar days prior to the date on which the price is determined, **increased by 10%**
- **Maximum amount of 660,660 warrants to be assigned, at a ratio of 1 warrant for every 1 ordinary share**, to all ordinary shares of the Company issued in the capital increase context, which will be not listed and traded on AIM Italia or any other regulated market or multilateral trading facilities.



Log@Sea is the business network composed by **Aitek** (49%) and **Circle** (51%), with the purpose of offering services for **gate automation and digitisation of port and intermodal nodes**, both for roadway and railway scenarios.

With significant benefits in terms of:

- safety of people
- accuracy of acquired data
- reduction in times for procedures.

Log@Sea's software products exploit Video Content Analysis, AI technology, Blockchain and IoT in order to ensure the interoperability of systems and processes to all players of the logistic chain.

Indeed Log@Sea software solutions allow the integration with TOS ("Terminal Operating System"), PCS ("Port Community System"), IT platforms used by MTOs and by freight forwarders.



Next Generation Italy

Italian Recovery and Resilience Plan: more than € 200 billions



Infrastructures for sustainable mobility

€ 32 billion

- New reforms and investments in mobility and ports (Ex. Port of Genoa and Port of Trieste)
- **Circle Group** is working on a series of European **projects** and customers projects that involve the main Italian and European ports.
- The Italian ports of greater focus for Circle are the ones of **Genoa and Trieste**.



Transition Plan 4.0

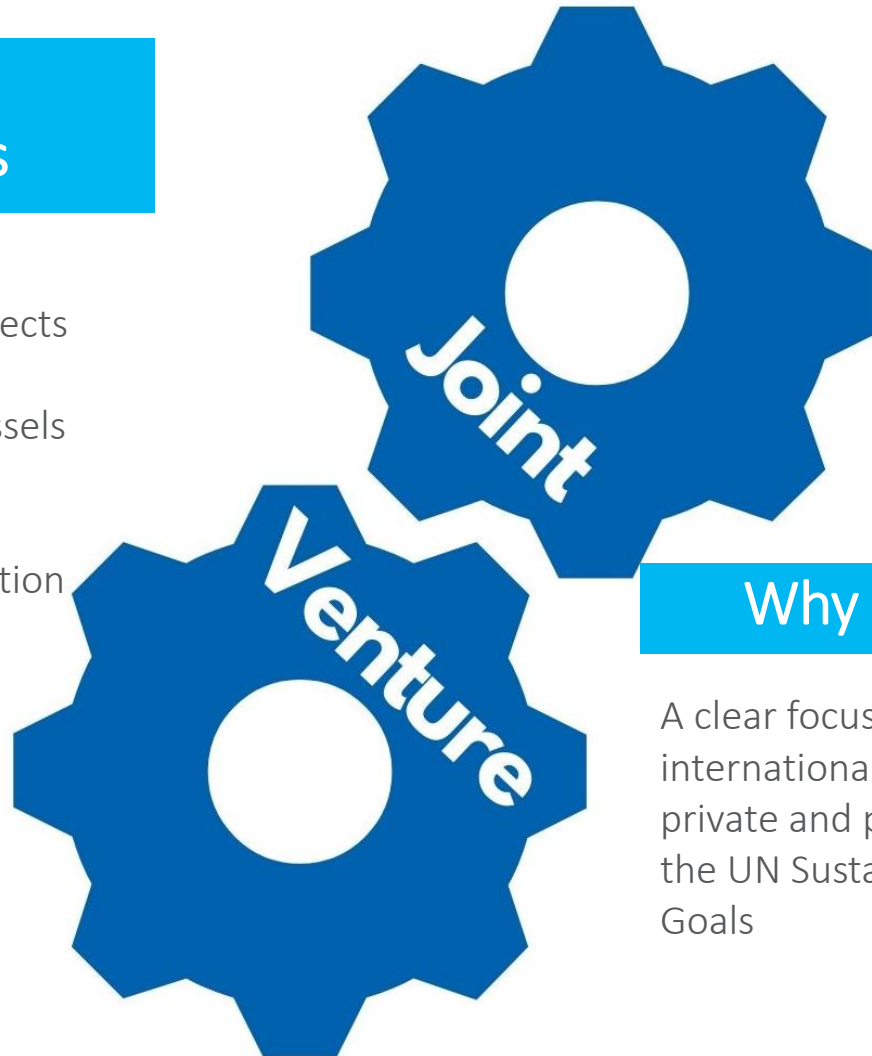
€ 24 billion

- Tax benefits and less taxes for businesses investing in ecological and innovative transition processes
- All products and modules of Circle Group are compatible with the world 4.0.
- Circle has developed an ad **hoc strategy** on these issues, with a **specific approach** and specific customer support services.

