



# *CONNECT 4 AGILE GROWTH*

*April, 1st 2025*  
*INVESTOR PRESENTATION*

# Agenda

- **CIRCLE Group Overview**
- **Circle Group Financials**
- **«Connect 4 Agile Growth» Strategic Roadmap**
- **2024-2025 Financials**

# ***CIRCLE Group Overview***

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# CIRCLE Group overview

## Highlights

**CIRCLE Group**, headed by **CIRCLE S.p.A.**, is an international leader specialised in the analysis and development of **innovative digital solutions for port and intermodal logistics**, and further delivering **international consultancy services** that supports ports and logistic innovation with an extended focus on **environment, sustainability and energy transition**.

Since

**October 2018**

listed on Euronext Growth Milan

### Main products

**Milos®**: focused on intermodal logistic operations (inland & port terminals, MTOs & maritime)

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

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

**Milos® Federative Services**,

**Milos® GSCV & TAP** for industrial & distribution

**Milos® e-Customs**

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

**GOS - Gate Automation & IoT**

**KMaster® | Truck telematics**

### EU Affairs Consultancy

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

#### Strategic Communication and Advocacy

Visual and Brand Identity,, Social Media Management, Events, PR/Press, Roadshows, Advocacy and representation in Brussels

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

### Infomobility

**InfoBlu®** collects data through cameras, black boxes and other means

**Provides traffic data and B2B traffic information services** to public and governmental agencies

**+170**

direct employees and a network of professionals

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

**51% of Info.Era**, specialised in port sector through Sinfomar®

**100% of Progetto Adele (now NEXT FREIGHT)**, specialised in freight forwarders and custom operators systems

**92% of eXyond, (formerly Log@Sea)** which acquired 54,5% of Circle Garage and the business unit owned by Telepass Innova S.p.A. (InfoBlu & KMaster).

**51% of Magellan Circle**, advocacy services towards European institutions

**51% of Cargo Start**, Innovative Start-up providing innovative technological products in the air cargo field

**51% of NEXT Customs**

**21% of Accudire** for e-CMR

**More than 30%**

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

### Financial Year 2024

**Revenues € 14.6 +6.8 mln**

**Ebitda adj: € 3.3 (4,3) mln**

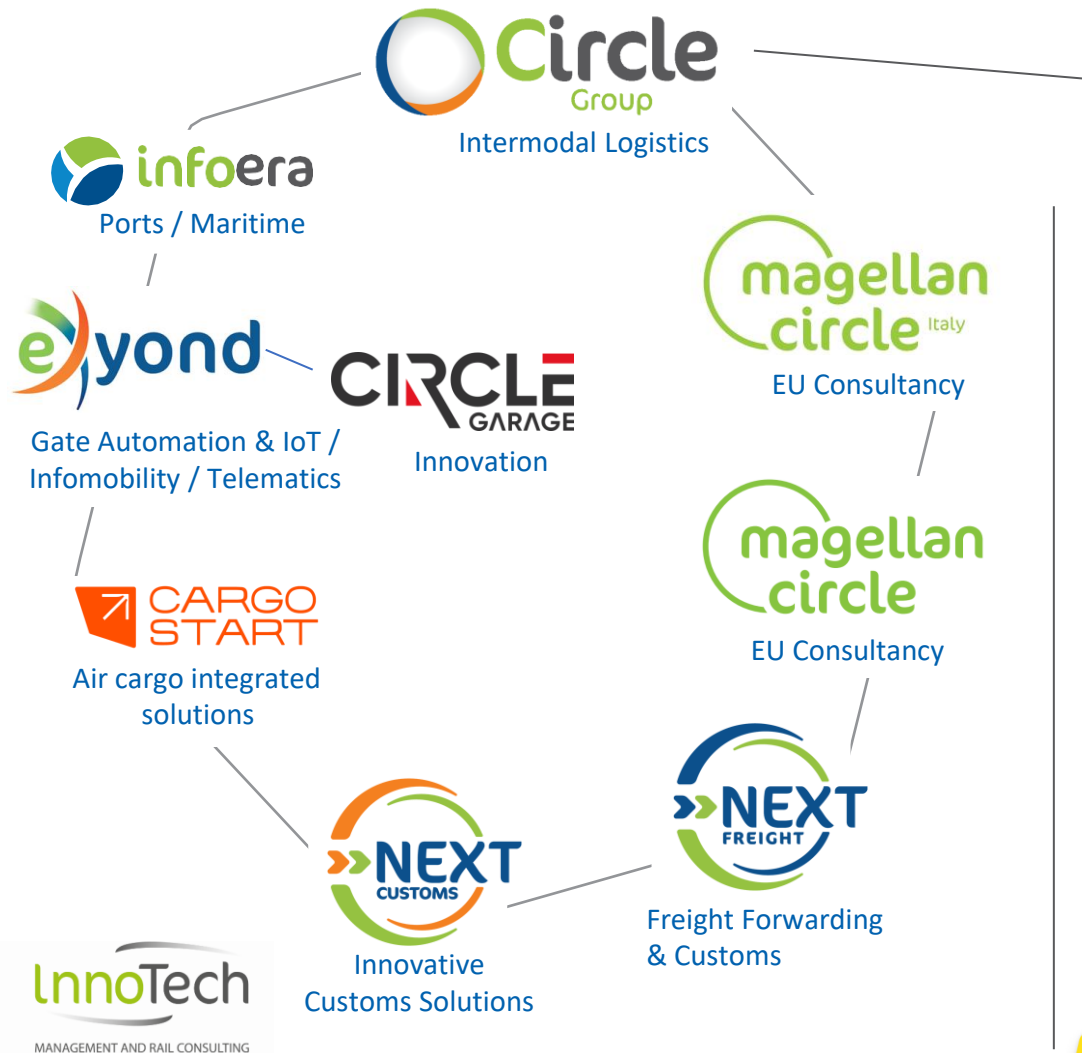
**Ebitda margin adj: 23% (21%)**

**Net Profit Adj: € 1.8 mln**

**NFP adj: 2 cash +€ 2.3 mln**

# Corporate overview

## Group Structure



Digital Transport Document  
(e-CMR)

**OPTIM**easy

Optimisation

BinarysSystem®

Rail undertaking solutions

**MESA.**

CPM & Consultancy

**DASTech**

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



Hydrogen  
Decarbonisation

**E-TRA**

ESG for Port, shipping & logistics



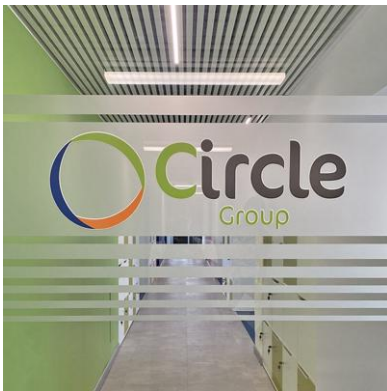
Interoperability with tolling  
systems

Complementary technologies /  
business

# Circle Group international footprint

## Offices

- **ITALY**  
Genoa | Milan | Rome | Trieste | Catania | Asti
- **BELGIUM**  
Brussels
- **PORTUGAL**  
Porto
- **TURKEY, GREECE (partner)**  
Istanbul, Athens



