



# *CONNECT 4 AGILE GROWTH*

*November, 28<sup>th</sup> 2023*  
*INVESTOR PRESENTATION*

# CIRCLE Group overview

## Highlights

**CIRCLE Group** is an international player specialised in the analysis and development of **innovative digitization solutions** for port and intermodal logistics and in **international consultancy** with focus on **Green Deal** and **energy transition** headed by CIRCLE S.p.A.

Since

**October 2018**

listed on Euronext Growth Milan

**More than 30%**

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

**110\***

direct employees and a network of professionals

### Main products

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

**Sinfomar**: extended Port Community System connecting all players & processes involved in port

**MasterSped®**: evolutive platform for customs operators

**Federative Services, TAP & GSCV solutions**

**StarTracking®**: airport-to-airport tracking solution with real-time status updates

### EU Affairs Consultancy

**EU Funding Accelerator**: developing successful applications for funding

**Strategic Communication and Advocacy**: Visual and Brand Identity, Web Design, Social Media Management, Events, PR/Press, Roadshows

**International Consultancy**: policy making and strategic technical orientations in the port, maritime and transport field

### 5 successful M&As since end of 2017

**51% of Info.Era**, specialised in software development with experience in the port sector through 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 MagellanCircle**, advocacy services towards European institutions

**51% of Cargo Start**, Innovative Start-up providing innovative technological products and services for operators of the air cargo field.

**Revenues € 10.9 mln**  
**(+17% vs 2021)**

**Ebitda: € 2 m**

**Ebitda Margin: 18%**

**Circle Net Profit: € 0.83 m**

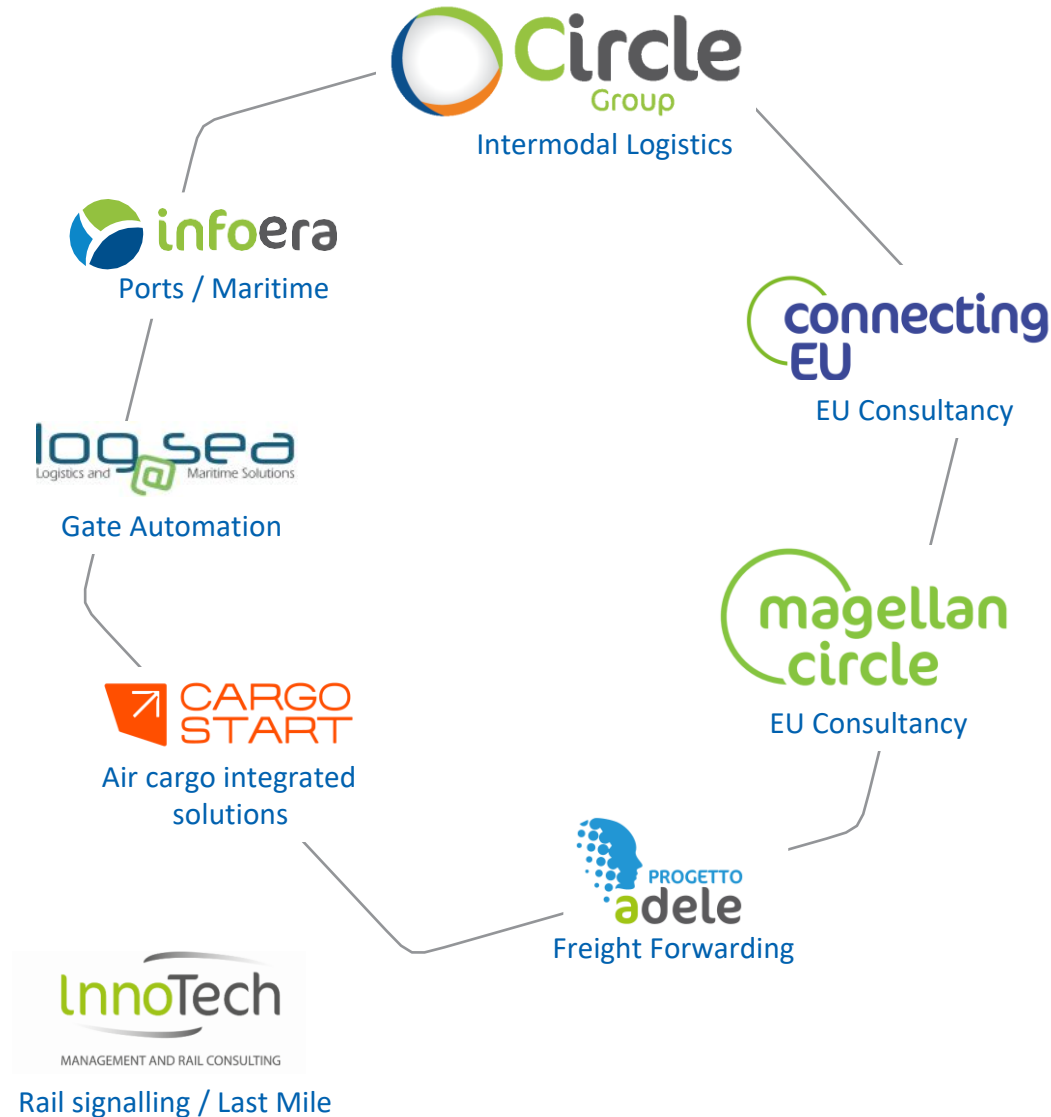
**NFP ADJ: € 2.9 mln (cash € 1.8 m)**

*Financial Year 2022*

*\*October 2023*

# Corporate overview

## Group Structure



Optimisation



Rail undertaking solutions



Digital Transport Document (e-CMR)



CPM & Digital Twin



Operative Human Resources



IT networking, security and Infrastructure as a Service (IaaS)



Hydrogen Decarbonisation

Complementary technologies / business

# Connect 4 Agile Growth to a Federated Supply Chain




**International Transport Regulations, Standards & Innovative projects**

**eFTI Compliance**

**TAF TSI Standards**

**eCRM**

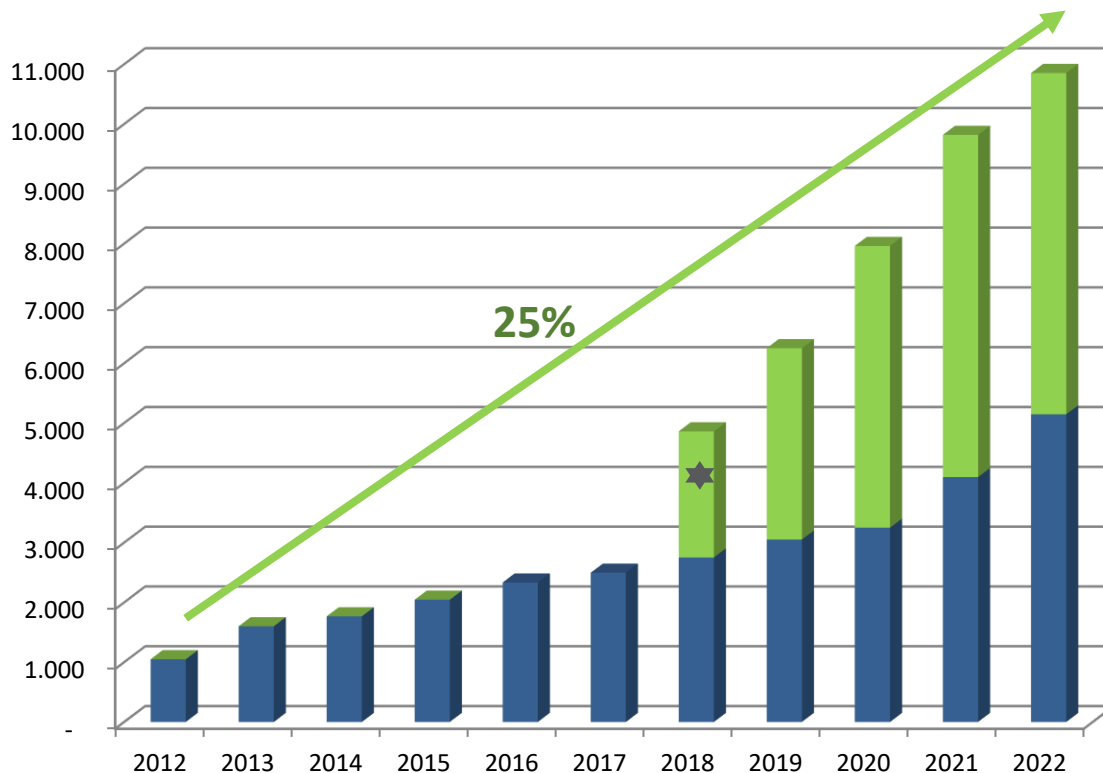
**International Fast & Secure Trade Lane**



**European Affairs Consultancy**  
 Supporting Public and Private entities in business development through international visibility and EU funds.