)))))) Connecting EU and Magellan

Synergies and complementarities

- Wider geographical coverage
- Enlargement of EU funded projects topics coverage
- Strengthening advocacy in Brussels
- Project Anticipation and Management reinforcement
- Communication and Dissemination at EU level in different markets



Why the Joint Venture

A clear focus to become an international leader in supporting private and public entities to achieve the UN Sustainable Development Goals

Setting up the new LEADER middle player in EU consultancy

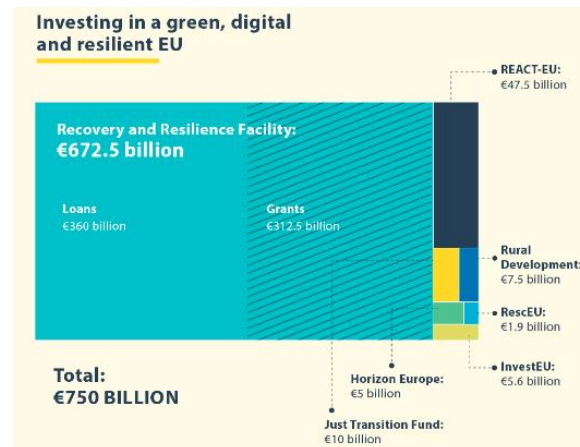
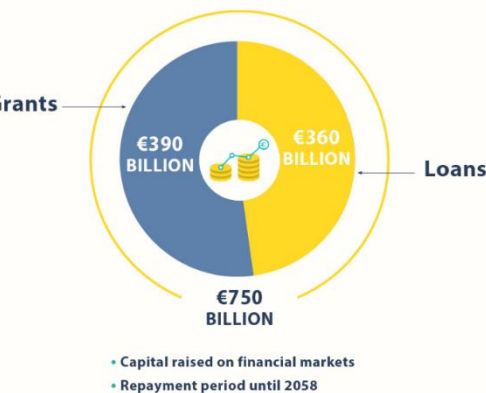
Connecting EU and Magellan

NextGenerationEU: €750 billion temporary recovery instrument

- Help repair the economic and social damage brought about by the coronavirus pandemic building a greener, more digital, more resilient Europe

Recovery and Resilience Facility: €672.5 billion of loans and grants

- Support reforms and investments undertaken by EU countries



Circle Connecting EU & Magellan

- Circle Group with Circle Connecting EU and a strategic presence in Bruxelles has a team dedicated to European fundings and projects.
- With its deep knowledge of transport and European policies Circle offers **specific services and support** for customers and partners both at Italian and European level.
- Thanks to the strategic alliance with the Portuguese **Magellan**, Circle has strenghted its proficiency in delivering advocacy services towards the European Institutions.

Optimisation

SUPPLY CHAIN 4.0 OPTIMIZATION

Rail Shunting Operations

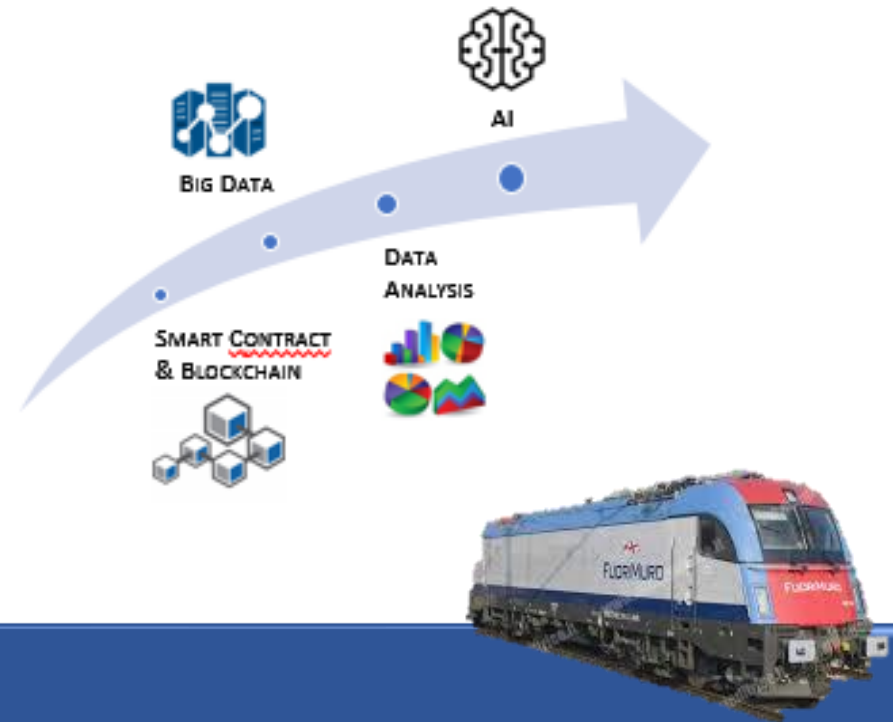
for the rail freight transfer within the port area

Scheduling of shunting operations

Respecting the operational constraints and the needs of the involved stakeholders

