



CONNECT 4 AGILE GROWTH

INVESTOR PRESENTATION - CONFIDENTIAL

Agenda

- **Corporate Overview and Financials**
- **Market Trends and Competitive Positioning**
- **Strategic Roadmap 2021-2024**

The background of the slide is a blue-toned financial dashboard. It features a bar chart at the top left with six bars of varying heights. To its right is a circular gauge showing '50%'. Below these is a line chart with two data series, 'Fund' and 'Benchmark', plotted over a week from Sunday to Friday. The line chart shows significant volatility, with a sharp drop on Friday. At the bottom left, there are three circular gauges, each partially filled. The overall aesthetic is professional and data-driven.

Corporate overview and Financials

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 Euronext Growth Milan

More than 30%

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

80+

direct employees and a network of collaborators

Revenues € 7.4 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

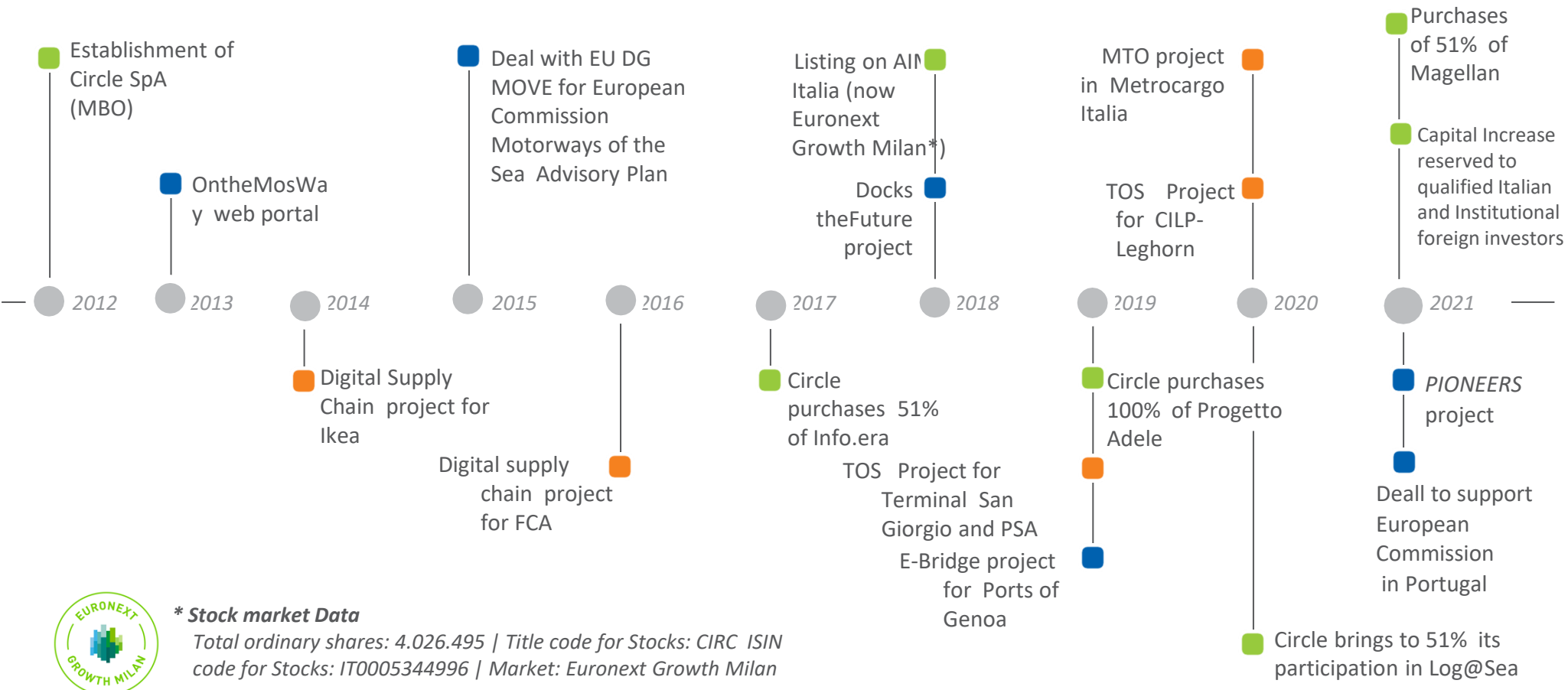
Corporate overview

Key Facts

■ CIRCLE GROUP

■ SUPPLY CHAIN PROJECTS

■ EUROPEAN FUNDED PROJECTS



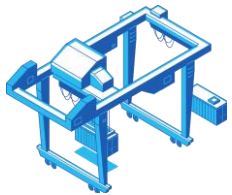
*** Stock market Data**

Total ordinary shares: 4.026.495 | Title code for Stocks: CIRC ISIN code for Stocks: IT0005344996 | Market: Euronext Growth Milan

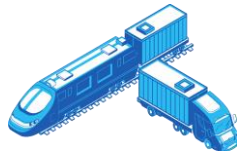
Corporate Overview

3 Business Units, targets and products

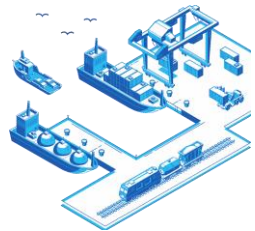
Innovative and Smart Supply Chain



Inland and Port Terminal Operators



Multimodal Transport Operators & Rail Companies



Port Authorities and Port Communities



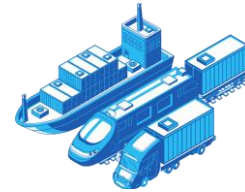
Shipping Agencies

(Milos) (Sinfomar)

Global Supply Chain Visibility



Shippers



Freight Forwarders



Customs Operators

(Milos) (MasterSPED)