# Financials: 2012-2022 Group revenues

Group Revenues	
2022	€ 10.9 mln

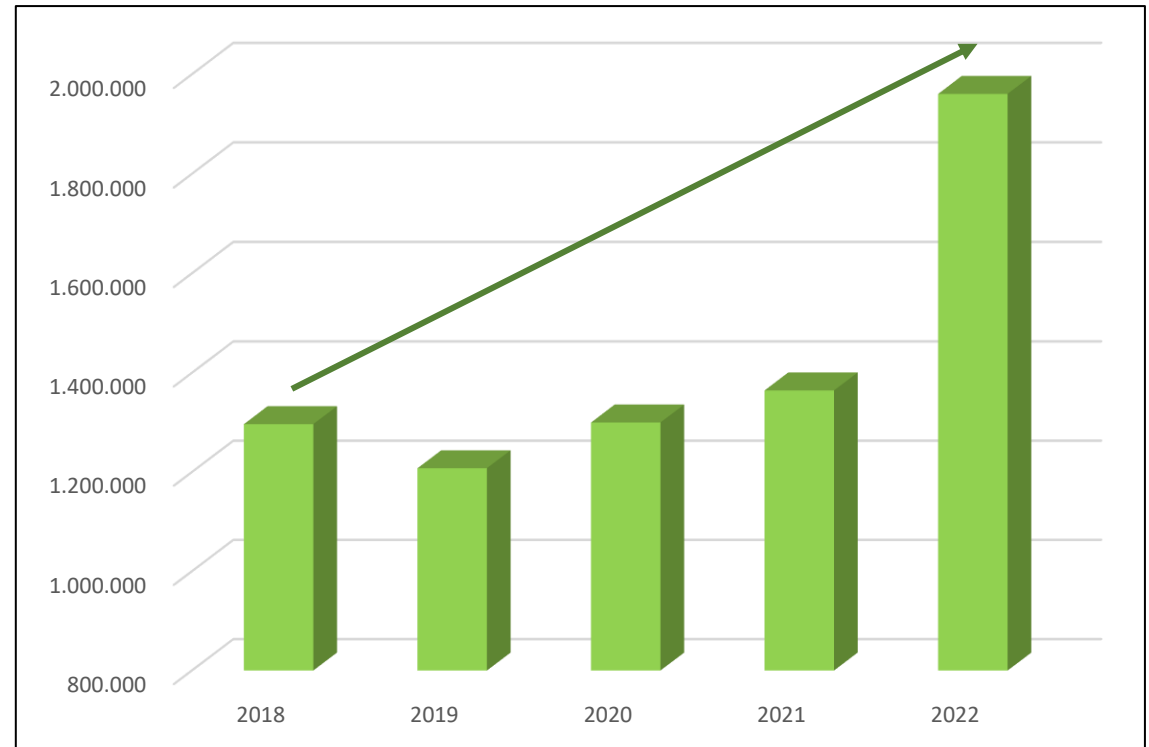


★ Green numbers are related to Systematic M&A; Info.era (acquisition 01.01.2018), Progetto Adele (acquisition 01.08.2019), Log@Sea (51% defined July 2020), MagellanCircle (51% at 31.05.22), CargoStart (51% at end 2022 – revenues not consolidated yet)

# Financials: 2018-2022 Group EBITDA

Group EBITDA	
2022	€ 2 mln

EBITDA margin 2022: 18%

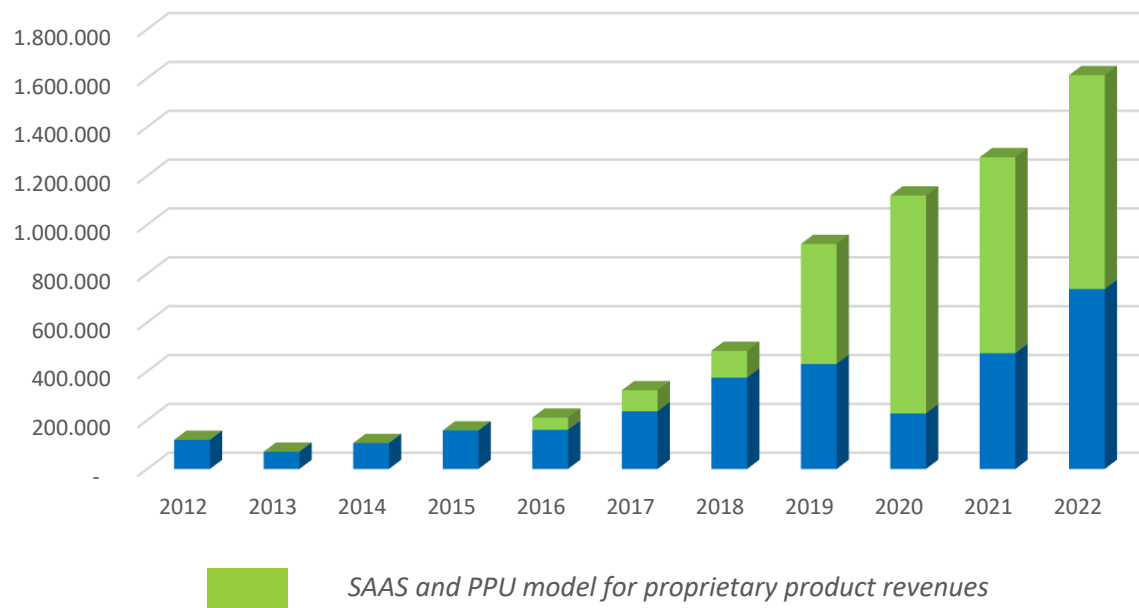


\*2019-2020-2021 Adjusted EBITDA



# Products: revenues evolution 2022

### Proprietary platforms revenues



2022 vs 2021	
Proprietary Platform Revenues (first of all MILOS®)	MILOS® <b>+25%</b>