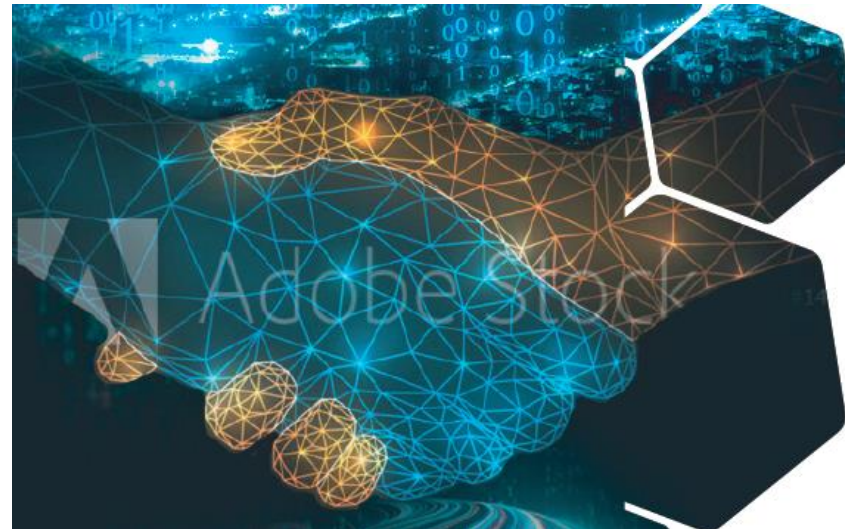
Re-scheduling of shunting operations

In case of delays, cancellations or extraordinary trains



MILOS 2021

TOS, MTO, IOT, Federative Services, Optimisation



Optimisation

OPTIMIZATION

TOOLS AND APPROACHES

decision support systems
to obtain better performances

SOLUTIONS

RAIL SHUNTING
OPERATIONS

MARITIME TERMINAL
RAIL OPERATIONS

MULTIMODAL
TRANSPORT OPERATOR

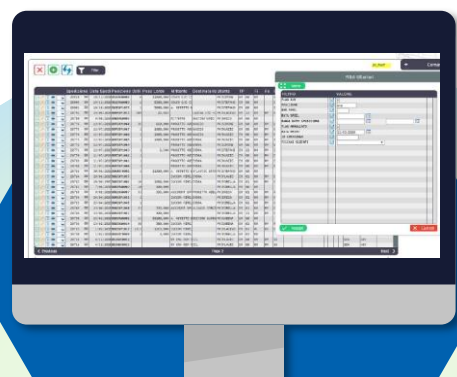
Rail Last Mile



Freight & ports

Federative digital interoperability

Thanks to Mastersped, in all the Mediterranean ports, between terminals, freight forwarders and custom operators there is the opportunity about a real time digital interoperability.