Connecting EU

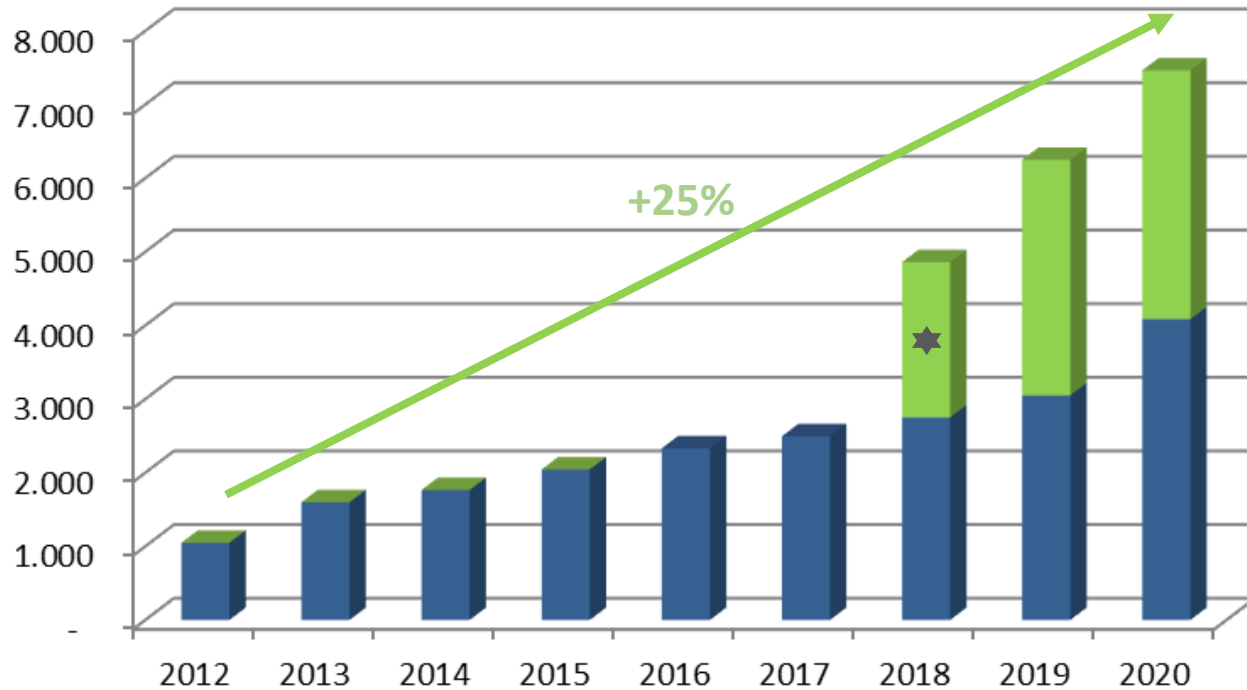


Private and Public entities specialised in port, transport and logistics

Project Anticipation
EU Branding

Financials

2012-2020 Group revenues

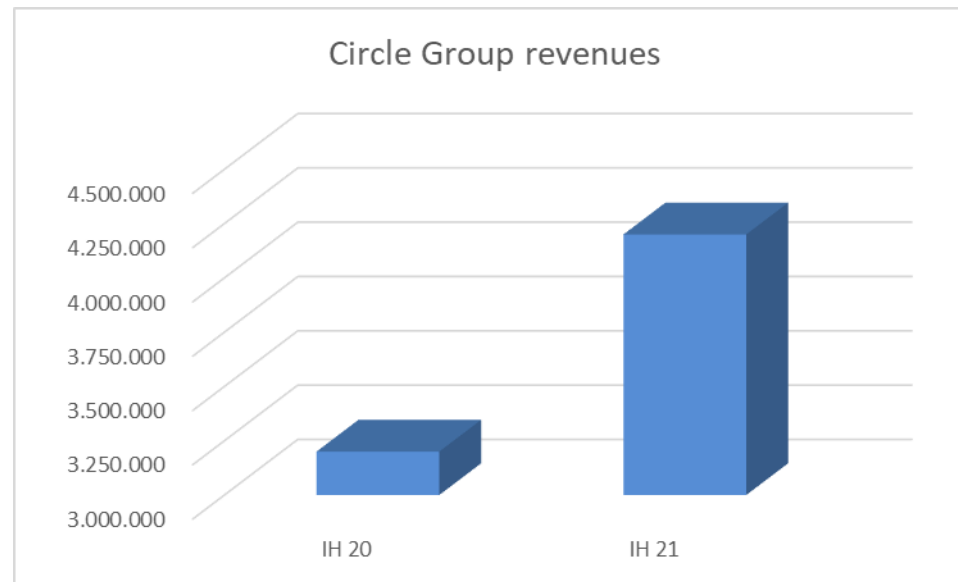


	2020	vs 2019
Group Revenues	€ 7.4 mln	+23%

★ 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)

Financials

2021 H1 - 2020 H1 Group revenues



	2021	vs 2020
Group Revenues	€ 4,2 mln	+31%

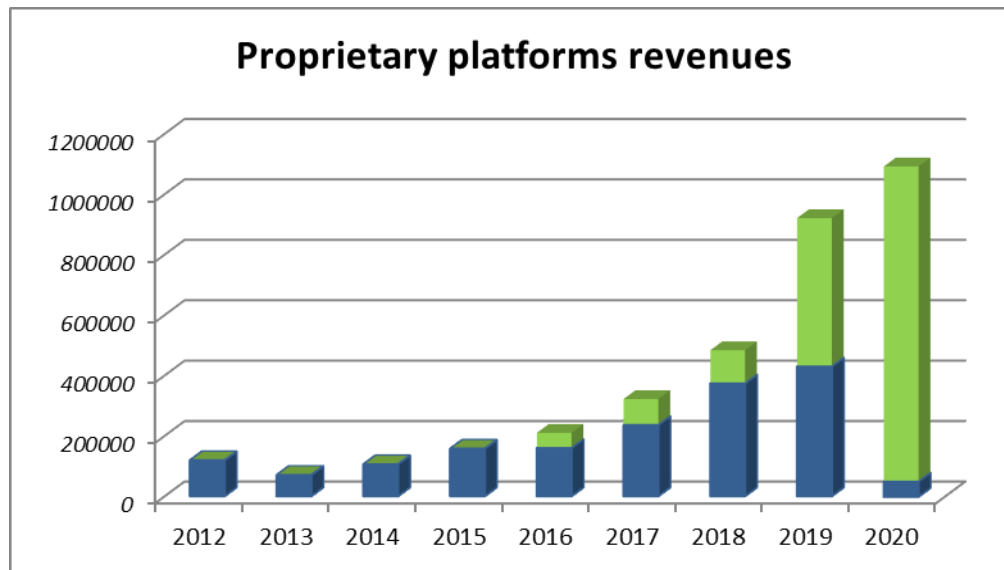
Circle Group Financial Statement 2021 H1