CIRCLE Group Headquarters in Genoa





# CIRCLE Group Business Units

Unique distinctive market positioning

An in-depth knowledge of the sector leading to IT frontrunning solutions

Innovative Supply Chain

Global Supply Chain Visibility

Innovation Road Map

R&D Focus

Test before invest

FUNDING, PROJECTS, CLIENTS

IT investment  
boost

Piloting new  
solutions

Anticipated knowledge on  
EU policy and legislation

International standing,  
network base, lead  
generation

EU funded  
projects

International Consultancy

Advocacy and  
communication

European  
Affairs  
Consultancy

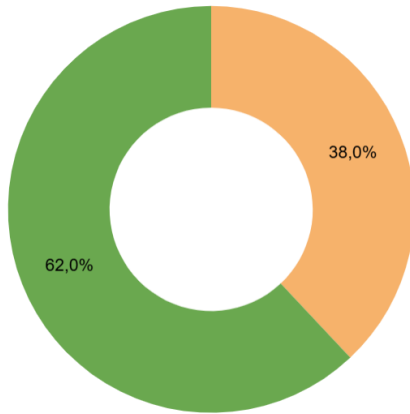
# Top clients



# Intermodal Nodes



# Talents & team



## GENDER PERCENTAGE



**38%**  
WOMEN



**62%**  
MEN

*Promoting **diversity** and **inclusion** from recruitment to professional development*



**AVERAGE AGE: 40 YEARS**



**PEOPLE IN IT ROLES: 47%**



**LEARNING INITIATIVES:** on specialized role-related topics and soft skills



**PEOPLE**  
+170



**DIFFERENT NATIONALITIES**  
9

## WORKPLACE

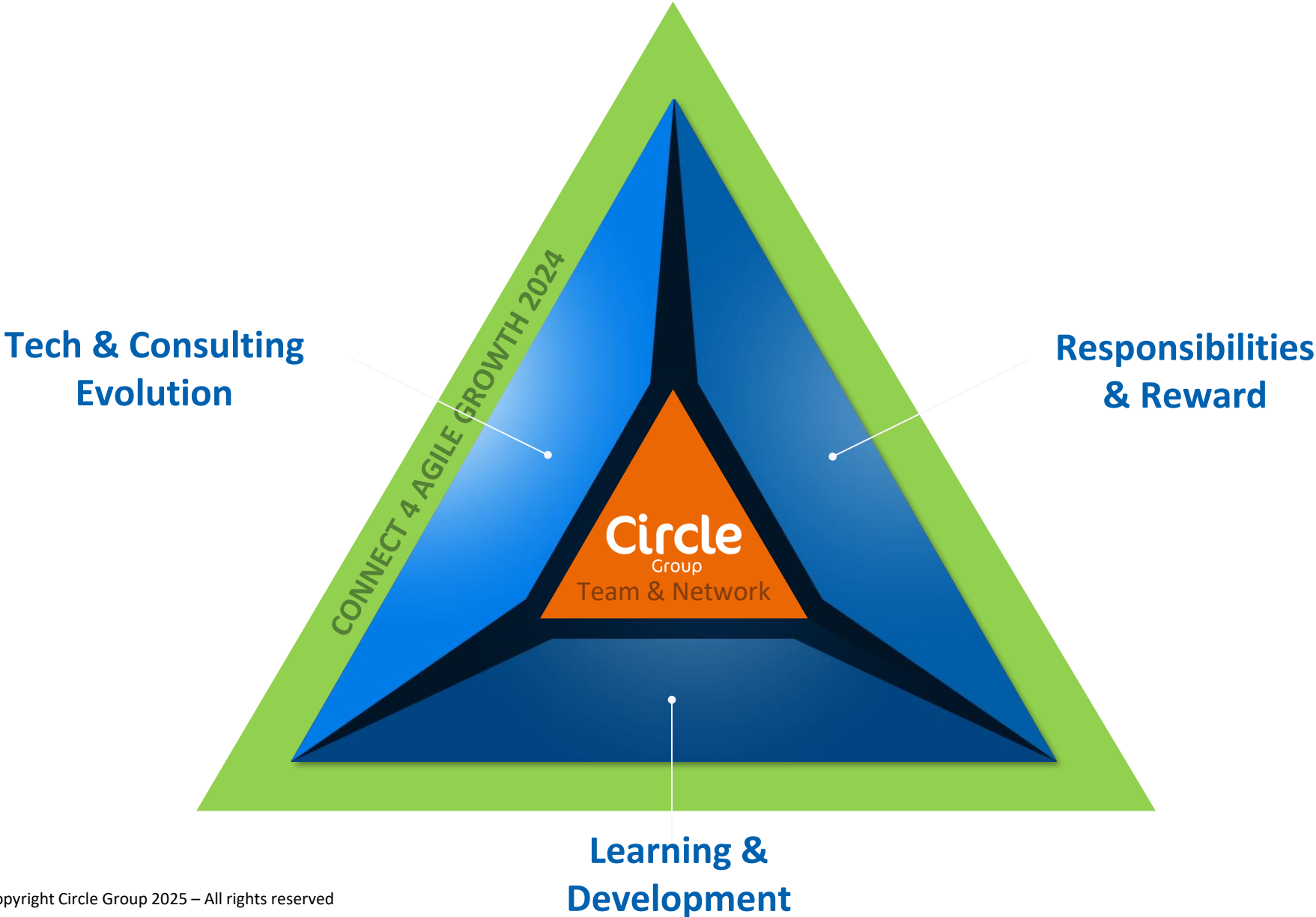


**OFFICES:** coworking & hot desking



**SMART WORKING:** hybrid work opportunity

# Value Pyramid



*Where we stand with*



*Strategy & Financials*  
*«Towards Connect 4 Agile Growth»*

# ))) eXyond: Strategy & Financials at a Glance

## Strategic synergies and growth opportunities with Circle Group

*Leveraging eXyond's integration for market expansion & innovation*

- **Strong Synergies with Circle's Offering**   
The integration of eXyond into Circle Group creates the line of business **Infomobility (Infoblu)**, which specializes in advanced **traffic monitoring and management** for Italy's road and highway networks.
- **Expanding Telematics Leadership**   
The line of business **Truck (KMaster)** delivers telematics services both directly and indirectly through **Telepass**, leveraging proprietary platforms to enhance efficiency and scalability.
- **New Kmaster & Infoblu: Robust Financial Performance in 2024\***  
Following a completed **Due Diligence** and expert evaluation + final closing, the Business Unit reported:
  -  **€6.5M Revenues**
  -  **€6.8M Value of Production**
  -  **€1.3M EBITDA (~19% EBITDA Margin\*\*)**
- **Strategic Growth in the Truck Segment**  
This integration **strengthens Circle's presence in the TRUCK segment**, fostering synergies with existing **dematerialization solutions** such as **e-CMR and eFTI**. Additionally, it accelerates Circle's **direct expansion across Europe**, leveraging the fact that over **60% of OBUs are currently in use beyond Italy**.

\*Update of the figures at the final 2024 closing (previous they were dd check) of the lines of business (Kmaster & Infoblu) that used to belong to Telepass Innova.