MasterSPED

INTEROPERABILITY



Genoa



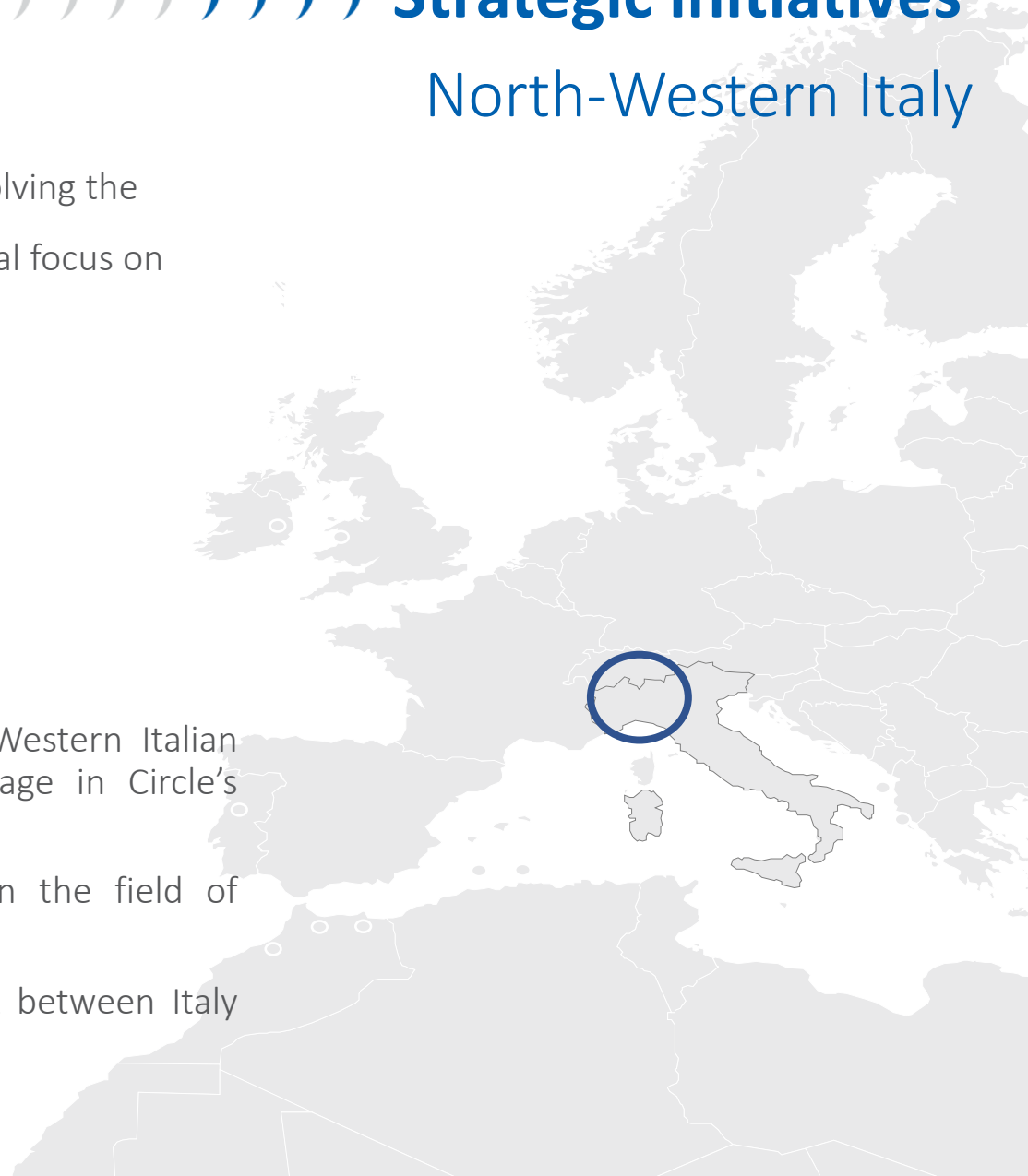
Strategic initiatives

North-Western Italy

- **Strengthen** the position in the Italian market involving the shippers of the North-Western Italy, with a special focus on Lombardy, Veneto, Emilia, Swiss.

- Target  *Supply Chain
Federative Services*

- Participation to the initiatives involving North-Western Italian companies and logistic players and their engage in Circle's European projects PILOTS
- Opportunities arising from the digitalization in the field of shipments
- Ligurian Ports - ongoing projects for new IFSTL between Italy and Egypt, and Italy and Morocco



Strategic Initiatives

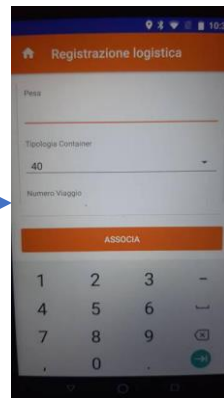
International Fast Secure Trade Lane (IFSTL) – Morocco & Egypt

First complete pilot projects: Egypt & Morocco export flow from EU and to Italy, November 2020

1. eSeal RFID application on the container



2. APP registration



3. eSeal number entering in the B/L

Shipper*	SEA LOGISTIC/MI	Notify	
1		1	AS CONSIGNEE
2		2	
3	CICAGNA GE	3	
4		4	
5		5	
6		6	
7		7	
8		8	
9		9	E-SEAL 303030330
Consign*	VARI ALEXANDRIA	10	
1		11	
2		12	
3		13	
4	TEL. 002 01005654072	14	
5		15	