	30/06/2021	30/06/2020
Revenues	€ 4.2 mln (+31%)	€ 3.2 mln
EBITDA	€ 0.74 mln (+84%)	€ 0.4 mln
EBIT	€ 0.3 mln (after ammortisations and depreciation of about 0,4 ml)	€ 0.07 mln (after ammortisations and depreciation of about 0,3 ml)
Net profit	€ 0.32 mln	€ 0.04 mln
NFP	€ 2.3 mln	€ 0.61 mln

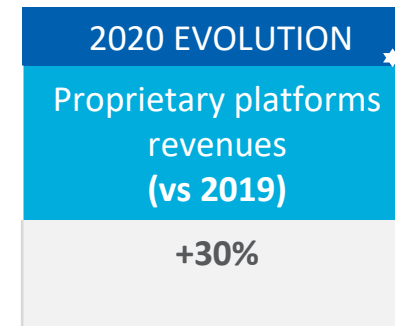
Group Backlog: more than € 10 mln

Products

Product revenues evolution



■ SAAS and PPU model for proprietary products revenues



★ *Milos, MasterSped, MasterTrade*

	H1 21 vs H1 20	H1 21 vs H1 20
Proprietary Platforms Revenues	MILOS +72%	PPU +57%



H1 Significant events

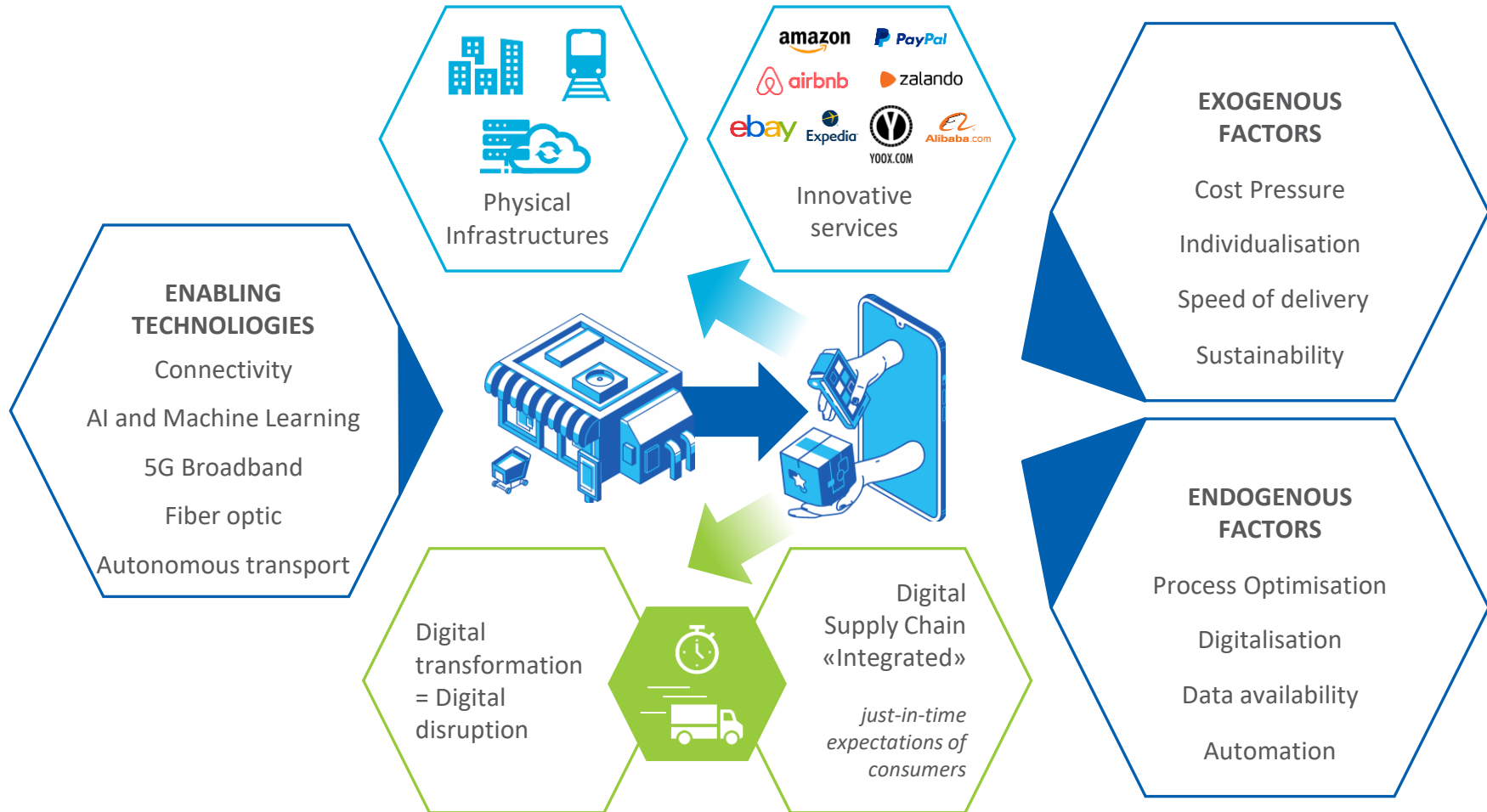
- Purchase of 51% of **Magellan Circle** and consolidation of operational activities and strategic alliance with **Circle Connecting EU**
- Execution of a **reserved Capital Increase** for Italian qualified and foreign institutional investors with new 556,380 ordinary shares for **Euro 1,902,819.6**
- Kick off **First International Fast and Secure Trade Lane project between UK, Ireland and France** supporting the improvement of the overall maritime connectivity in the Atlantic and North Sea
- Vasanda activities and BPA cooperation for **UK expansion**
- New contract to select technological innovation projects for **BI-REX** (“Big Data Innovation & Research Excellence”) **national Competence Center** with a strong focus on **Big Data**