\*\* Based on Value of Production

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# ))) eXyond new LOB & Circle Garage 2024 key financials

	2024 eXyond New LOB	2024 CircleGarage
Value of Production	€ 6.8 mln	€ 0.7 mln
Group Proprietary Products	€ 3 mln recurrent	€ 0.005 mln
EBITDA	€ 1.3 mln	€ 0.1 mln
EBITDA Margin	~19%	10%



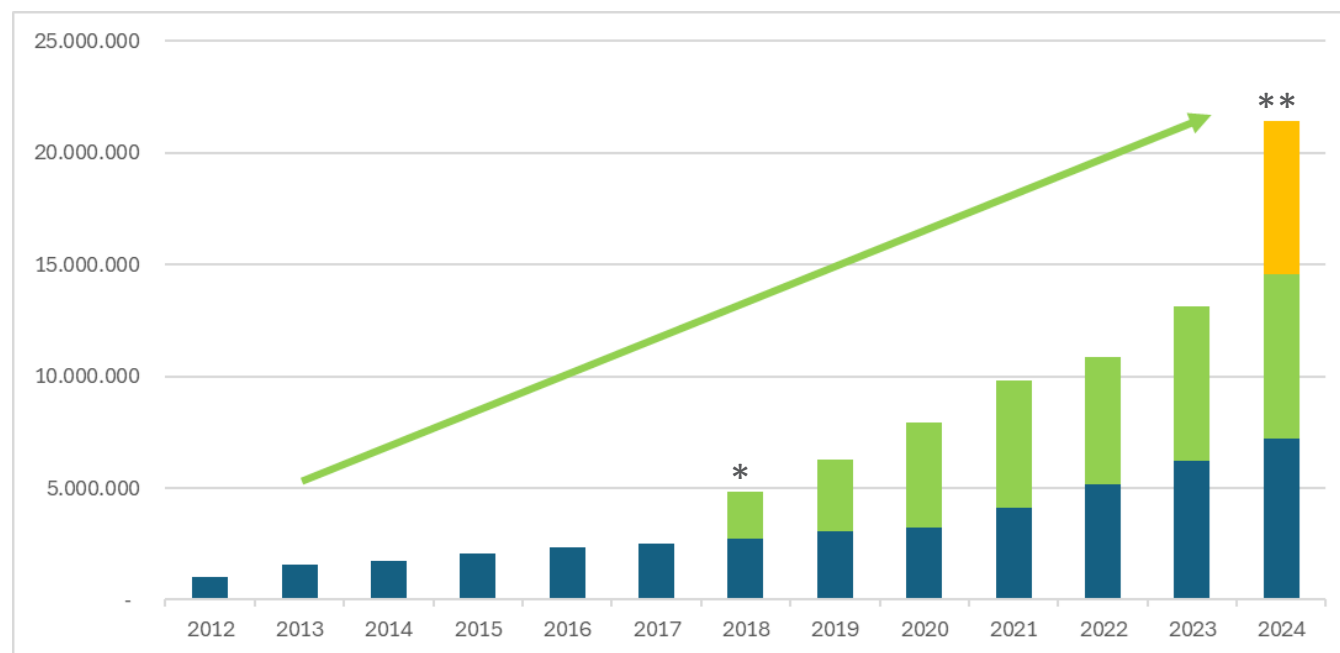
***Additional Backlog as of 31.12.24: € 8.4 mln***

# ***CIRCLE Group Financials***

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# Financials: 2012-2024 Group revenues

Group Revenues	
2024	€ 14.6 mln
2024 proforma	€ 21.4 mln



\* Green numbers are related to Systematic M&A; Info.era (acquisition 01.01.2018), NextFreight (Progetto Adele) (acquisition 01.08.2019), Exyond (Log@Sea) (51% defined July 2020), MagellanCircle (51% at 31.05.22), CargoStart (51% at end 2022), Circle Garage & eXyond (31.12.2024 – revenues not consolidated yet)

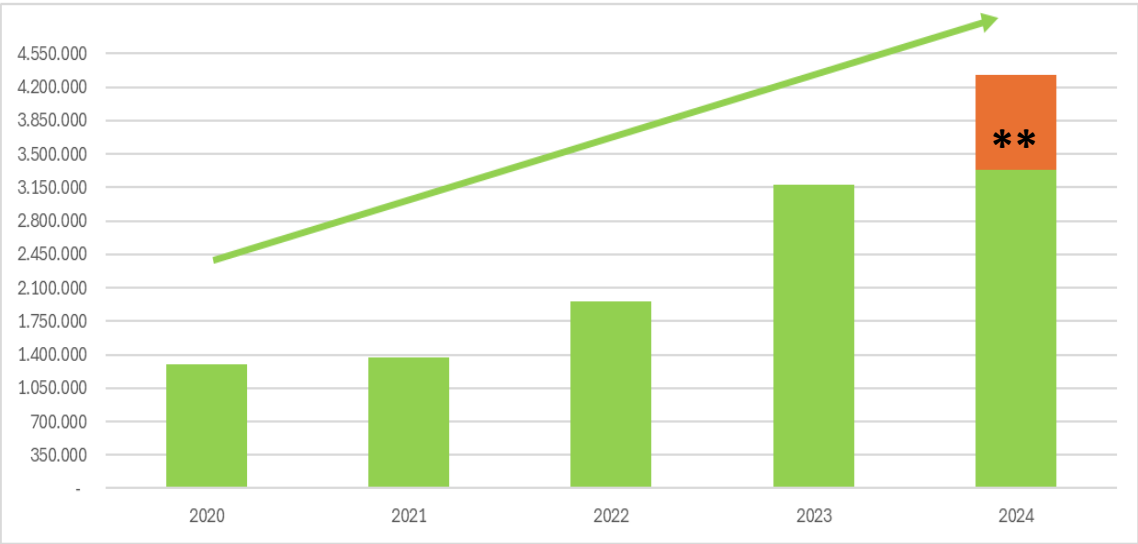
\*\*Proforma data including additional revenues by new branch of business and Circle Garage acquired on December 2024



# Financials: 2018-2024 Group EBITDA

Group EBITDA	
2024	€ 3 mln
2024 adj*	€ 3.3 mln
2024 proforma**	€ 4.3 mln

EBITDA margin 2024 (pro forma) 20%



\* The adjustment (EUR 0.3 million) includes certain non-recurring costs incurred: for the acquisition of the business unit from Telepass Innova; for the purchase of Circle Garage; for the repositioning of MagellanCircle Portugal (see following paragraph); for the launch of the new ACS services by CargoStart; for participation activities in the international tender of AdSP MAO and the related incorporation of the NewCo; and for activities in the “industrial & distribution” sector related to the launch of new MILOS® GSCV products. These non-recurring costs, expensed in 2024, will generate revenue and margin impacts throughout 2025.

\*\* The pro-forma Ebitda (in orange in the chart) includes the economic data of the business unit (comprising the Infomobility and Telematics Business Lines) acquired by Telepass Innova on December 27, 2024, as well as that of Circle Garage. The business unit and Circle Garage were consolidated only at the balance sheet level as of December 31, 2024, and will be included in the income statement consolidation scope starting from January 1, 2025.