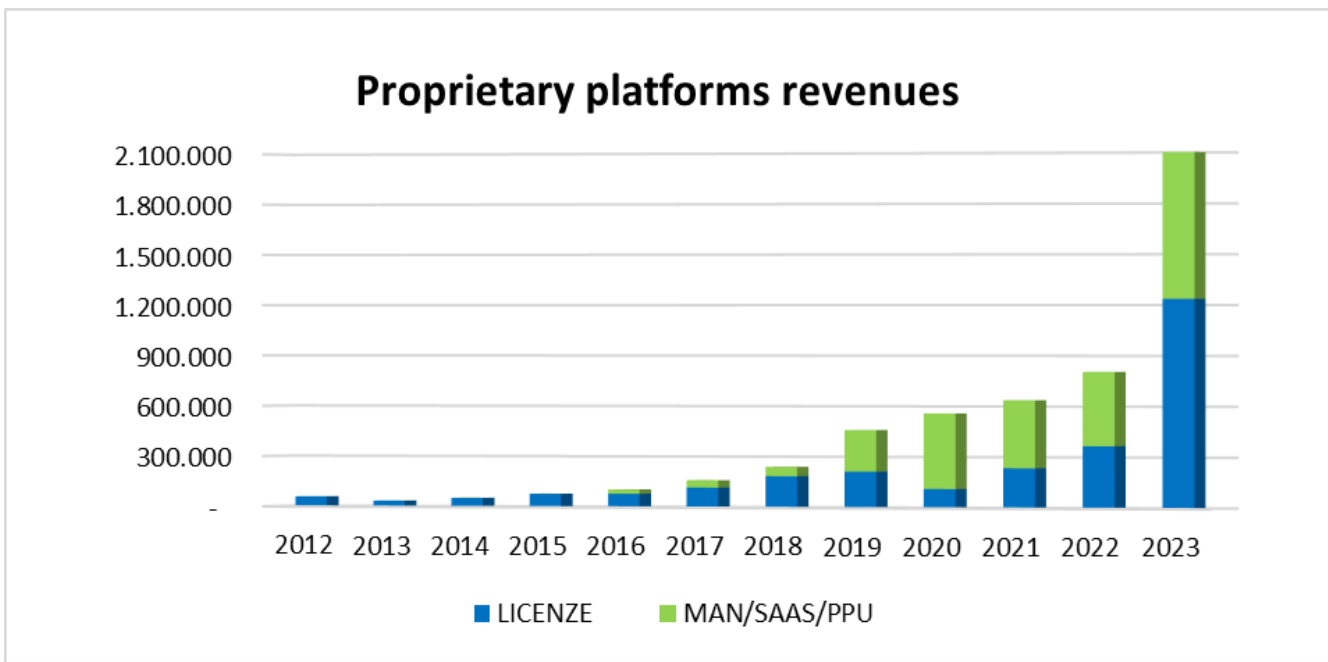
# CIRCLE Group H1 2023

	30/06/2023	Var %
CIRCLE Group revenues	€ 7.2 mln	+37%
Proprietary software products	€ 2 mln	+145%
Milos Federative Services	€ 0.5 mln	+387%
CIRCLE S.p.A. revenues	€ 3.9 mln	+64%
EBITDA	€ 2 mln	+128%
EBIT	€ 1.51 mln	+244%
Net profit	€ 1.13 mln	+226%

***Cash + NFP (cash positive) = € 2 mln + EU credit € 1.8 mln = NFP adjusted € 3.8 mln***

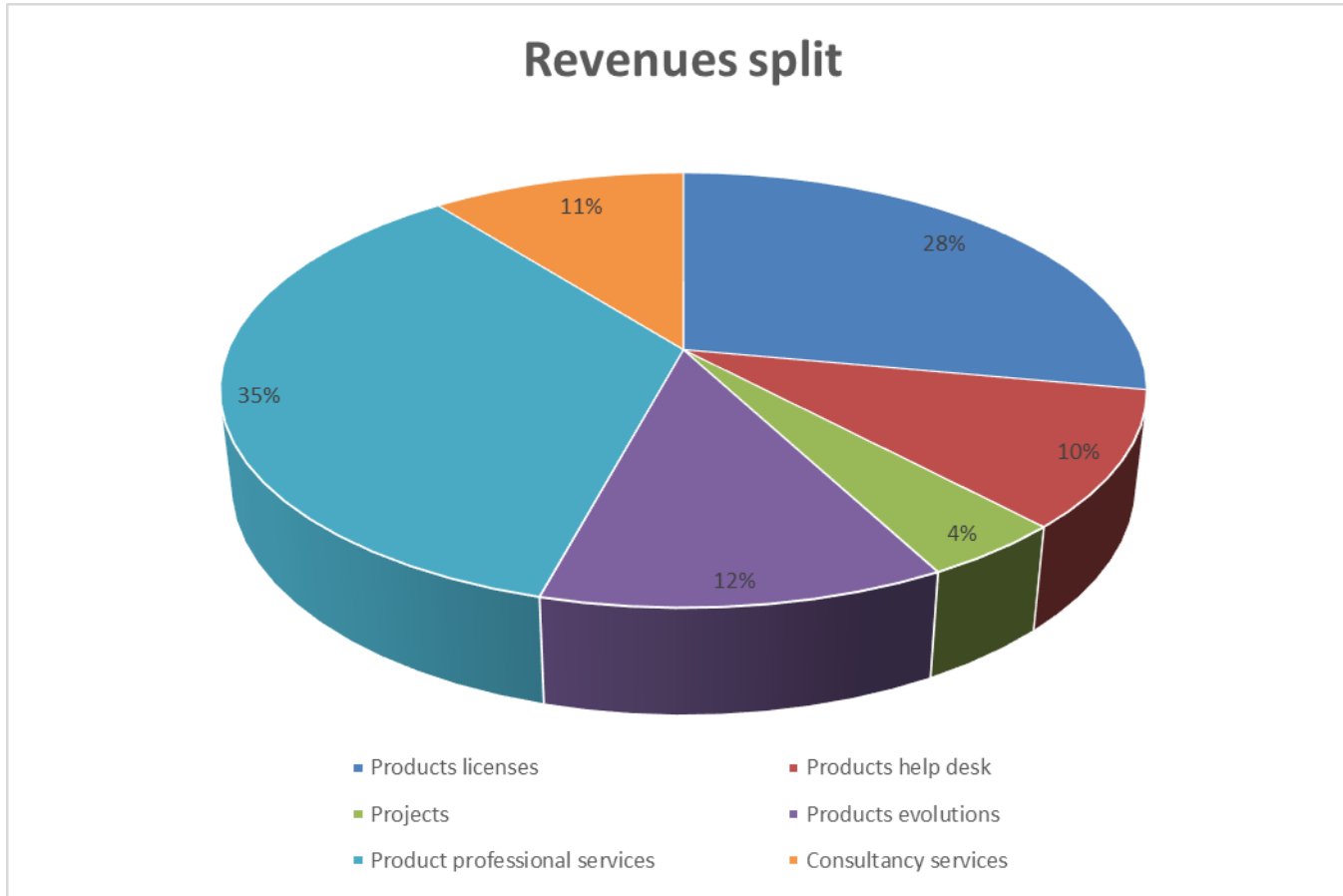


# Products: revenues evolution H1 23



H1 2023 vs H1 2022	
Proprietary Platform Revenues (first of all MILOS®)	MILOS® <b>+145%</b>

# Detailed revenues split: H1 2023



# CIRCLE Group Financial Highlights Q3 2023

	30/09/2023	Var %
CIRCLE Group revenues	€ 9.3 mln	+27 %
Proprietary software products	€ 2.6 mln	+131 %
Milos <sup>®</sup> Federative Services	€ 0.7 mln	+ 357%
CIRCLE S.p.A. revenues	€ 4.6 mln	+ 36%



# *Optimisation & Artificial Intelligence*

# Strategic guidelines

## Development Plan

### PRODUCT EVOLUTION

- Milos® (Global Supply Chain Visibility) for Manufacturing 4.0 & Customs 2026 & Multimodal optimized Supply Chain with Optimisation, AI & Blockchain

### NEXT GENERATION EU

- 2026 EU investments
- GREEN DEAL roadmap
- DIGITAL & GREEN VIRTUOUS LOOP

### GEOGRAPHICAL EXPANSION

- Med identified countries
- Central Europe
- Middle East area
- Baltic Region

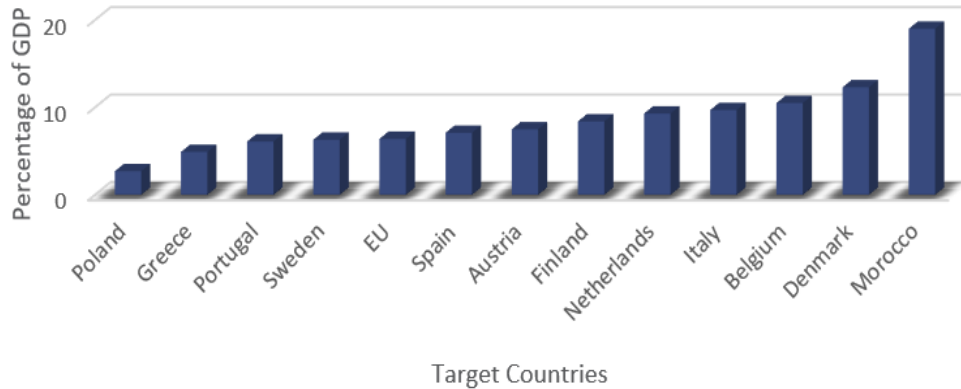
### SYSTEMATIC M&As & STRATEGIC ALLIANCES