Market trends and competitive positioning



Market trends

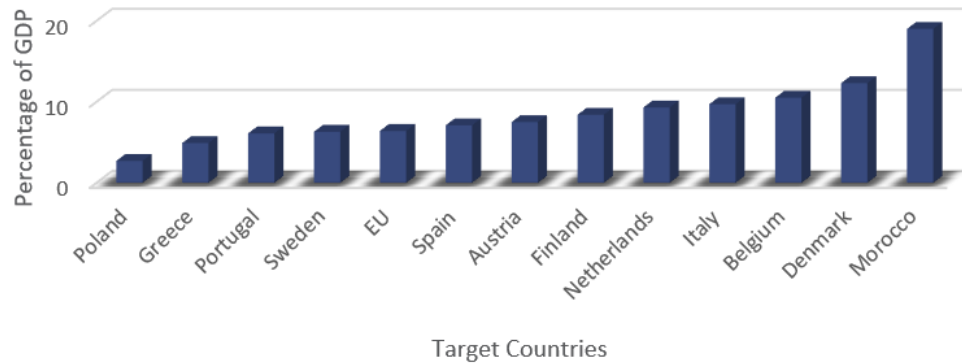
Digital transformation in the Supply Chain



Market trends

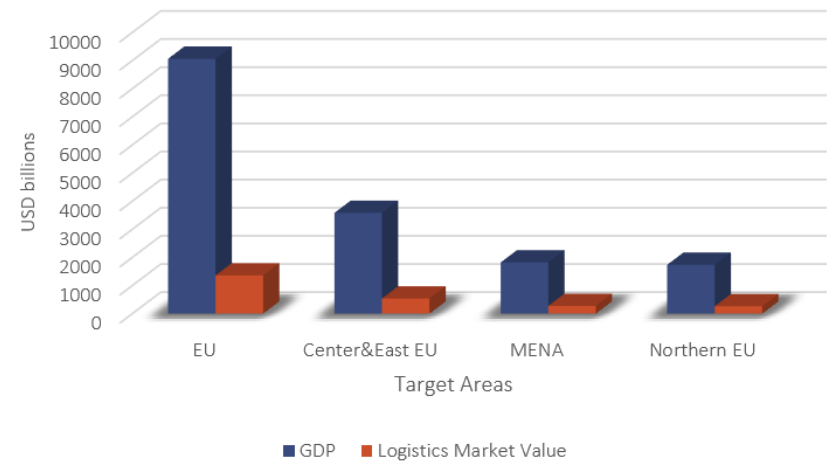
Potential by geography

Logistics as percentage of GDP



Source: Quantifying Freight transport volumes in Developing Regions

GDP and Logistic Market Values



Source: our processing from IMF – World Economic Outlook

Circle Group's potential market size (worldwide)
 ≈ 3 bln €

Circle Group's potential market size (to 2024) ≈ 1.1 bln

Circle Group international coverage

Offices

- **ITALY**
Milan, Genoa, Trieste
- **BELGIUM**
Bruxelles
- **PORTUGAL**
Oporto
- **TURKEY**
Istanbul, Ankara, Mersin





Market recognition

Milos[®] in Gartner Vendor Guide

Gartner's research analyses the contemporary logistics market and predicts that by 2024 at least 75% of the top 50 global companies will implement their activities in this industry. Milos[®] is therefore recognised as a highly innovative and strategic product for companies in the sector at a global level.

Gartner.

Supply Chain Operational Visibility Vendor Guide

Published: 7 November 2019 **ID:** G00387970

Analyst(s): Christian Titze, Bart De Muynck

This research provides a compendium of the operational visibility solutions categories and providers that Gartner covers. Supply chain technology leaders can use this research to help develop a comprehensive supply chain visibility technology portfolio strategy.

Gartner.

VENDOR (SOLUTION)	WEBSITE PRESENCE	VALUE PROPOSITION
Circle (Milos)	www.cirletouch.eu	Modular solution for the transport optimization of containers, trailers, cars and general cargo through the logistic intermodal chain; focus on automated port logistics and customs procedures



What's ongoing?

2021

Significant events after June, 30th

- New contract to support DG MOVE on the development of implementations specifications for **EU Regulation 2020/1056 on electronic freight transport information (eFTI)**
- Participation in the project **Efficacity** to enhance door-to-door collection of bulky waste
- Among the members of international consortium of **PIONEERS** project with Magellan Circle
- Start of pilot with **Terminal San Giorgio** (Gavio Group) and **CarBox** (Tarros Group) for “**Notarization**” of the Interchange
- Win with Magellan Circle of the tender to support **European Commission Representation in Portugal** for the provision of Events Management Services
- Support of **Terminali Italia** (FS Group) to obtain **Temporary Storage authorisation** at Marzaglia inland terminal
- **Milos**[®] supply to **Metrocargo Italia** for its new **4.0** reach stacker at Borgo San Dalmazzo inland terminal



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)



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:

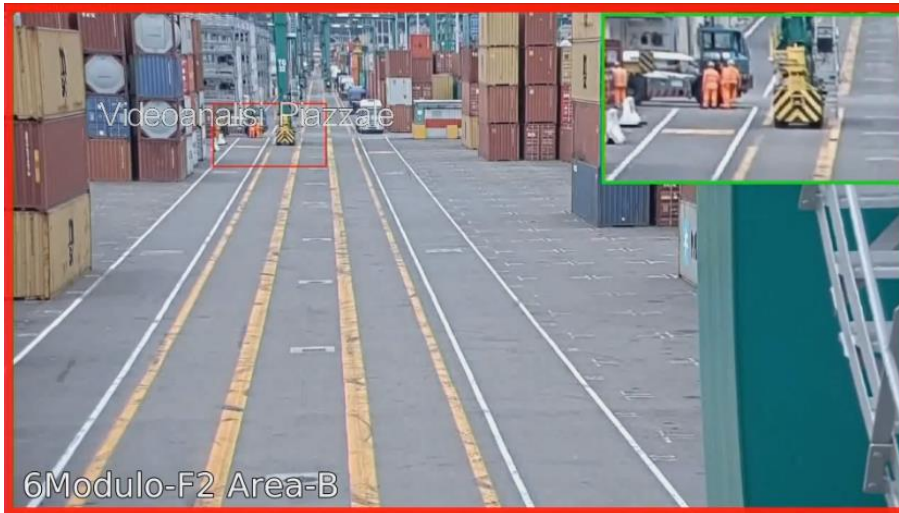
- safety of people
- accuracy of acquired data
- reduction in times for procedures.

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.