# ))) CIRCLE Group Financial Statement 2024

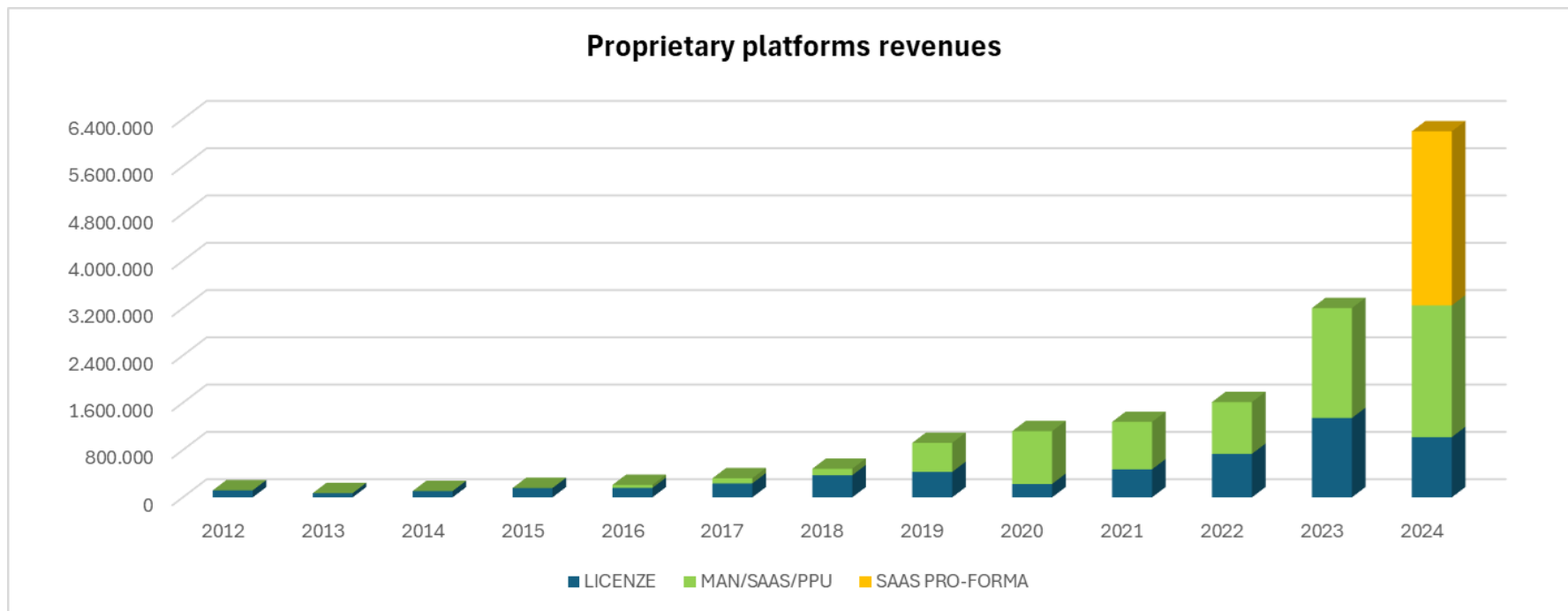
	31/12/2024	31/12/2023	change %
CIRCLE Group revenues	€ 14.6 mln	€ 13.2 mln	+10%
EBITDA Adj.	€ 3.3 mln	€ 3.2 mln	+5%
EBIT adj	€ 2 mln	€ 2 mln	-
Net profit adj	€ 1.8 mln	€ 1.7 mln	+5%
NFP	€ 2 mln	€ 1.7 mln	+0.3 mln €
NFP adjusted	€ 4.3 mln	€ 4.1 mln	+0.2 mln €

# ))) CIRCLE Group proforma FY 2024 vs Plan

	31/12/2024	Plan «2024»	change %
CIRCLE Group revenues	€ 14.6 mln	€ 14.4 mln (plan)	+2% on budget
CIRCLE Group revenues proforma	€ 21.4 mln	€ 15.3 mln (plan)	+40% on budget
EBITDA proforma	€ 4.3 mln	€ 3.7 mln (plan)	+17% on budget
NFP adjusted	€ 4.3 mln	€ 4.1 mln	In line with budget

***Group Backlog: € 28.5 mln +109%***

# Products: revenues evolution

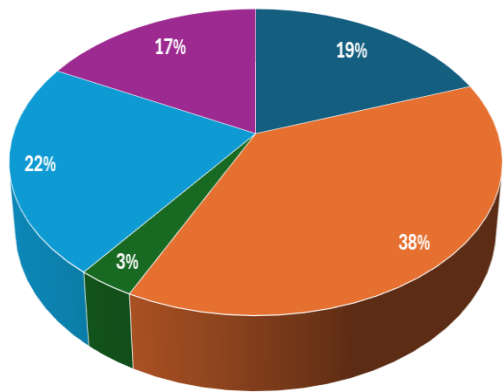


Products revenues	
2024	€ 3.2 mln
2024 proforma	€ 6.1 mln

2024 vs 2023	
Federative services revenues	Milos® +20%
Proprietary Products (pro-forma) revenues	+92%

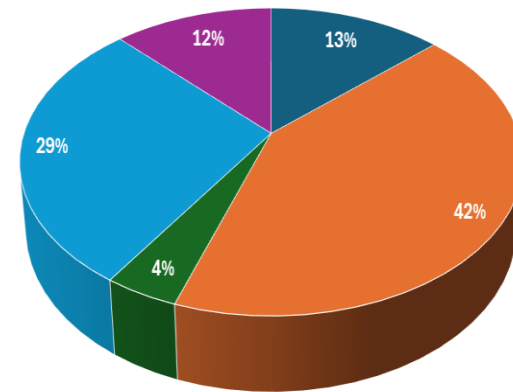
# Revenues split by service

## 2024 revenues split



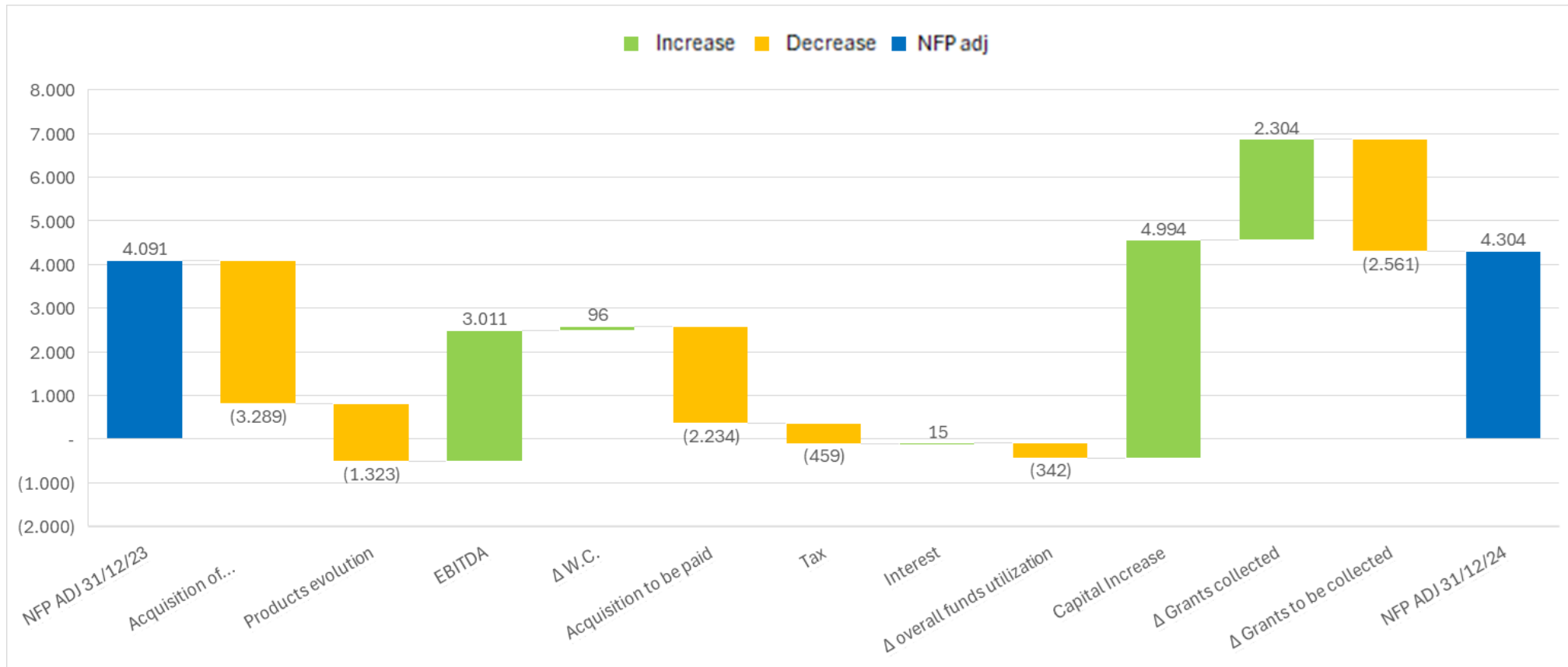
■ Consultancy services & Projects  
■ Products help desk  
■ Products evolutions  
■ Product professional services  
■ Products licenses

## 2024 pro-forma revenues split



■ Consultancy services & Projects  
■ Products help desk  
■ Products evolutions  
■ Product professional services  
■ Products licenses