in complementary services and technologies and geographical focus markets

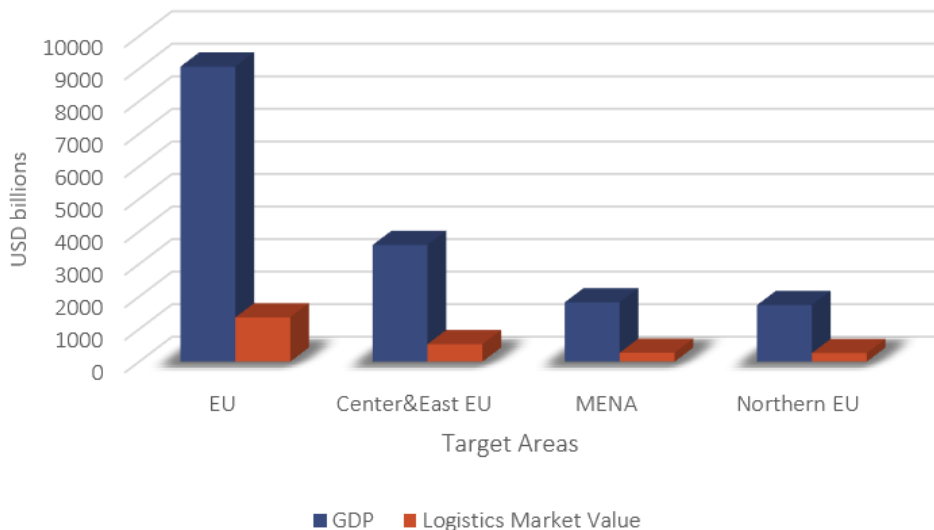
## Connect 4 Agile Growth

# Market size: segments & geography

Logistics as percentage of GDP



GDP and Logistic Market Values



CIRCLE Group's  
potential market size  
(worldwide)  
≈ €3,6 bln

CIRCLE Group's  
potential market  
size (to 2026)  
≈ €1.5 bln

# Optimisation & A.I.

◆ Ongoing Projects

SIMULATION & DIGITAL TWIN

OPTIMIZATION

ARTIFICIAL INTELLIGENCE

SYNCHROMOD

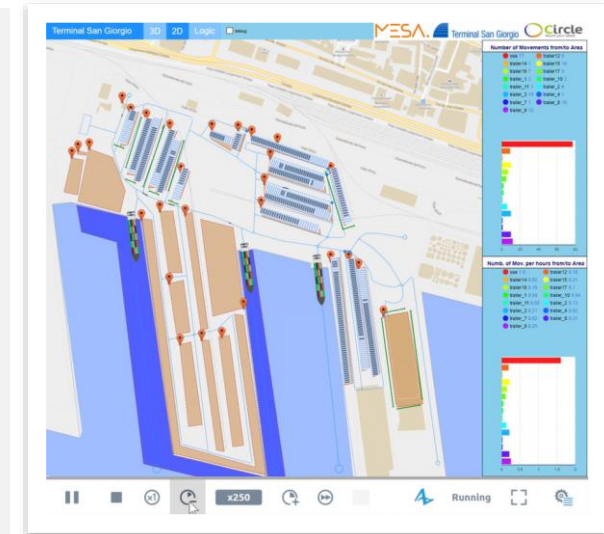
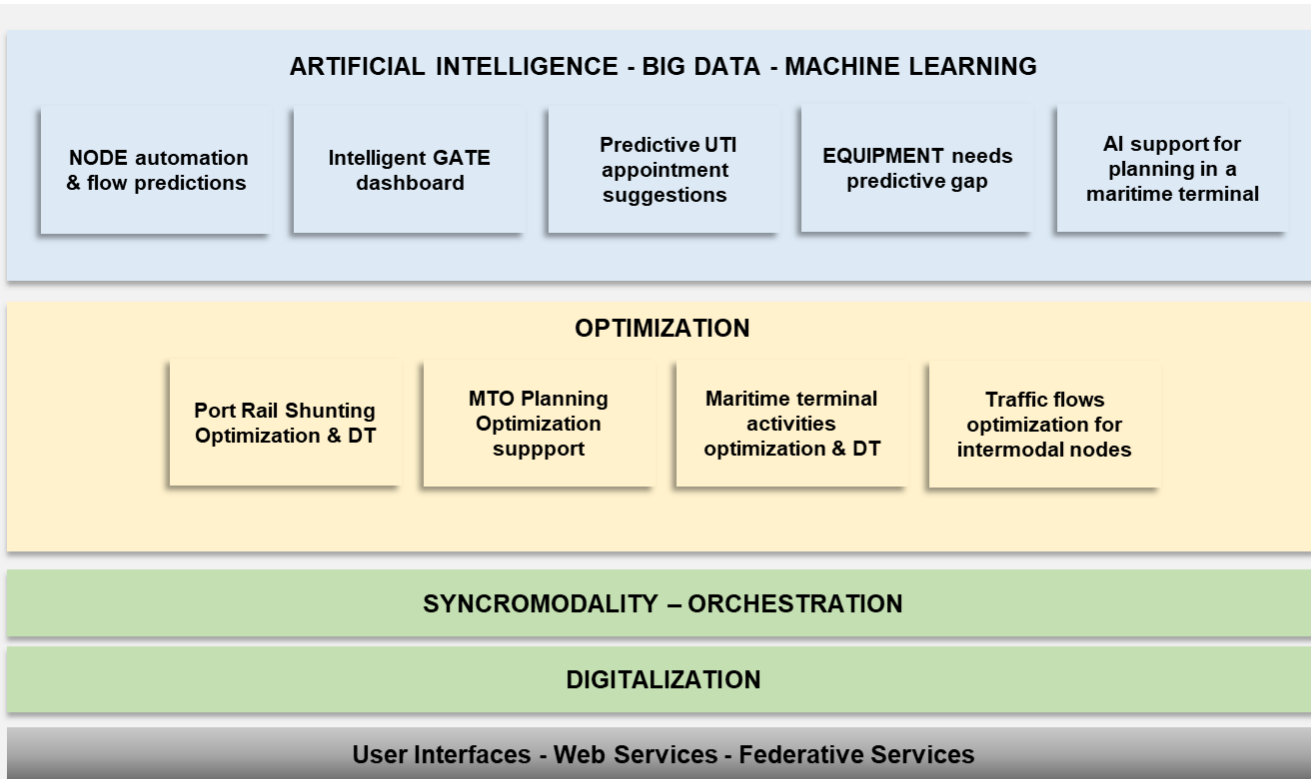


TULIP - Terminal and mUltimodal Logistic Innovations for the Port and hinterland environment