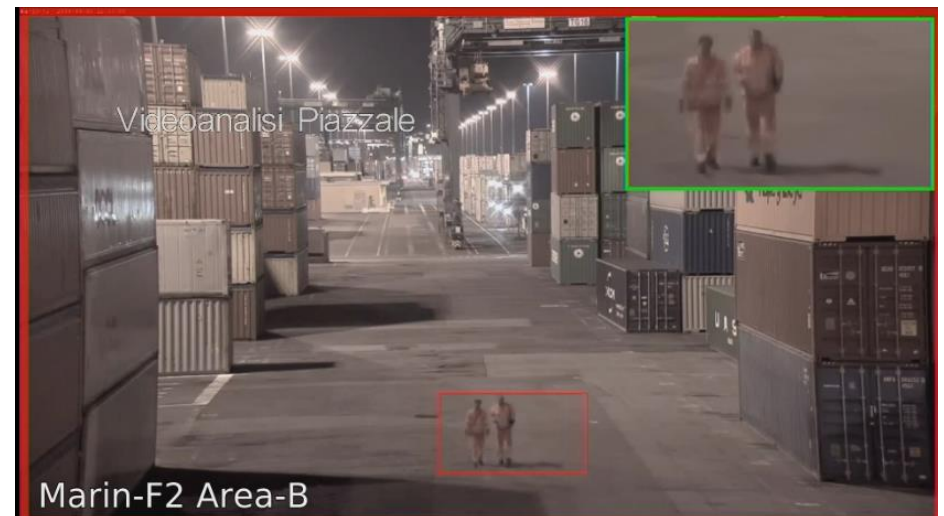


Video Content Analysis & AI technology



Log@Sea's software products exploit Video Content Analysis & AI technology also for Security, Safety and COVID/sanitary emergency

Safety and COVID/sanitary emergency example



MILOS 2021-24

TOS, MTO, IOT/IFSTL, Federative Services, Optimisation



Optimisation

OPTIMIZATION

TOOLS AND APPROACHES

decision support systems
to obtain better performances

SOLUTIONS

RAIL SHUNTING
OPERATIONS

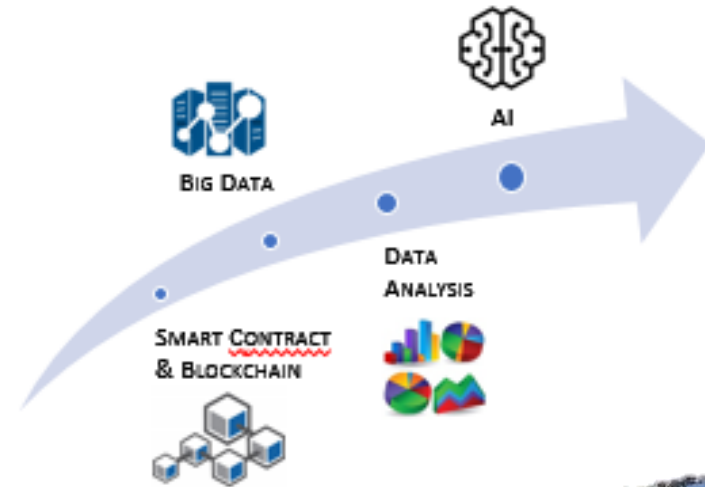
MARITIME TERMINAL
RAIL OPERATIONS

MULTIMODAL
TRANSPORT OPERATOR

Rail Last Mile

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

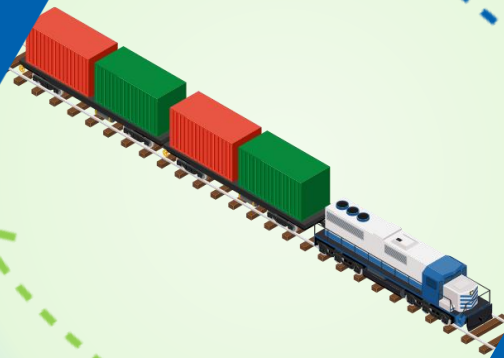
Rail & Central EU

Federative digital interoperability

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



Milos



INTEROPERABILITY



Genoa &
Savona
La Spezia

Trieste



Federative Services

International Fast Secure Trade Lane (IFSTL)

Logistic international corridors aiming to create **port to port chains** involving all the actors (ports, inland terminals, logistic actors and shippers)

Integrated with the use of **Internet of Things (IoT)** and **Blockchain platforms** thanks to custom and automation objects:



BENEFITS

- **Full visibility of goods**, reduction of manual errors and speed for shared documentation
- **Security** guarantees
- Exploitation of simplified **customs procedures** by exchanging information with and between customs administrations
- Automation, speed up of operations and **reduction of the risk** of not broken containers

Ongoing **pilot projects** Italy-Egypt, Italy-Morocco and Italy-Turkey in partnership with:



1921



Ignazio Messina & C.



Federative Services

Notarization & IFSTL

The Terminal Operating System generates the interchange document that is signed thanks to the notarization system



ID	Palone	Prodotto	Posi	Area	Vegetore
TIPO	DESCRIZIONE	DESCRIZIONE	DESCRIZIONE	DESCRIZIONE	DESCRIZIONE
...
...
...
...
...
...
...
...
...

Also the transport company can sign the interchange document with the app



Ongoing pilot projects Italy-Egypt, Italy-Morocco and Italy-Turkey in partnership with:



1921



Ignazio Messina & C.

Federative Services

International Fast Secure Trade Lane (IFSTL)

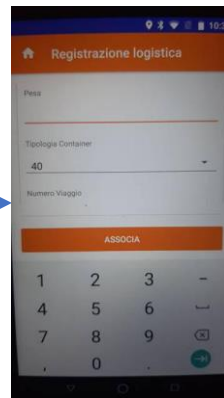
First complete pilot projects: Egypt, Morocco, Turkey export flow from EU and to Italy, summer 2021

1. eSeal RFID application on the container



Shipper
Freight
forwarder

2. APP registration



3. eSeal number entering in the B/L

Shipper*	SEA LOGISTIC/MI	Notify
1	[REDACTED]	1 AS CONSIGNEE
2	[REDACTED]	2
3	CICAGNA GE	3
4	[REDACTED]	4
5	[REDACTED]	5
6	[REDACTED]	6
7	[REDACTED]	7
8	[REDACTED]	8
9	[REDACTED]	9 E_SEAL 303030330
10	[REDACTED]	10
11	[REDACTED]	11
12	[REDACTED]	12
13	[REDACTED]	13
14	TEL. 002 01005654072	14
15	[REDACTED]	15

Consign*	VARI ALEXANDRIA
1	[REDACTED]
2	[REDACTED]
3	[REDACTED]
4	TEL. 002 01005654072
5	[REDACTED]