# NFP 31/12/24 - Financial flows



***Cash + NFP (cash positive) = € 2 mln + EU credit € 2.4 mln = NFP adjusted € 4.3 mln***

# Financial flows by capital increase + internal leverage for M&A





# *Strategic Roadmap*

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*Innovative Supply Chain & Global  
Supply Chain Visibility*

# Competitive scenario

- *Geopolitical uncertainty and energy market instability continue to challenge global growth.*
- *Inflation trends diverge across regions, keeping the outlook fragile.*
- *Policy unpredictability adds pressure to financial and supply chain planning.*



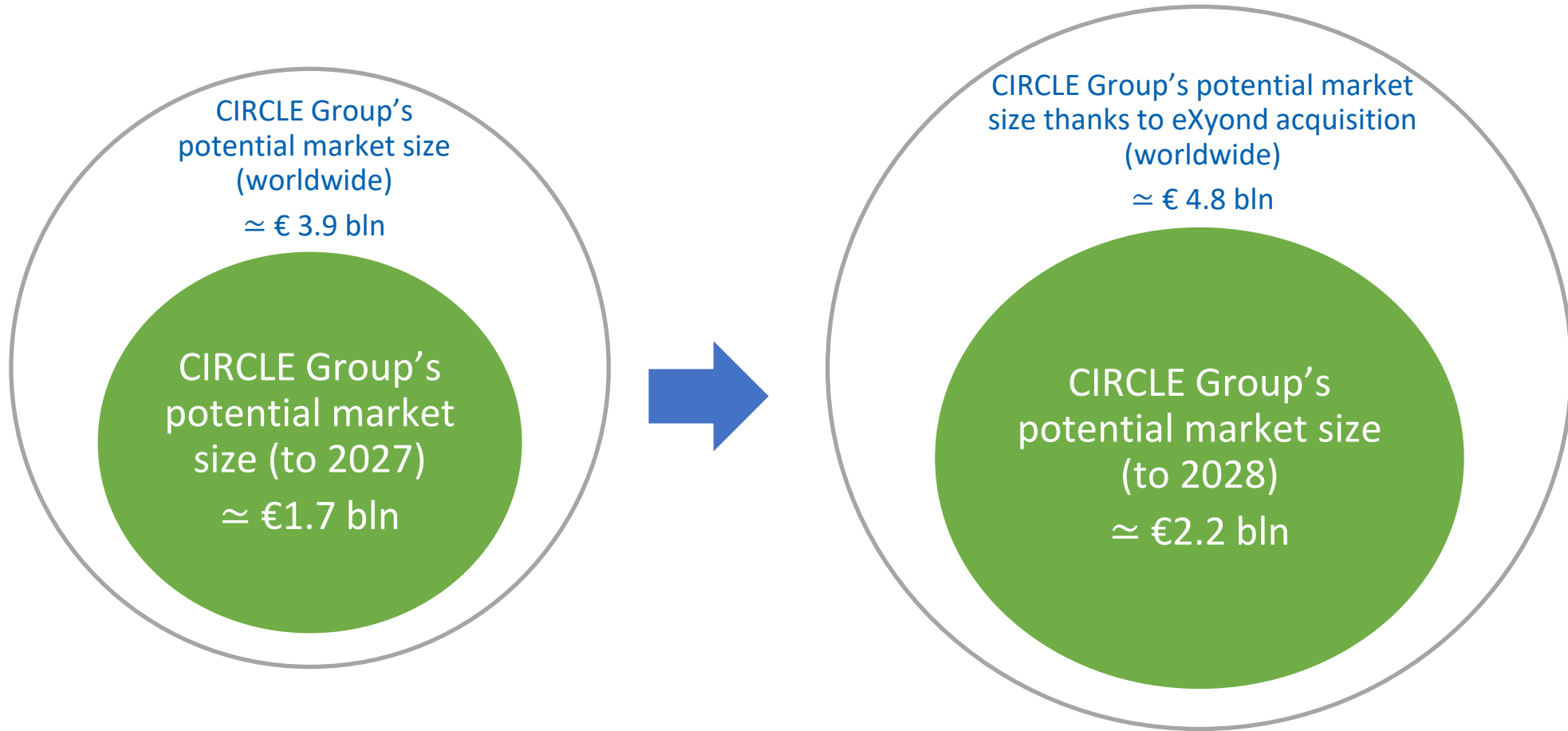
- *Companies are rethinking global footprints in favour of regional hubs.*
- *Resilience, logistics efficiency, and political alignment are driving location choices.*
- *Friendshoring and reshoring become strategic priorities in uncertain times.*

- *Barriers to trade, data, and technology flows are rising across key markets.*
- *Strategic rivalries reshape economic alliances and policy decisions.*
- *Fragmentation drives long-term structural shifts in global integration.*

- *Risk-aware inventory models take precedence over lean-only approaches.*
- *Predictive tools and digital platforms improve stock optimization.*
- *Resilience and flexibility become key KPIs in supply chain design.*

\* Source Jan 2025 "Chief Economists Outlook" (World Economic Forum)

# 2028 Market size: segments & geography



***Increase of potential market size for Circle Group (eXyond)***

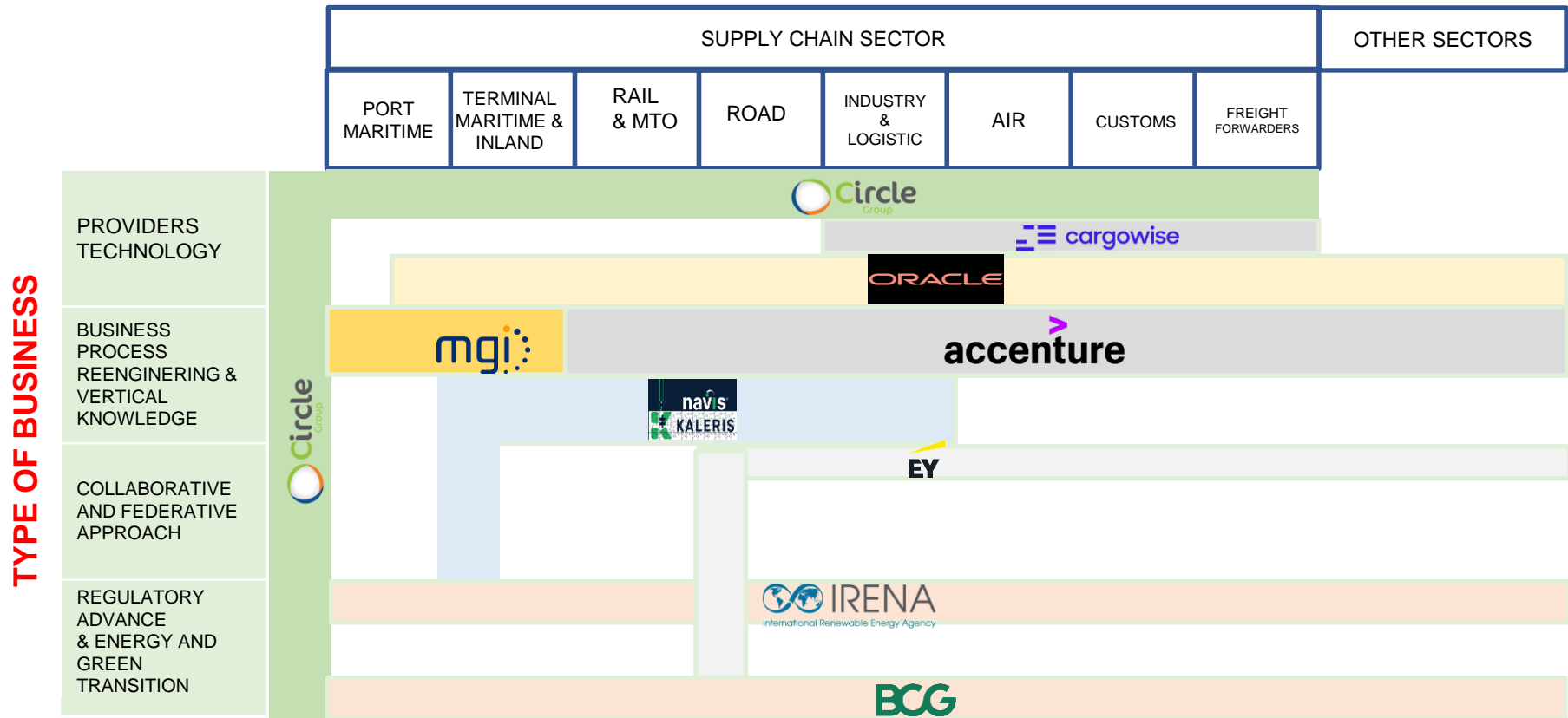
Source: Circle analysis and estimation including now also eXyond potential market size