Shipping Line

5. eSeal state check thanks to handheld device

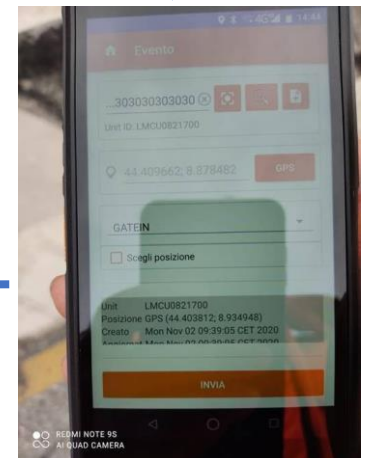


Egypt / Morocco Terminal

4. eSeal state check thanks to handheld device



Italian Terminal

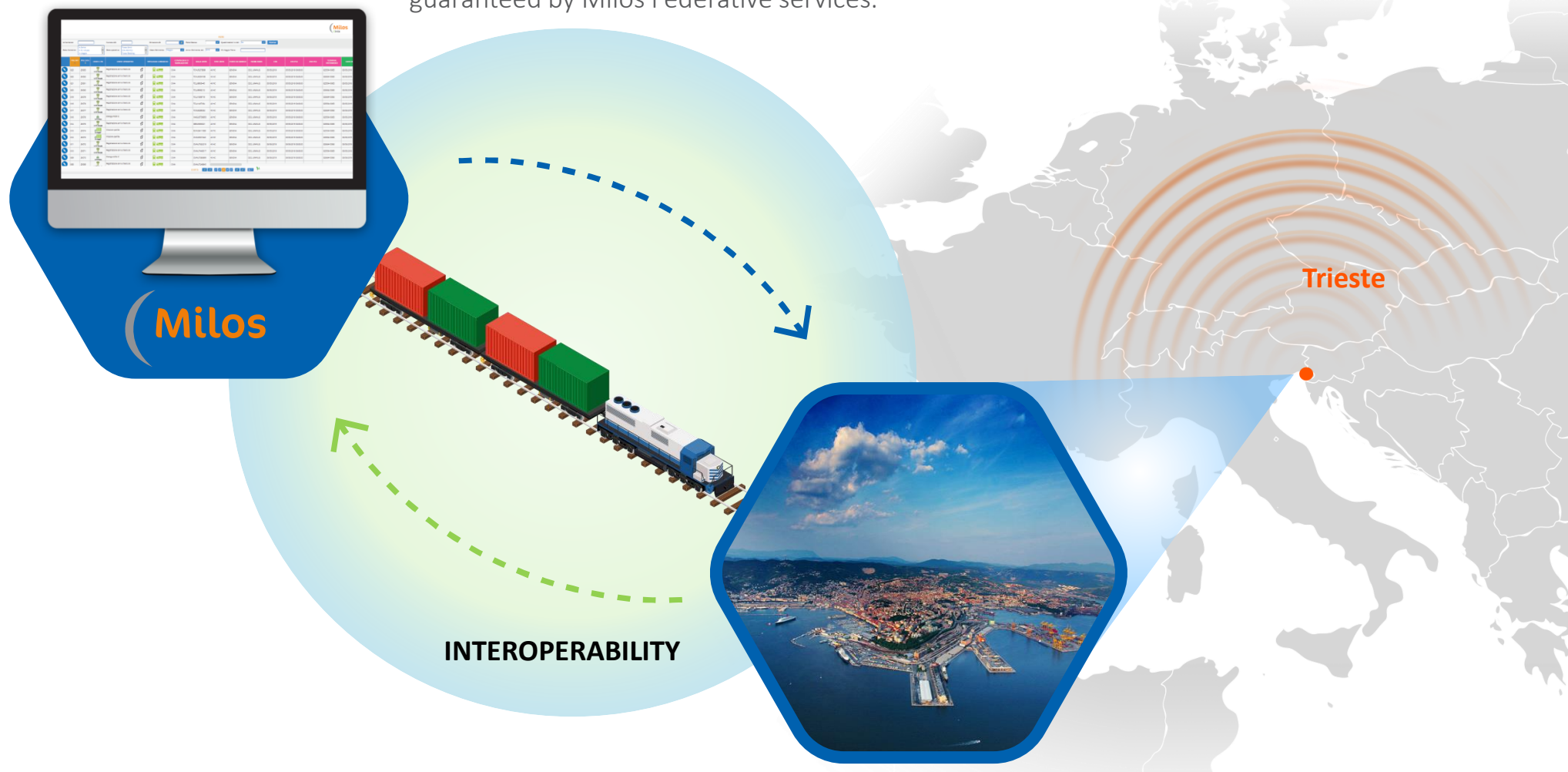




Rail & Central EU

Federative digital interoperability

In Central Europe, the interoperability between multimodal operators, inland terminals and ports is guaranteed by Milos Federative services.



Strategic initiatives

Central Europe

- Geographical expansion and connections between Italy and Central Europe – Germany (Bayern, Baden-Württemberg), Czech Republic, Poland, Austria, Switzerland, Slovakia, Hungary



- Target
 - Inland and Ports Terminal Operators (Milos TOS)
 - Multimodal Transport Operators and Rail Companies (Milos MTO)
- Supply Chain Federative Services