Shipping
Line

5. eSeal state check thanks to handheld device

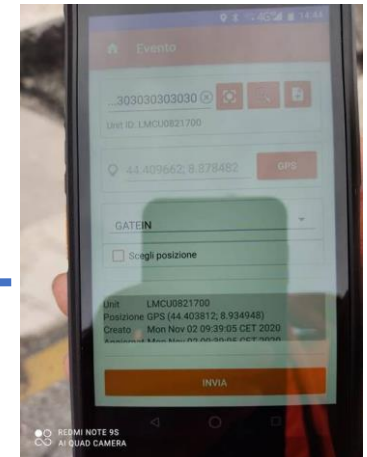


Egyptian
Terminal

4. eSeal state check thanks to handheld device



Italian
Terminal



Federative Services

Evolutionary Federative Services

● Ongoing development

● Available services

TARGETS

Shippers



Multimodal Transport Operators and Rail Companies



Freight Forwarders and Customs Operators



Port and Inland Terminals



F
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- Rail Track & Trace

- Edifact / Ediges engine

- Booking regarding intermodal rail transport

- Interchange Notarization

- International Fast & Secure Trade Lane

- International Fast & Secure Trade Lane

- Notarisation train wagon LDV

- Notarisation train wagon LDV

- Asset tracking

- Notarization - customs security document for SUDOCO

- IOT for terminal gate automation

- Semantic digital process automation

- Rail & Intermodal connector

- Best trucker selection

- Truck last mile & intermodal triangulation

- Green report

- Truck smart gate

- Federative Services: list & target

- International Fast & Secure Trade Lane

- Edifact / Ediges engine

- Asset tracking

- H30 / intermodal pre announcement / inland

Geographical expansion

International activities and projects

OBJECTIVES 2021 – 2024

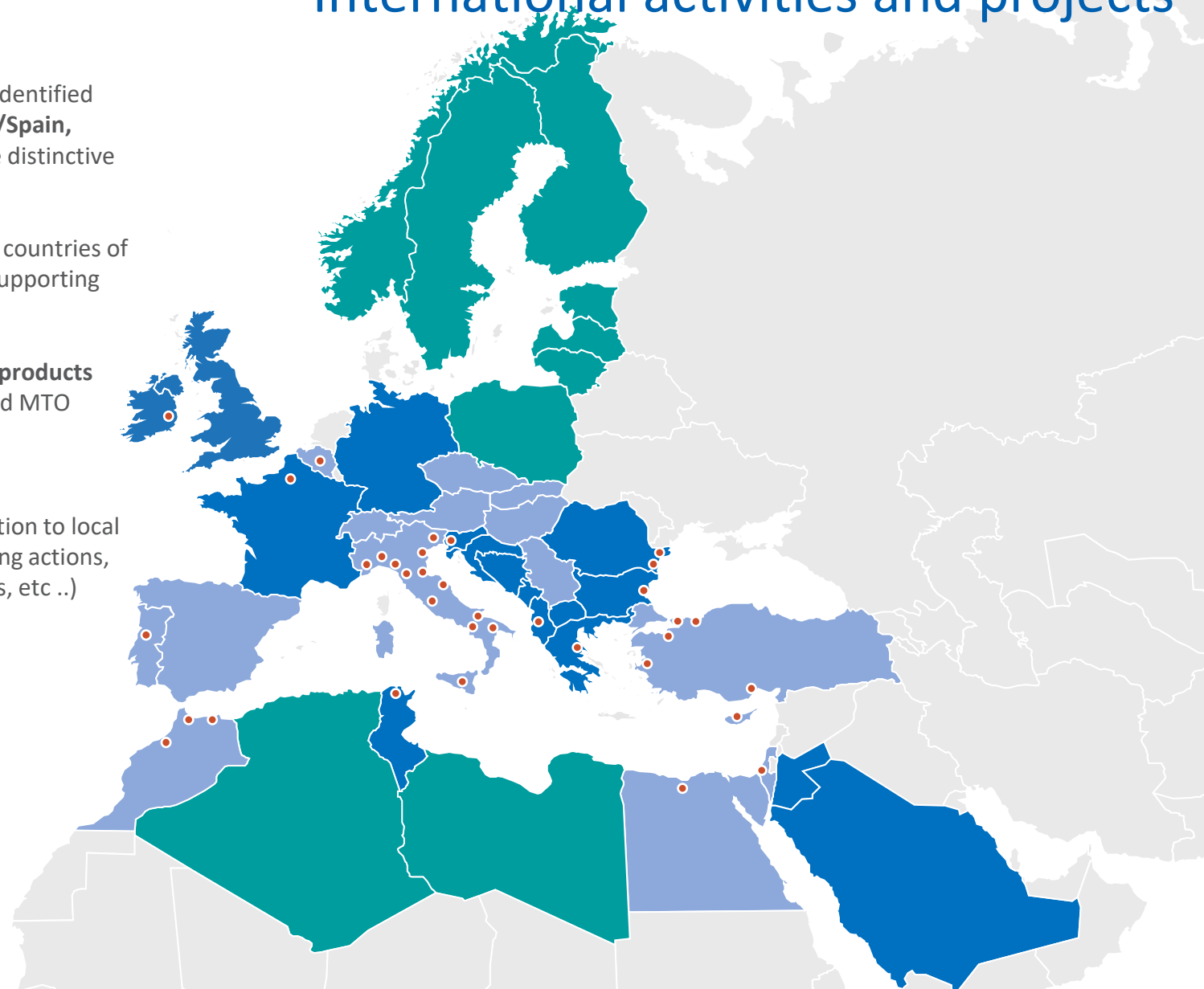
- Achievement of a presence in some identified **foreign markets (first of all Portugal/Spain, Morocco, Turkey)** comparable to the distinctive one we have in Italian market
- **Strengthen the alliance** in the target countries of insider and consultant / companies supporting the local penetration process
- 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 (20-22)*

■ *Ongoing preliminary project proposals and lead generation activities (end 22-23)*

● *Target countries for future developments (23-24)*

Clients / Projects



EU services evolution

2021-2024 roadmap



Docks the Future Network of Excellence

Exploitation of **Docks the Future Network of Excellence (NoE)**, launched in 2020 with the most innovative European ports (currently 17), aiming at achieving the port of the future related **EU Green Deal** targets by:

- promoting best practices and digital transformation
- implementing co-funded projects and supporting policy changes
- fostering the dialogue among international organisations