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# Positioning

## Distinctive positioning and competition

### SECTORS



# Competitive edge

## Our products inside Gartner Vendor Guide

Gartner.

### Supply Chain Operational Visibility Vendor Guide

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.

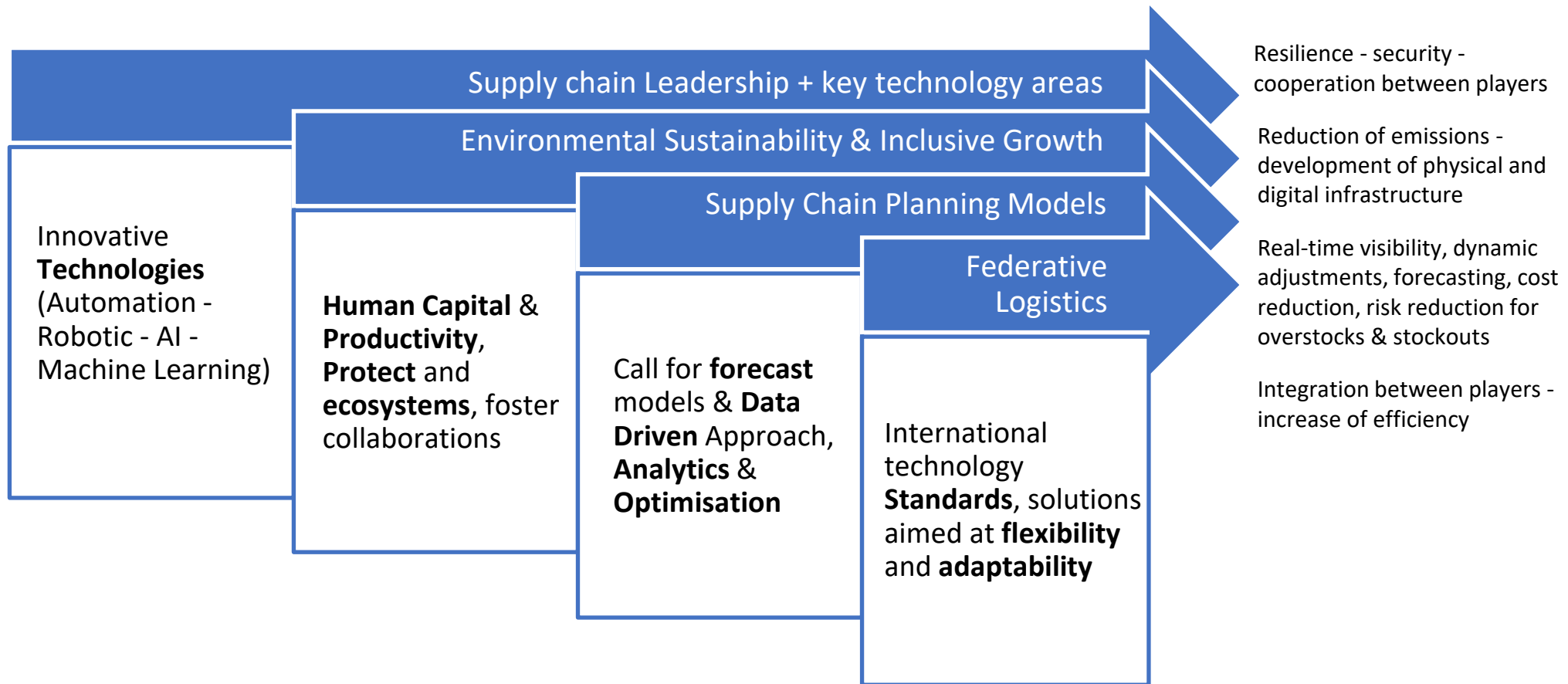


Circle (Milos)

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

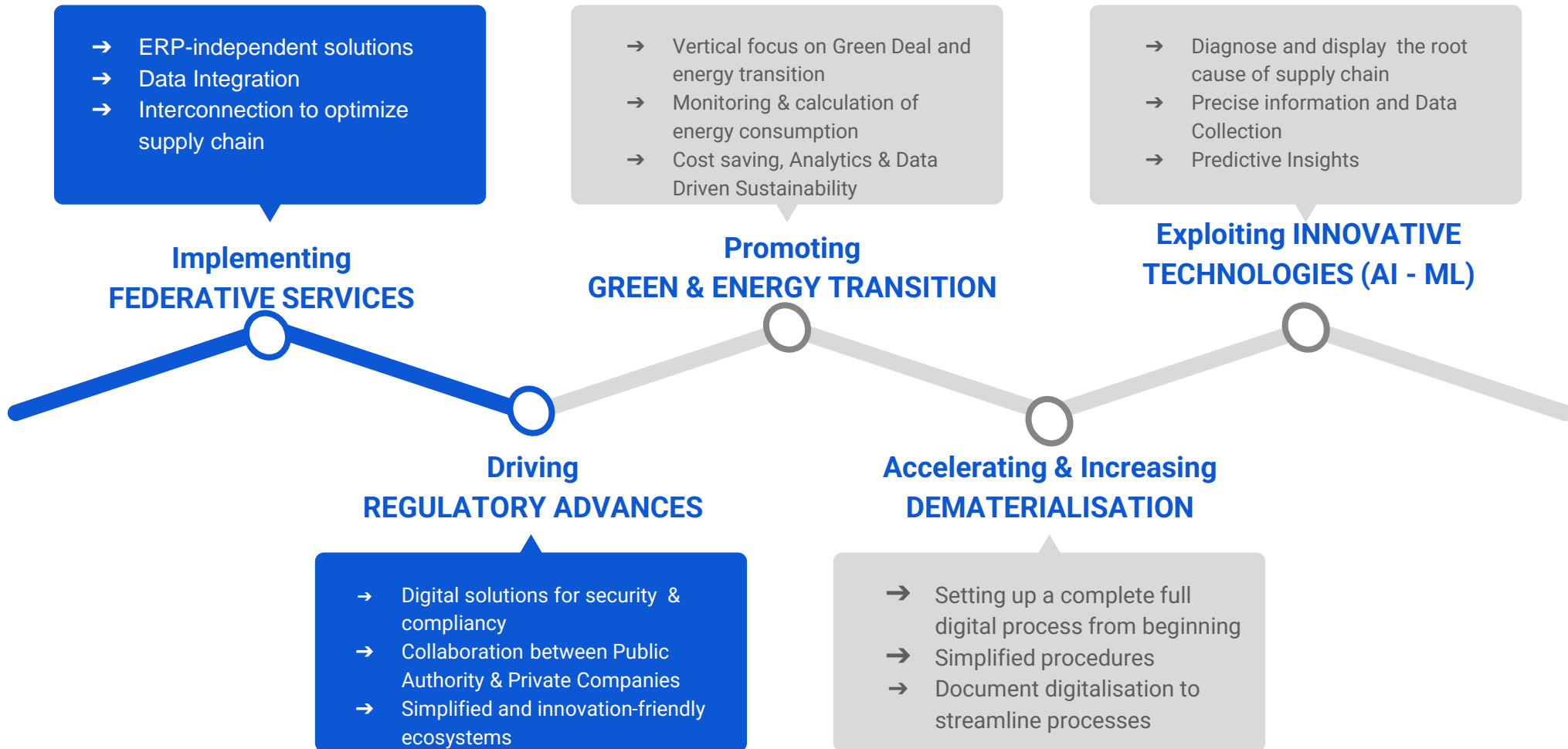
Modular solution for the transport optimization of containers, trailers, cars and general cargo through the logistic intermodal chain; focus on automated port logistics and customs procedures