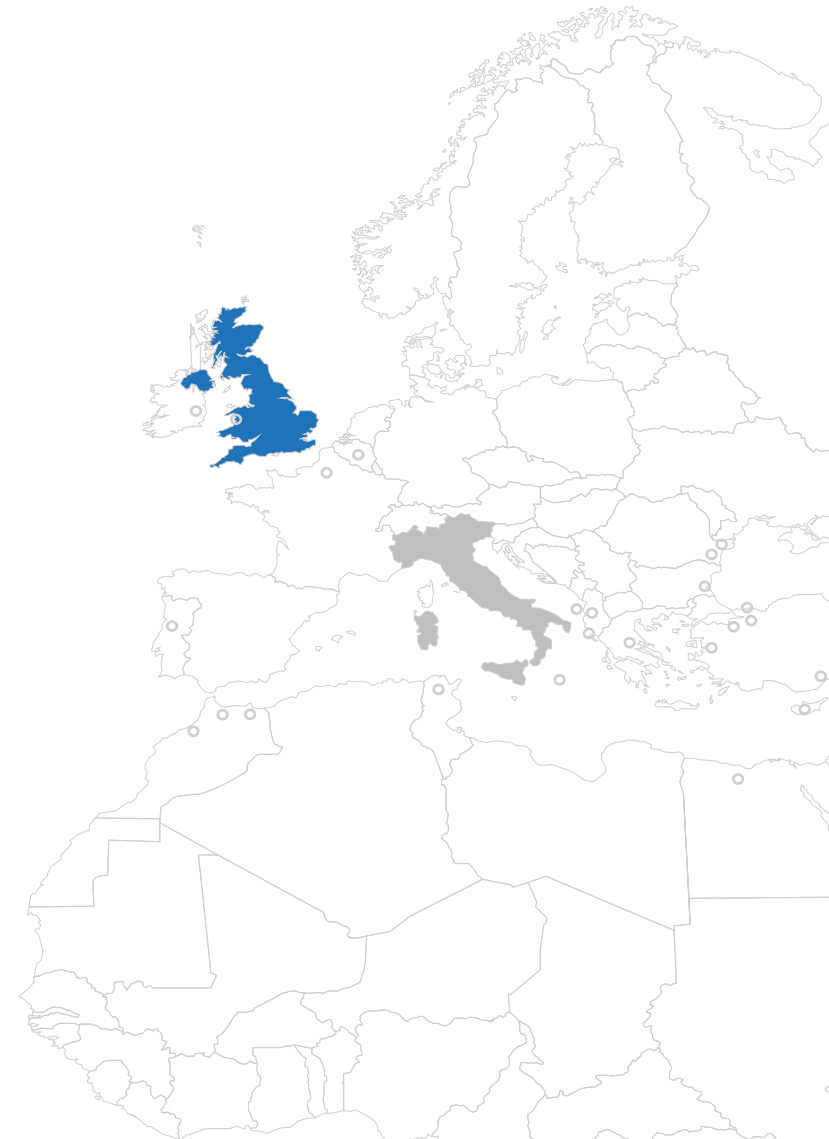
))) Strategic initiatives

UK

- **New alliance** with **Vasanda** to address specific vertical initiatives and innovative projects to the maritime and intermodal sector in the UK

- Target 

- The cooperation with Vasanda will point to **port optimization** through the focus on following **six main areas**: Last mile optimization and Digital Twin, Digital customs procedures, Data driven maritime intelligence, Free zone and Inland connections, International Fast e Secure Trade Lane (IoT) & Maritime Pre-Clearing and Rail & Intermodality.