# Rail & Multimodal Last Mile



## AI - Optimization - Syncromodal Platforms & Services



### USERS





# Rail & Multimodal Last Mile

## MTO triangulation

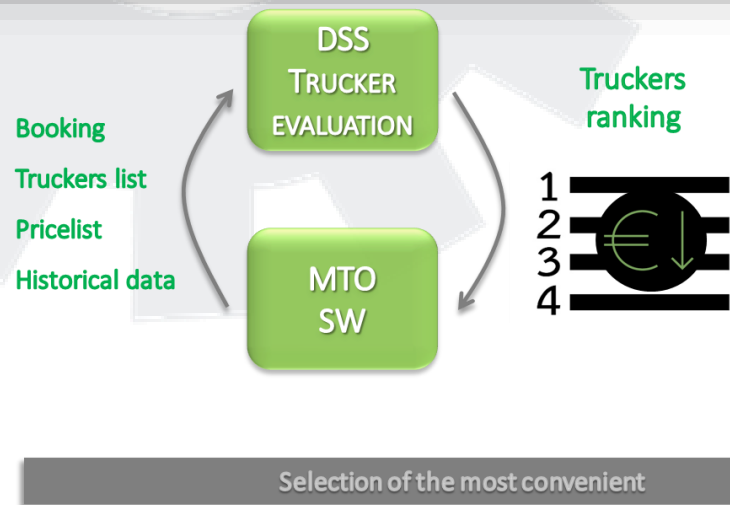


MULTIMODAL TRANSPORT OPERATIONS

TRUCK TRIANGULATION

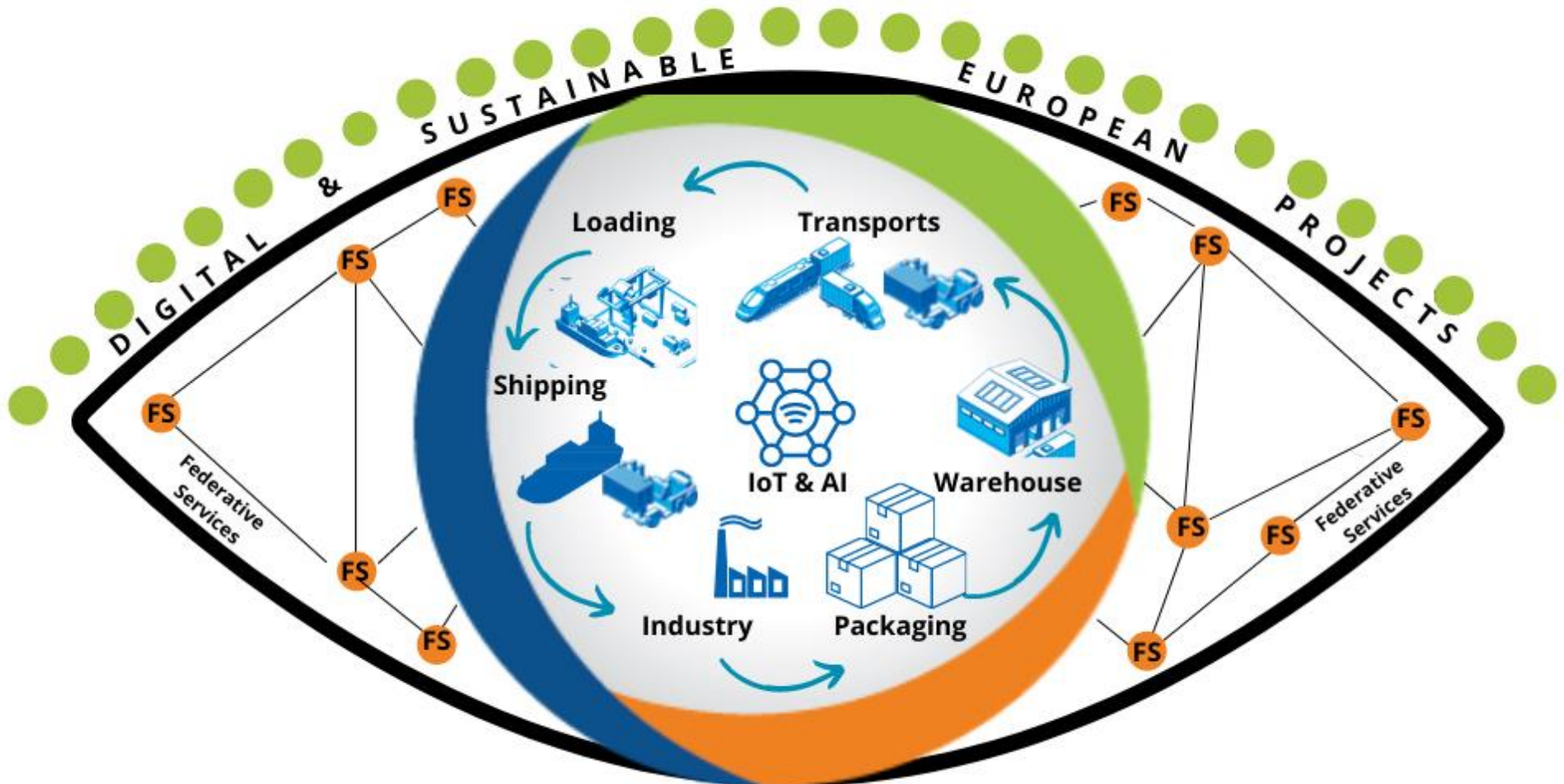
The screenshot displays the 'MTO SUITE' interface for 'Required Voyages Management'. It includes a search form with fields for Client, Operation, Date cargo from, Date cargo to, Date train from, Date train to, and Date unloading. Below the form is a table titled 'LISTA OPERAZIONI' with columns for OPERAZIONE, REF. ESTERNO, N. REF. BOOKING, REF. TRACCI, REF. CARRIER, TAX, CLIENTE, UFF, TIPO, DATA DATA, LUOGO, TRASPORTATORE, DATA Y, TIPOLOGIA, and NOTE. A callout box on the right, labeled 'Customer warehouses specifics', shows a detailed view of 'Orario Apertura' (08:00) and 'Orario Chiusura' (17:00), along with 'Tempo Carico (h:mm:ss)', 'Tempo Scarico (h:mm:ss)', 'Tipo Mezzo Carico', and 'Tipo Mezzo Scarico'.

Customer warehouses specifics



# Global Supply Chain Visibility

Concept and megatrends



Milos® GSCV

# 5.0 Eco System



Look at the  
Future:  
across Supply  
Chain 5.0



[www.circlegroup.eu](http://www.circlegroup.eu)

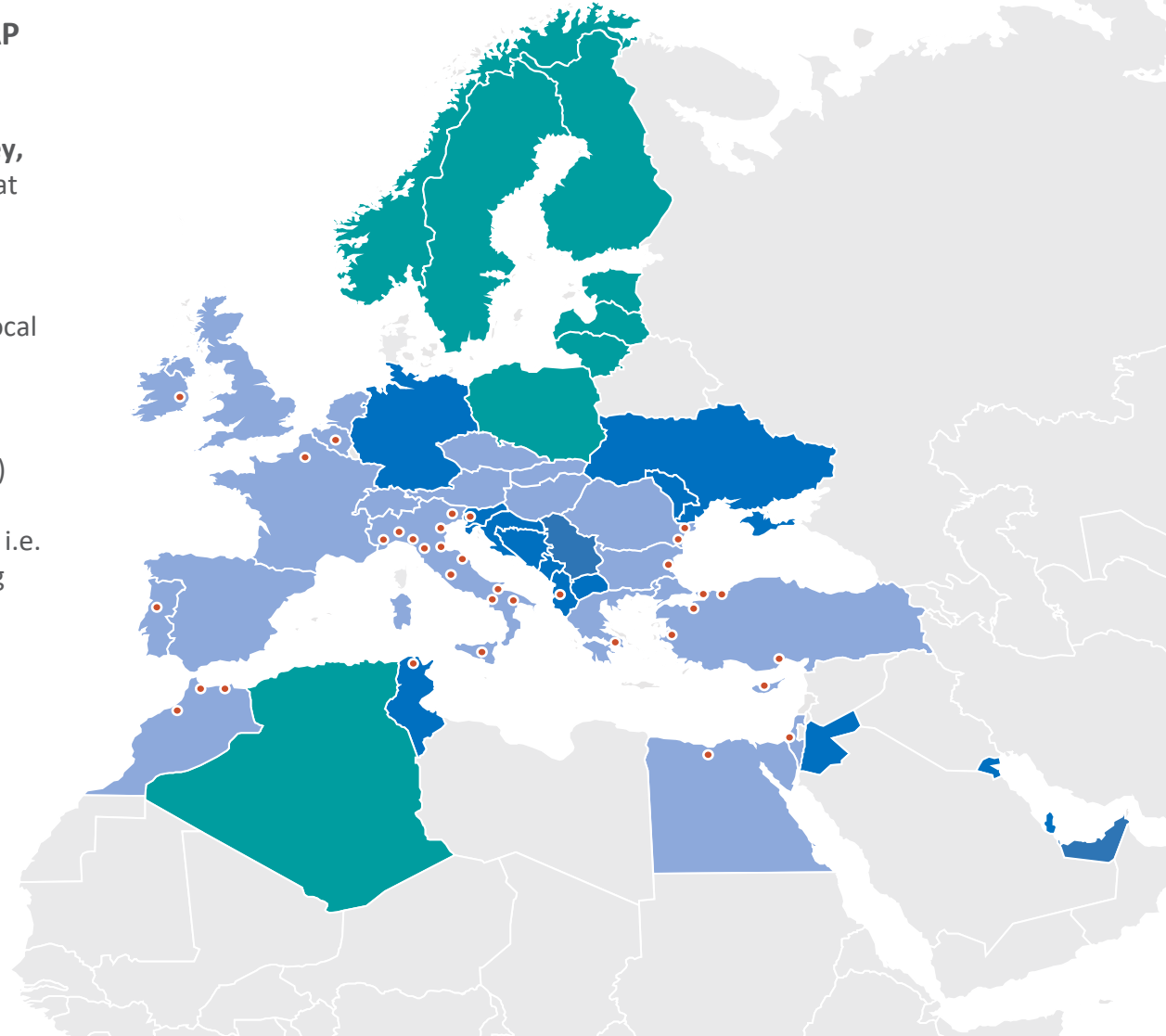
# Geographical Expansion

## International Activities & Projects

### 2024 «CONNECT 4 AGILE GROWTH» ROADMAP

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

- *Ongoing projects*
- *Preliminary project proposals and lead generation activities (2023-2024)*
- *Countries for future developments (2024-2026)*
- *Ports Clients/Projects*