Advocacy & international presence

Strengthening of EU advocacy through:

- the reinforcement of the **Brussels Office**
- the presence in other **EU Mediterranean countries** (M&A)

to consolidate the market positioning of the EU Projects Anticipation and EU Branding services



Next Generation EU

Exploitation of «**Next Generation EU**» funds dedicated to green, digital and resilient Europe (research and innovation and digital transitions) through:

- the well established Connecting EU Network of partners
- the reinforced international presence



Success stories

A selection of the most recent projects



More than 10 millions euro of EU funded projects managed in the last 10 years

Circle Connecting EU and Magellan

First goals of the Joint Venture

Contract for EU Commission in Portugal

Total* value: 1.8 million €

- Win of the tender to support European Commission Representation in Portugal for the provision of Events Management Services
- The contract will be concluded for a period of 12 months and is renewable 3 times* to a maximum of 48 months

PIONEERS international consortium

Value: 818.000 €

- Magellan Circle is in charge of “Cross cooperation, Communication & Dissemination”
- Aimed at reducing GHG emissions in ports, the project has obtained EUR 25 million investment as part of the European Green Deal Horizon 2020 program
- The contract has a duration of 5 years

Setting up the new LEADER middle player in EU consultancy

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)

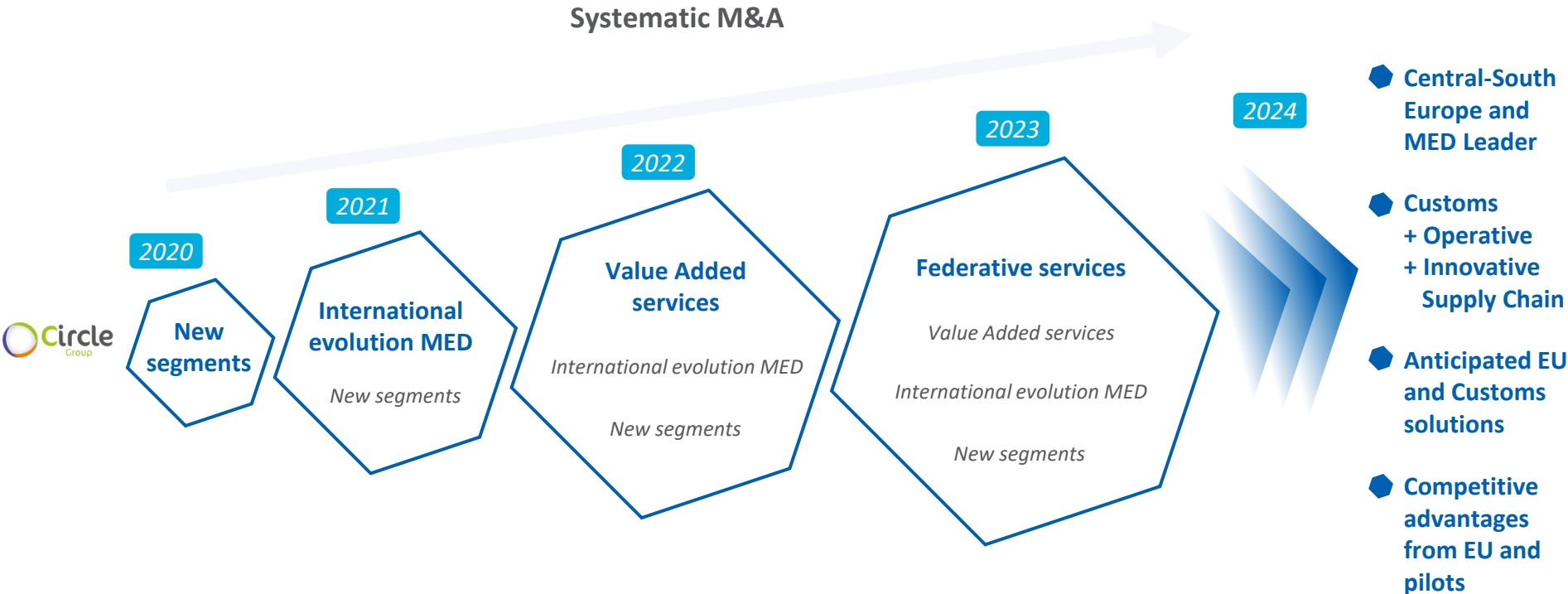


Exploitation at EU level + Next Generation EU

M&A –Joint venture - Strategic Alliances

TARGET	TYPE	ADVANTAGED
Log@Sea	Joint Venture evolution	<ul style="list-style-type: none"> • Exploitation Focus on GATE AUTOMATION,with native integration with Milos® & Sinfomar®; • Target scope: main terminal and ports (MED, central Europe)
Magellan	M&A	<ul style="list-style-type: none"> • EU services / lobby and international presence
Circle Group-Maps	Alliance	<ul style="list-style-type: none"> • Exploitation - Digitalisation + Artificial Intelligence focused on Supply Chain
Circle Group-Expert	Alliance	<ul style="list-style-type: none"> • Exploitation Digitalisation + Semantic Robotic Intelligence focused on Supply Chain
TARGET 5	M&A and Alliance	<ul style="list-style-type: none"> • Complementary solution and targets (freight forwarders and shippers) with MasterSPED® native integration
TARGET 6	M&A or Joint Venture	<ul style="list-style-type: none"> • Complementary solutions covering geographical areas different from those covered by Circle Group
TARGET 7	M&A or Alliance	<ul style="list-style-type: none"> • Federatives services between Shippers, Ports, Terminals

Business Goals



CONNECT 4 AGILE GROWTH

Financial focus & stock growth



Production date: October 4, 2021 - h 18:30 Publishing date: October 5, 2021 - h 7:00

CIRCLE Italy **FTSE AIM Italia** **Engineering**
Rating: BUY (unch.) **Target Price: Euro 5.1 (from 4A.3)** **Risk: Medium**

Stock performance	1M	3M	6M	1Y
absolute	-1.54%	17.07%	30.61%	25.09%
to FTSE AIM Italia	3.14%	8.78%	4.87%	-28.12%
to FTSE STAR Italia	5.87%	13.08%	12.26%	-12.93%
to FTSE All-Share	0.78%	16.18%	26.90%	2.46%
to FTSE Small Cap Italy	2.89%	13.39%	15.84%	-17.40%