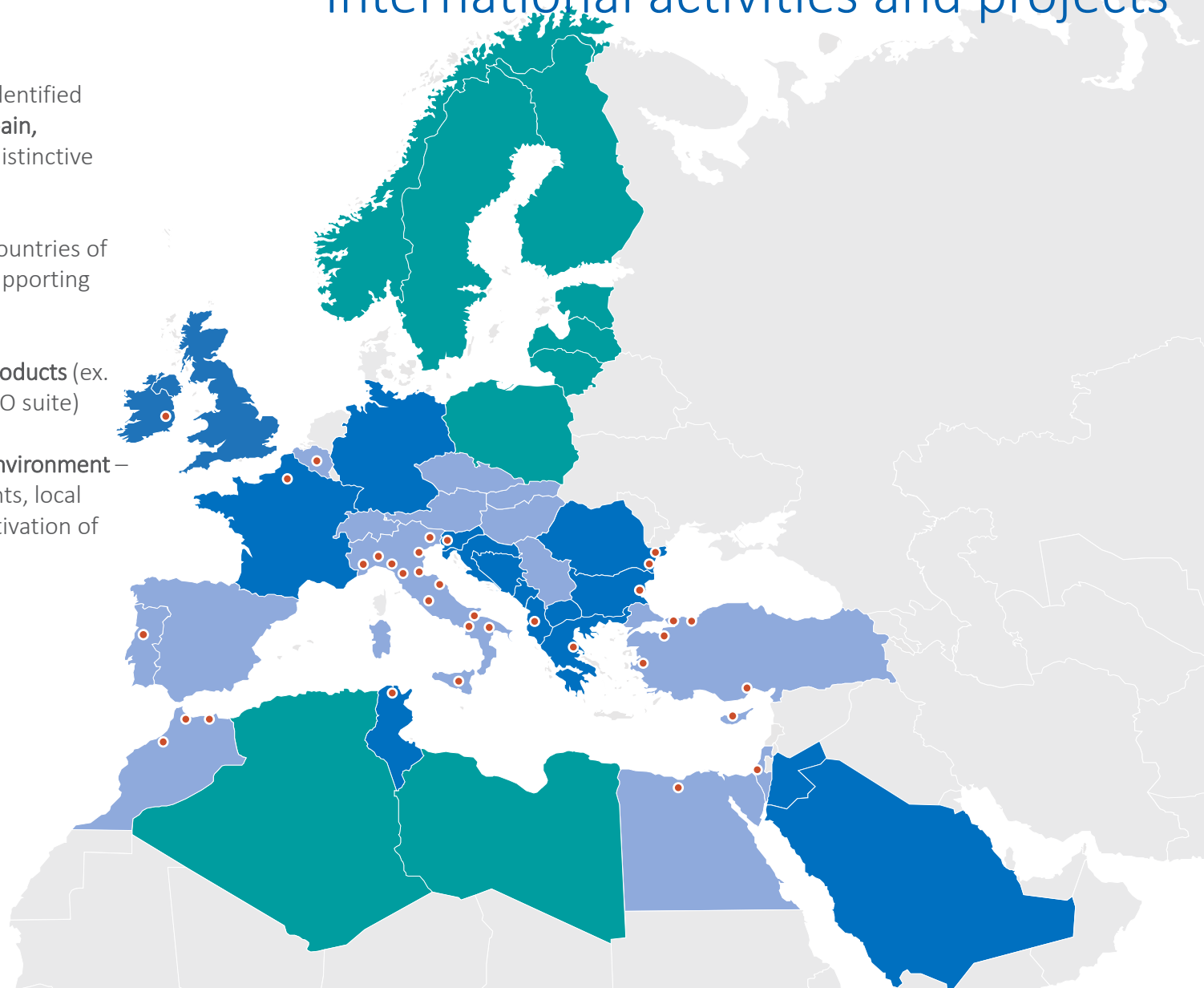
Geographical expansion

International activities and projects

OBJECTIVES 2021 – 2024

- Achievement of a presence in some identified **foreign markets (first of all Portugal/Spain, Morocco, Turkey)** comparable to the distinctive one we have in Italian market
- **Strengthen the alliance** in the target countries of insider and consultant / companies supporting the local penetration process
- Focus on **specific foreign targets for products** (ex. Central Europe for inland TOS and MTO suite)
- Accurate **knowledge of local market environment** – i.e. through participation to local events, local marketing and advertising actions, activation of local networks (enablers, etc ..)

- *Ongoing projects (20-21)*
- *Ongoing preliminary project proposals and lead generation activities (end 21-23)*
- *Target countries for future developments (23-24)*
- *Clients / Projects*



2021-24 Strategic Plan



Port & Maritime



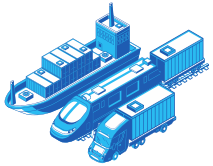
Acquisition of Infoera



Development of Supply Chain Federative Services for merchant and carrier business



Port – Rail and Freight interoperability in MEDITERRANEAN market (M&A)



Freight forwarding & Customs Services



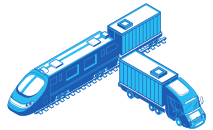
Acquisition of Progetto Adele



Development & Proposal of common Supply Chain Federative Services



Volume expansion + vertical additional coverage (M&A)



Terminal, Rail & Rail Last Mile



Strategic alliance with Binary System



Development of internal Line Of Business dedicated to MTO's and Rail, new integrated suite for Rail Terminals



Development through direct & indirect channels (partners & alliances)



Internet of things & Optimisation



Joint Venture with Log@Sea



Development of internal Line of Business dedicated to Optimisation / Digital Twin



Development through direct & indirect channels (partners & alliances)