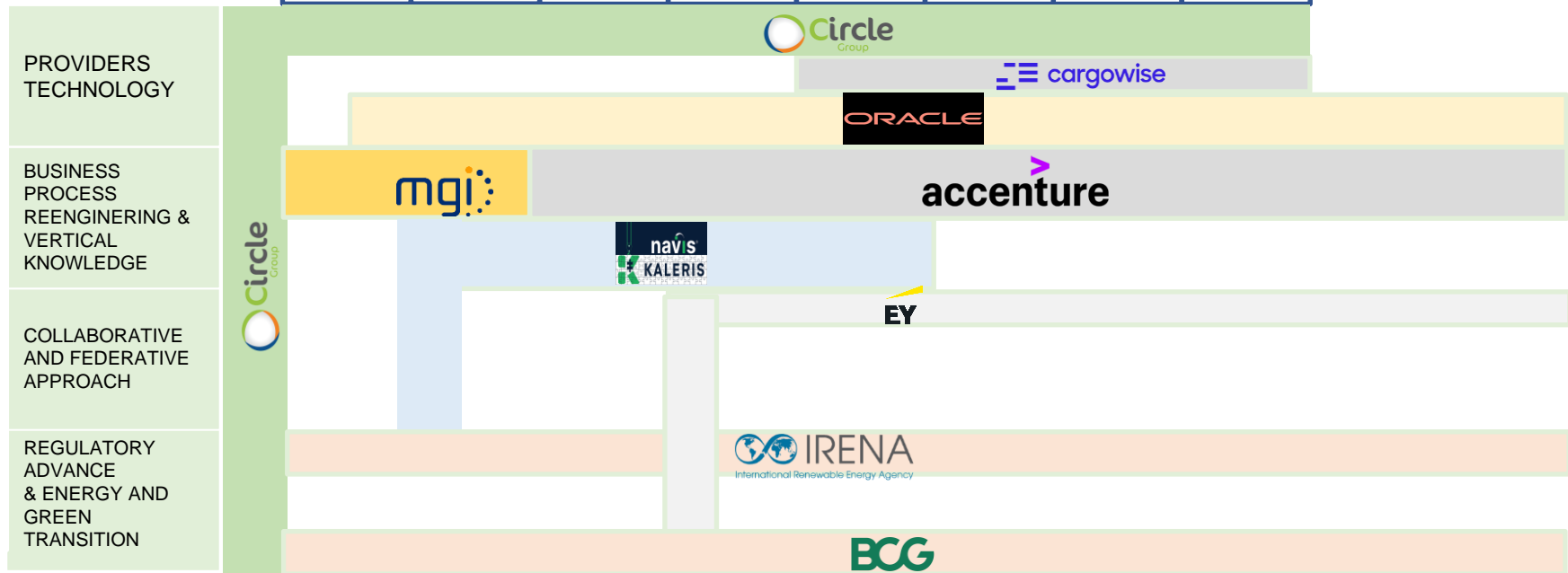
# Positioning

## Distinctive positioning and competition

### SECTORS

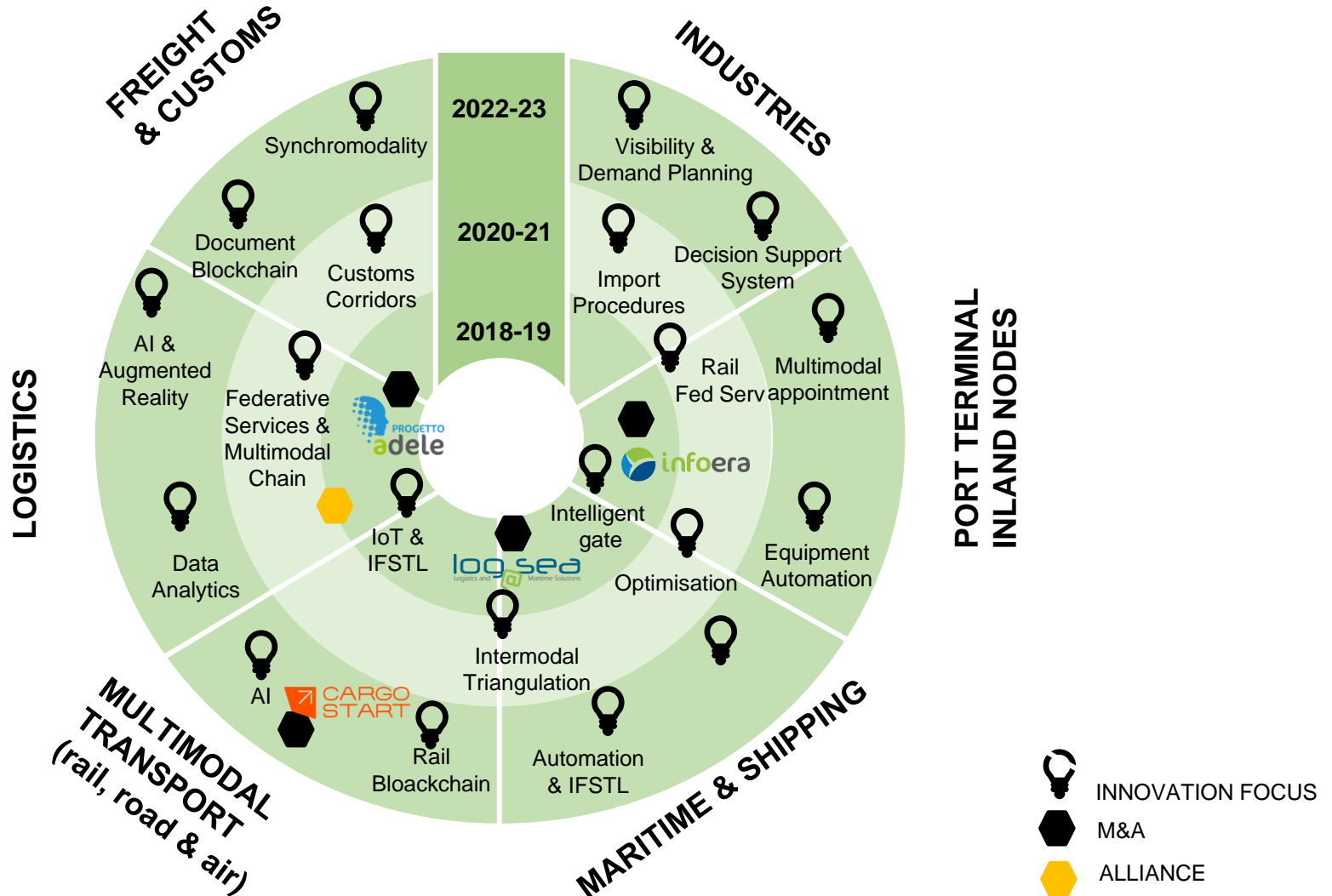
SUPPLY CHAIN SECTOR								OTHER SECTORS
PORT MARITIME	TERMINAL MARITIME & INLAND	RAIL & MTO	ROAD	INDUSTRY & LOGISTIC	AIR	CUSTOMS	FREIGHT FORWARDERS	