# Development Opportunities & Goals



# Strategy - Drivers

## Connect 4 Agile Growth



# Turning Vision into Action

## Connect 4 Agile Growth

### Geographical GROWTH

Market expansion

Participation in  
International  
Projects

Partnerships and  
setting up  
Regional Offices

### Economic & Finance GROWTH

M&A Strategy

Technological  
Alliances

Strengthening  
Market Presence

### Misurable & Effective GROWTH

ROI focus

Value Generation  
increased to  
customers and  
directly to the  
Group

KPIs misurable

### Multi-Tenant & Configurable MODEL

Saas & Pay-per-Use  
(PPU) approach

Cloud-based, scalable  
& modular solutions

Federative Services

### Internal Human Capital GROWTH

Talent Attraction &  
Retention

Professional  
Developments &  
Skills

Positive Corporate  
Culture

### Budgetary Margin GROWTH

Participation in co-  
financed EU projects  
(Digital & Green)

Involvement in  
National Projects (i.e  
PNRR)

Investments in R&D  
for an anticipatory  
approach

**EXPANSION** to Area  
MED (Morocco -  
Egypt - Greece -  
Turkey) & Nord |  
Center Europe

Fortify the Group's  
**PRESENCE** in  
existing **MARKETS**  
and access **NEW**  
**ONES** (Industries)

More **EFFICIENCY** &  
to end customers  
means **GREATER**  
**INVESTMENTS,**  
**REVENUES & ROI** for  
Group

**COST REDUCTION**  
for Group &  
**SCALABILITY** of  
products means  
**MORE REVENUES &**  
**MORE VOLUMES**

An interesting  
working  
environment to  
attract **SKILLED**  
**TALENT &**  
**INCREASED VALUE**

Investments in  
distinctiveness are  
recovered by  
**CONTRIBUTIONS**  
meaning **LOWER**  
**BUDGETARY COSTS**

# 2024 R&D, investments, innovation



Product evolution - internal work  
€ 1.3mln



42%

Costs for R&D EU projects  
€ 0.7mln



23%

Industrial Grants for other Cofunded projects  
€ 1.1mln



35%

***R&D, Investments and Innovation is around  
21% on 2024 Value of Production***

# )))))) 5.0 Paradigma & Eco System



**Look at the  
Future:  
across Supply  
Chain 5.0**



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

# MILOS<sup>®</sup> Intelligence within Circle Group Innovation

## Optimization and AI

### Milos • Intelligence *within Circle Group Innovation 2027*



Simulation & Digital Twin

Optimisation

Artificial Intelligence

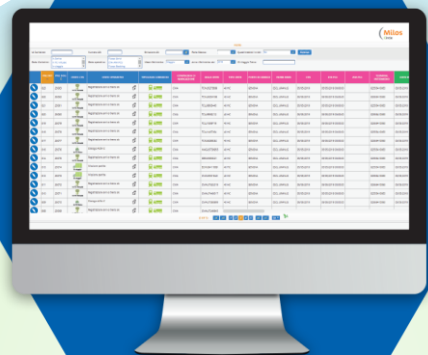
Synchromodality



# Nodes, ports & interoperabilities

## ✓ Federative digital interoperability

Extended PCS, Port haulier Module, TFP and Federative Services ensure that all Mediterranean ports have the opportunity to benefit from real-time digital interoperability between industries, rail ecosystem, freight forwarders, logistics, custom operators and the entire port community.



**INTEROPERABILITY**



*Extended PCS*

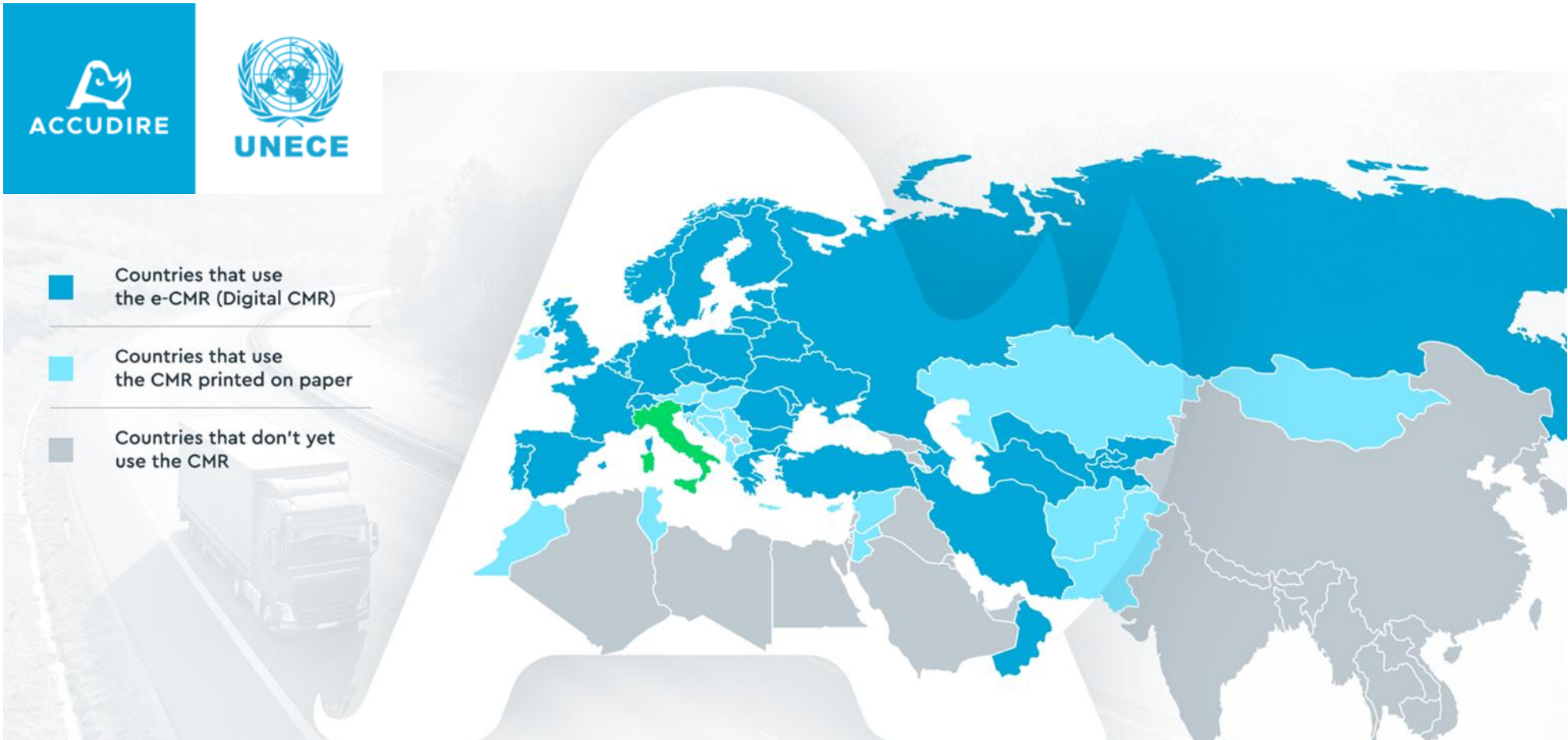


Map of the Mediterranean region showing the locations of various ports and cities, with orange concentric circles indicating the reach of the Extended PCS system.