Stocks performance relative to FTSE AIM Italia



Stock Data

Price	€ 3.94
Target price	€ 5.10
Upside/(Downside) potential	32.86%
Bloomberg Code	CIRC:IM EQUITY
Market Cap (Crmln)	15.5
EV (Crmln)	14.8
Free Float	20.24%
Share Outstanding	4,036,495
52-week high	€ 4.40
52-week low	€ 2.60
Average daily volumes (1m)	45,200

Key Financials (€ mln)	FY20A	FY21E	FY22E	FY23E
Value of Production	7.5	8.5	11.0	13.9
EBITDA	0.7	1.8	2.1	2.9
EBIT	0.0	0.6	1.3	1.9
Net Profit	0.0	0.5	0.8	1.3
EPS (€)	0.01	0.12	0.30	0.53
EBITDA margin	8.9%	15.1%	19.1%	21.1%
EBIT margin	0.5%	7.0%	11.0%	18.7%

Main Ratios	FY20A	FY21E	FY22E	FY23E
EV/EBITDA (x)	22.4	11.6	7.1	5.1
EV/EBIT (x)	371.1	24.9	12.2	7.8
P/E (x)	594.7	32.4	18.8	11.6

Analyst's Summary
 +98 02 87208 703

3H21 Results

The results of the 3H21 are positive and able to support our estimates for FY21. The performance appears even more significant if read in the light of the global pandemic that, in fact, slowed down the international trade of goods even in 3H21. The value of production grew by 31% YoY to € 4.2 million (€ 3.2 million in 3H20), thanks also to the actions of constant implementation of the synergies generated with the subsidiary Infolera and Prigerto Adele. Thanks to the continuous search for efficiency, EBITDA has grown more than proportionally compared to turnover: 86% YoY at € 0.74 million (from € 0.4 million in 3H20). The active NPV (cash) is equal to € 2.3 million (cash for € 0.6 million as of December 31, 2020) after investments in product development as well as M&A activities for € 0.45, thanks also to the capital increase of May 27.

2021-24E forecasts

Following the events after the closure of 3H21 mentioned above, we have updated our estimates for 2023-24E, while we have left those for 2021-22E unchanged. Our estimate foresees a GDP 2023-24E of the value of production of 18.0%. Thanks to the optimization of the structure, we believe that the performance of EBITDA can be significantly higher (23.3%) with the EBITDA margin at 23.0% in 2024E (from 8.9% in 2020A). We are convinced that the increased Intangible Investments satisfied over the last two years and the agreement with Magellan will be able to support growth and allow the objectives of the plan to be achieved. Currently, our model does not reflect any assumptions regarding any further M&A operations.

Valuation Update

We have based our valuation estimates using the multiples method and the DCF. As for the method of valuation of multiples, we used a group of companies operating in the same sector as Circle, but with a greater market capitalization. For this reason, we have applied a 25% Market Cap discount. The discounted equity value resulting from this method is approximately € 31.6 million. The arithmetic average between the DCF method and the multiple evaluation method is equal to € 20.4 million. **Valuation:** target price at € 5.1 (from € 4.3 adjusted for the number of shares after capital increase per share, rating Buy and Medium risk, unchanged).



• «Free allocation of shares» - 1 free stock each 10 - May 20th, 2019

• Buy back – 17.160 shares

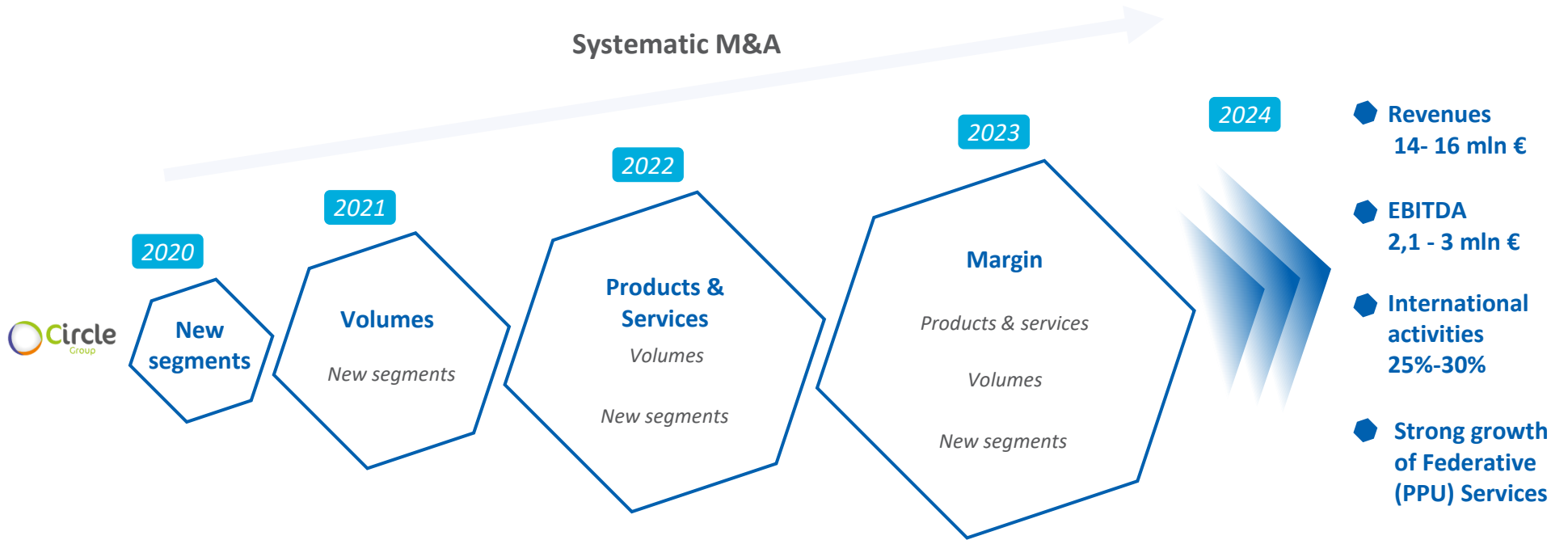
• Circle is an innovative SME

• Average monthly volume (from IPO) around € 500.000

^ stock price at September 30th

Upside from IPO	Target Prices	Upside Opportunity
+78%^	5,1 / 5,23	From +30% to +34%

Financial Goals



CONNECT 4 AGILE GROWTH

Contact

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