### TYPE OF BUSINESS



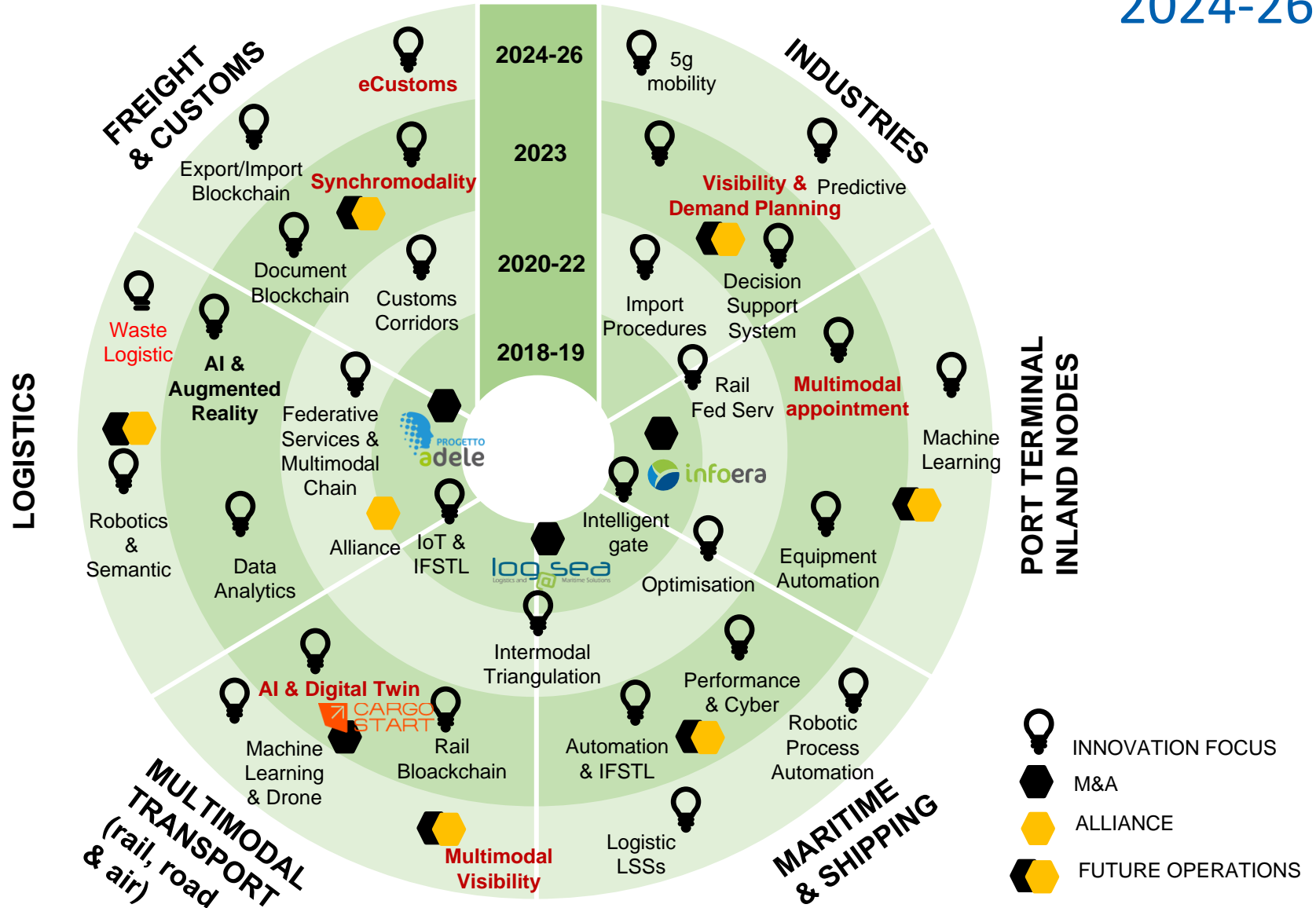
# M&As, Alliances, Innovation focuses

2018-23

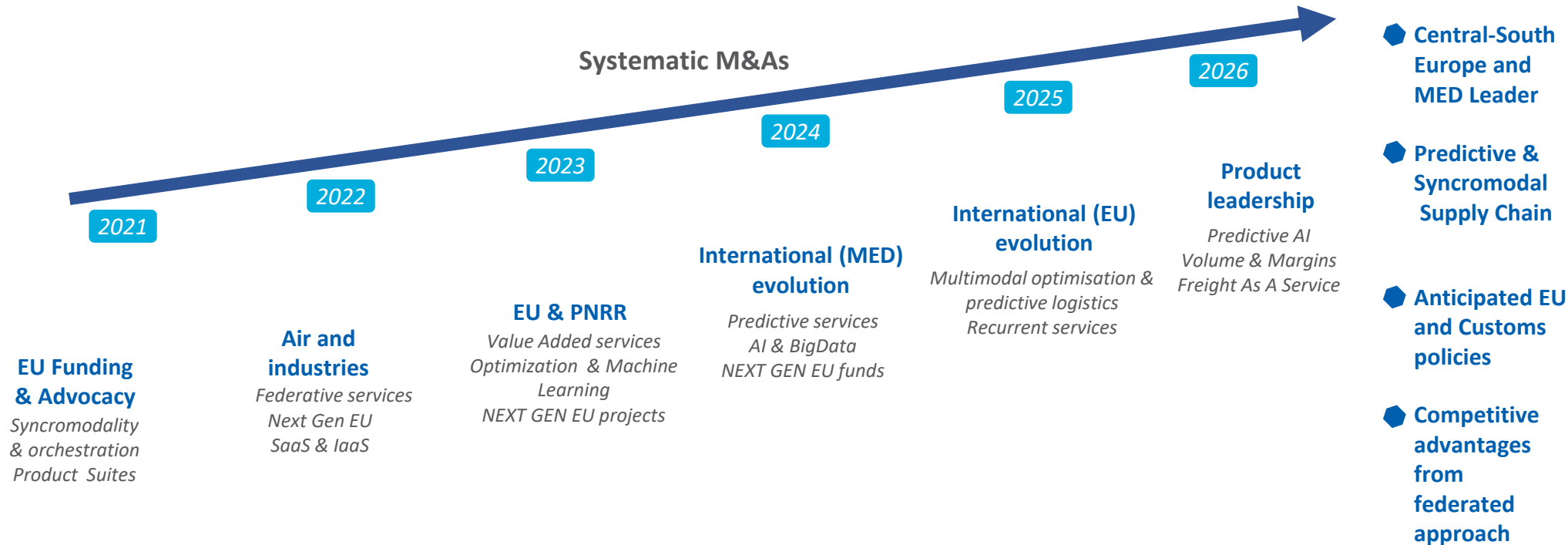


# M&As, Alliances, Innovation focuses

2024-26



# Business Goals 2026



## Connect 4 Agile Growth



# Financial focus & stock growth

## Circle

Euronext Growth Milan | Engineering | Italy

Production 06/10/2023, h. 06:30 pm  
Published 09/10/2023, h. 07:00 am

Rating  
**BUY**  
unchanged

Risk  
Medium

Upside potential  
**19,4%**

Key Financials (€/mln)	FY22A	FY23E	FY24E	FY25E
Value of Production	10,9	14,6	17,1	19,9
EBITDA	2,0	3,1	3,8	4,6
EBIT	1,0	2,1	2,7	3,5
Net Income	0,8	1,6	2,1	2,6

### Stocks performance relative to FTSE Italia Growth

Target Price  
**€ 7,70**  
prev. € 6,70

Stock Data	Value
Price	€ 6,45
Target price	€ 7,70
Upside/(Downside) potential	19,4%
Ticker	CIRC IM
Market Cap (€/mln)	€ 25,97
EV (€/mln)	€ 23,09
Free Float	37,38%

ValueTrack | Thematic Report | 11 October 2023

## Euronext Growth Milan

### 1H23 Earnings Season

Research Team  
Tel: +39 02 808804  
info@value-track.com

FTSE Italia Growth 8,080  
Mkt Cap (tbn) 8,0

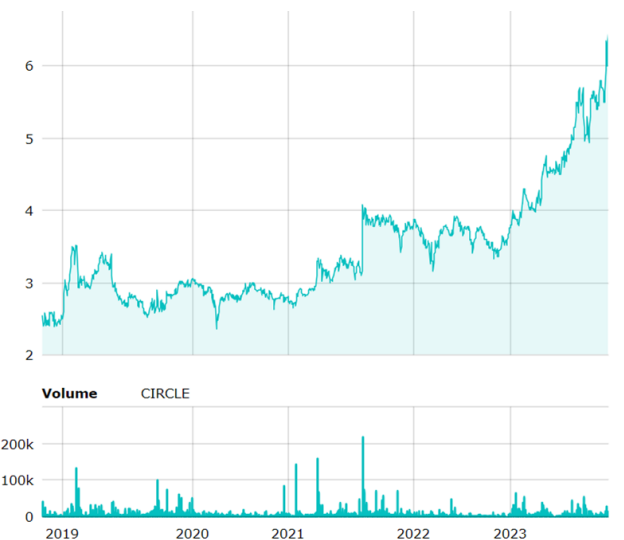
**About ValueTrack**  
ValueTrack is a capital markets and corporate finance firm focused on mid-small cap offering a wide range of services: Advisory, Equity, Debt Research, Investor Access. Our research is available on ValueTrack and Borsa Italiana websites, Bloomberg, FactSet, Thomson Reuters, S&P Capital IQ.