Big Data, AI & Robotic Process Automation



Strategic alliance with Expert System



Strategic alliance with Maps



Exploitation and Go to market roadmap



European projects and consultancy



Connecting EU EU Branding launch

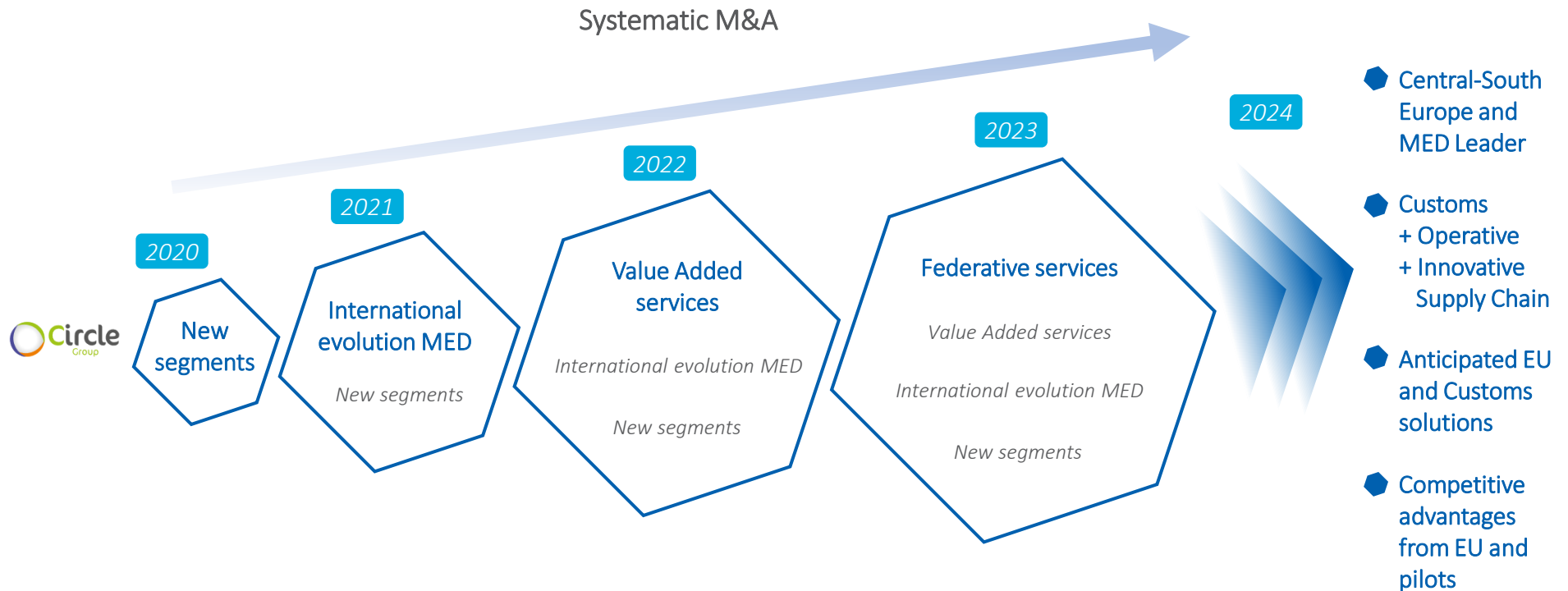


Circle ConnectingEU + Magellan (M&A)



Exploitation at EU level + Next Generation EU

Business Goals



CONNECT 4 AGILE GROWTH

Financial focus & stock growth



Data produzione: 7 Aprile 2021 - h 18.30 Data pubblicazione: 8 Aprile 2021 - h 7.00

CIRCLE Italy **FTSE AIM Italia** Engineering

Rating: BUY (Inv) **Target Price:** Euro 5,0 (da €4,3) **Risk:** Medium

Stock performance	1M	3M	6M	1Y
absolute	9,54%	13,14%	9,54%	9,15%
to FTSE AIM Italia	0,83%	-4,44%	-22,60%	-20,26%
to FTSE STAR Italia	1,24%	1,86%	-15,70%	-57,14%
to FTSE All-Share	10,59%	10,42%	-10,05%	-27,83%
to FTSE Small Cap Italy	1,16%	-3,01%	-22,43%	-46,52%

Stock Data	
Price	€ 3,10
Target price	€ 5,00
Upside/(Downside) potential	61,3%
Bloomberg Code	CIRC IM EQUITY
Market Cap (€mln)	10,8
EV (€mln)	10,1
Free Float	20,24%
Share Outstanding	3.470.115
52-week high	€ 3,09
52-week low	€ 2,60
Average daily volumes (1m)	6.100



FY20 Results

I risultati del FY20 sono positivi rispetto al FY19 e sostanzialmente in linea con le nostre stime. Le performance appaiono ancora più significative se lette alla luce della pandemia che, di fatto, ha fortemente rallentato lo scambio di merci. Il valore della produzione è cresciuto del 23% YoY a € 7,5 mln (€ 7,25 mln la nostra stima), mentre l'Esibita subisce una flessione del 41,6% YoY a € 0,7 mln, quale effetto della maggiore crescita dei prodotti Saas che, nel primo anno, scontano una minore redditività rispetto ai prodotti tradizionali, ma consentono una maggiore visibilità dei ricavi negli anni successivi. In termini rettificati la flessione è del 1,9% YoY a € 1,3 mln. La PPA (cassa) migliora a € 0,61 mln (€ 0,38 mln nel FY19), nonostante i flussi legati agli investimenti in M&A, sull'evoluzione dei prodotti e alle attività non ricorrenti di sviluppo mercato e internazionalizzazione per circa € 1,3 mln.

2021-23E forecasts

Le nostre stime prevedono un CAGR 2020-24E del VoP del 18,5%. Grazie all'ottimizzazione della struttura, crediamo che la performance dell'Esibita possa essere decisamente superiore e pari al 50,4%. Stimiamo che l'Esibita margin raggiunga il 23,0% nel 2024E (dall'8,9% del 2020A). Siamo convinti che i maggiori investimenti immateriali sostenuti sia negli ultimi due anni e l'accordo con Magellan, saranno in grado di sostenere la crescita nel breve termine e consentire di raggiungere gli obiettivi del piano. Gartner prevede che le imprese che offrono un'offerta progettata per le organizzazioni di medie dimensioni cresceranno rapidamente nei prossimi cinque anni, conquistando vaste parti del mercato. Il mercato aggregabile da parte di Circle, nel 2024, dovrebbe valere non meno di €1,1 mld.

Valuation Update

Upside from IPO	Target Prices	Upside Opportunity
+48%^	4,52 / 5	From +41% to +56%



- «Free allocation of shares» - 1 free stock each 10 - May 20th, 2019
- Buy back – 17.160 shares
- Circle is an innovative SME
- Average monthly volume (from IPO) around € 400.000

^ stock price at May 26th, 2021

)) Contacts

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