**Top line up, profits down y/y, net debt worsening**  
EGM companies' 1H23 results describe a rather subdued scenario marked by a substantial deceleration in growth, stemming from a deteriorating macroeconomic environment.  
Delving into numbers, in 1H23 our EGM non-financial firms sample recorded aggregate Top line up +8.1% y/y, but Net Profit down ca. -35% y/y, and Net Debt worsening by more than €100mn compared to December 2022.

**Homogeneity among sectors, top-down trends faded**  
From a sector standpoint, the aforementioned trend appears to be relatively homogeneous across the various sectors. However, noteworthy exceptions emerge in the Energy and Media sectors, which exhibited growth rates below average. Conversely, the Industrial Goods sector has outperformed in terms of profit margins, but sustainability ahead is a question mark.  
We also note that, with respect to 2022, the fastest growing companies no longer share a common top-down driver (e.g. fiscal bonuses and / or NRRFP).

**Still, polarization happens at company level (and peaks!)**  
Polarization between best and worst companies is growing. Indeed, in 1H23 ca. 34% of the companies in the sample reported Net losses and some 70% posted negative free cash flow. In the current "higher for longer" interest rate scenario this might be a problem for companies with weak balance sheets.  
Last but not least, we note that analyzing current market consensus on P/E ratios figures, a significant fraction of EGM companies (probably over 60%) might face a risk of downwards estimates (see...).

**Top performers**  
These names that recorded the strongest 1H23 figures in our view are: **Alpi, Almacant, Altea Green Power, Circle, Camal, Ciberno, D&L, Easystem, Fao Technology, HNTT, NVP, Officina Stellare, Olycom, PowerSoft**. Many of these companies should keep granting a healthy "margin of safety" given their exposure to noteworthy sectors.



- «Free allocation of shares» - 1 free stock each 10 - May 20<sup>th</sup>, 2019
- Buy back - now 25.740 own shares (0.64%)
- **CIRCLE is an Innovative SME**
- Average monthly volume (from IPO) around € 700.000 (last months more than € 1 mln)

Upside from IPO	Target Price	Upside Opportunity
<b>+176%*</b>	<b>7,7</b>	<b>+31%</b>

\*Stock price at November 16<sup>th</sup>, 2023

# Contacts

## Genoa

Piazza Borgo Pila 40  
16129 Genoa - ITALY  
[info@circletouch.eu](mailto:info@circletouch.eu)

## Trieste

Via San Nicolò 4  
34121 Trieste  
ITALY

## Milan

Via Giovanni B. Pergolesi 26  
20124 Milan  
ITALY

## Rome

Via Ofanto, 18  
00198 Rome  
ITALY

## Catania

SS Primosole Angolo V Strada  
95100 Catania  
ITALY

## Brussels

Rond Point Schuman 6/7  
B-1040 Brussels – BELGIUM  
[circlebelgium@circletouch.eu](mailto:circlebelgium@circletouch.eu)

## Porto

Av. da Boavista, 1588 7  
4100-115 Porto - PORTUGAL  
[circleportugal@circletouch.eu](mailto:circleportugal@circletouch.eu)

## Istanbul, Mersin, Ankara

[turkey@circletouch.eu](mailto:turkey@circletouch.eu)

## Balkan Region

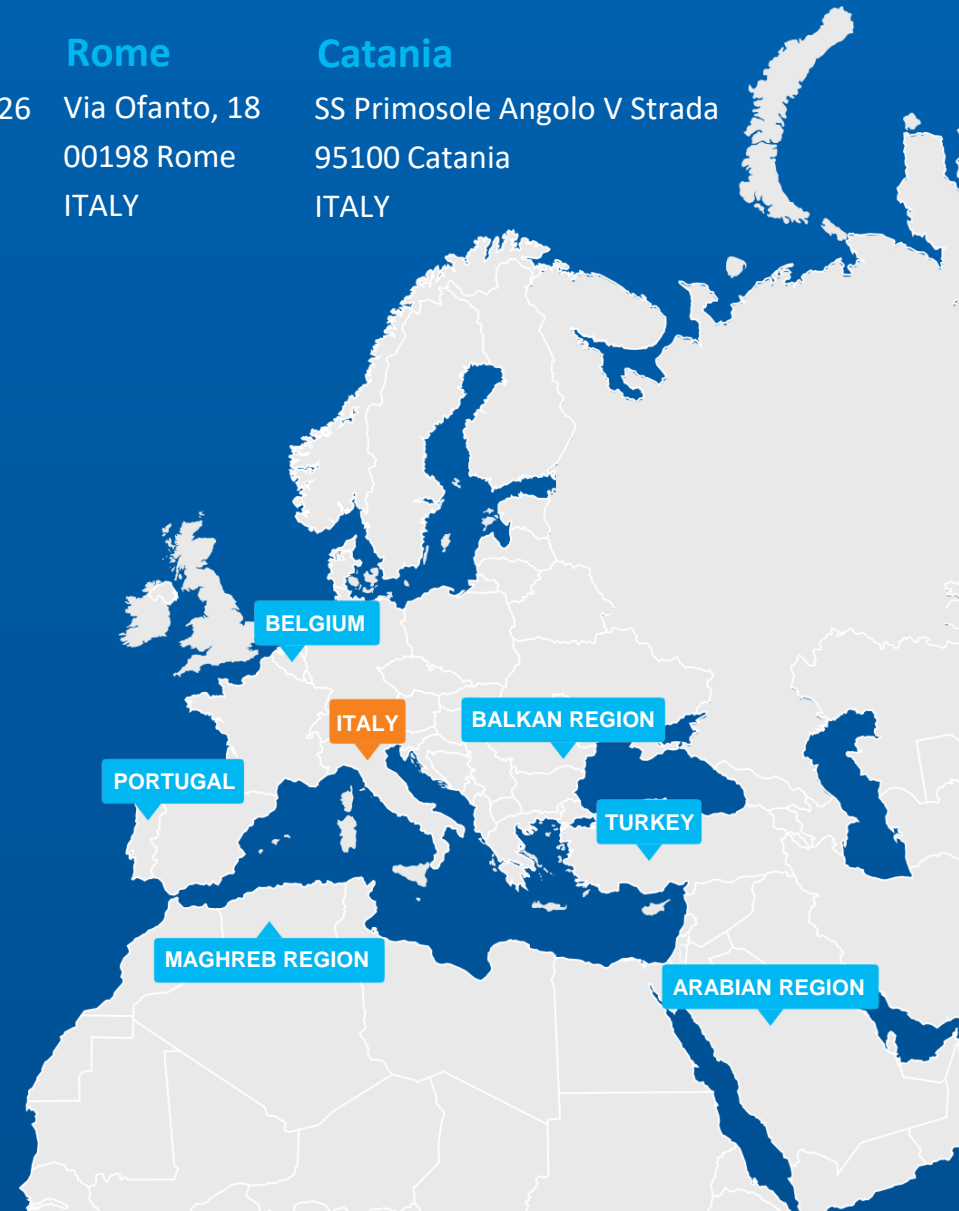
[balkans@circletouch.eu](mailto:balkans@circletouch.eu)

## Arabian Region

[circlearabia@circletouch.eu](mailto:circlearabia@circletouch.eu)

## Maghreb Region

[maghreb@circletouch.eu](mailto:maghreb@circletouch.eu)



[www.circlegroup.eu](http://www.circlegroup.eu)

 Circle Group