- Trieste
- Monfalcone
- Venezia
- Ravenna
- Genova
- Savona
- La Spezia
- M. Carrara
- Livorno
- Ancona
- Civitavecchia
- Bari
- Napoli - Salerno
- Taranto
- Palermo
- Catania
- Augusta

# e-CMR opportunity

Entered into force in Italy last **September 26th 2024** the Additional Protocol to the Convention on the Contract for the International Carriage of Goods by Road (CMR) concerning the Electronic Consignment Note, done in Geneva on 20 February 2008, **is creating enormous opportunities at international level (39 countries)**



# e-CMR in the World

- CMR printed on paper
- e-CMR (Digital CMR)



Multi TMS  
& Multi Management  
Software



Freight Forwarders

Multi TMS



Transport

Multi TMS  
& Multi ERP



Industry



# Intelligent Gates, Smart Solutions



## Telematics

Advanced technology platforms to revolutionize real-time traffic management & data analysis. It collects and analyzes critical data on vehicle movements and traffic flows across road and highway networks. It provides continuous traffic monitoring, enabling efficient transportation management, reduced travel times, improved operational planning.



## Infomobility

Logistic flows optimization by integrating data from multiple sources, ensuring transparency, traceability, and interoperability across the supply chain. Advanced technologies such as electronic seals (e-SEALS) and Bluetooth/NFC solutions enhance transit security, customs compliance, and operational efficiency.



## Node Automation

Simplification, IoT tech, automation access management at road and rail crossings, integrating payment systems and image recognition technologies. These solutions reduce waiting times, streamline operations, seamlessly connect with TOS, PCS, ERP, and TMS systems to ensure synchronization and security across logistics networks.

Green Light to Automation, Move Beyond Information



# eXyond international footprint

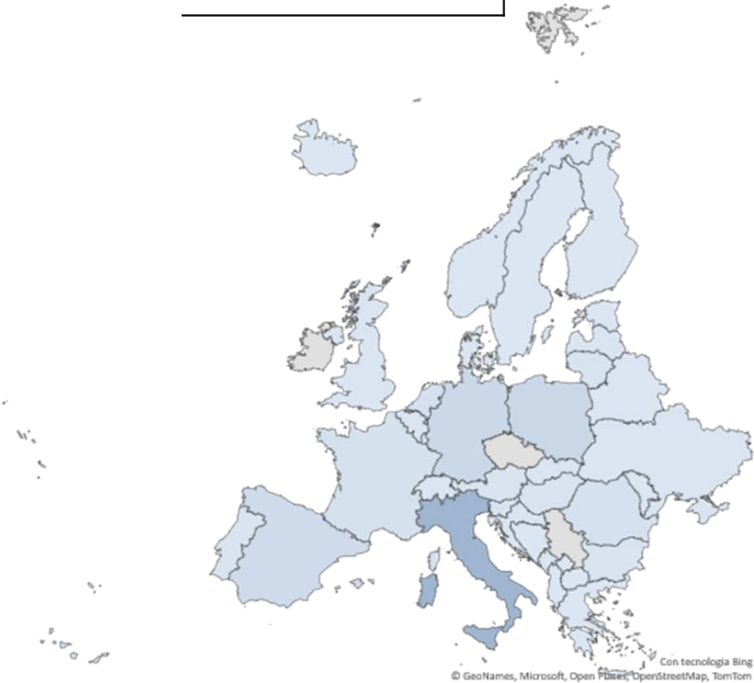
With its established international footprint, eXyond is well-positioned for future expansion and market leadership.

Actual OBU  
clients: 75k

Actual upselling  
potential  
clients: 700k

CUSTOMER NATIONALITY	ACTIVE OBU (k) YTD 09.2024
ITALY	284
POLAND	85
GERMANY	83
SPAIN	63
FRANCE	30
THE NETHERLANDS	27
ROMANIA	27
LITHUANIA	17
HUNGARY	16
SLOVENIA	15
PORTUGAL	14
AUSTRIA	14
BULGARIA	11
CZECK REP.	10
UKRAINE	8
CROATIA	7
UK	7
SLOVAKIA	7
SWITZERLAND	6
TURKEY	5
BELGIUM	5
OTHERS	34
TOTAL	775

YTD 09/2024 (k)
775



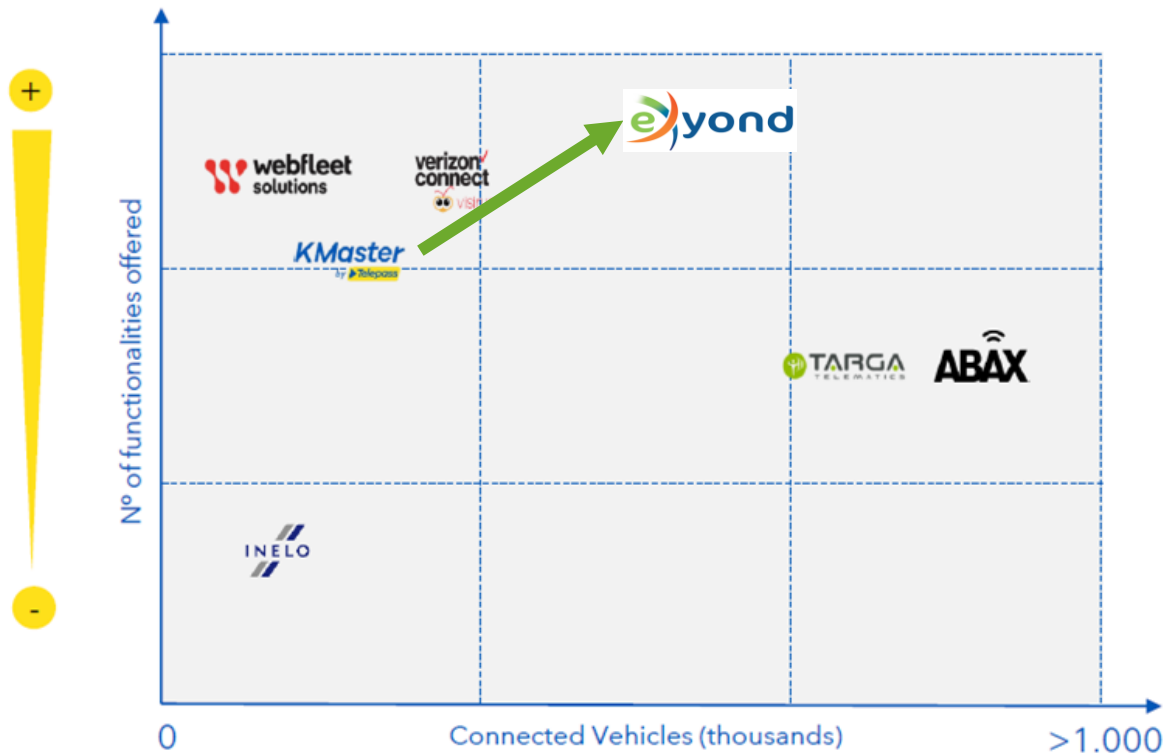
Source: Telepass Innova S.p.A.

# Upselling of e-CMR & Milos® TFP



# eXyond industry positioning

Competitor's Matrix



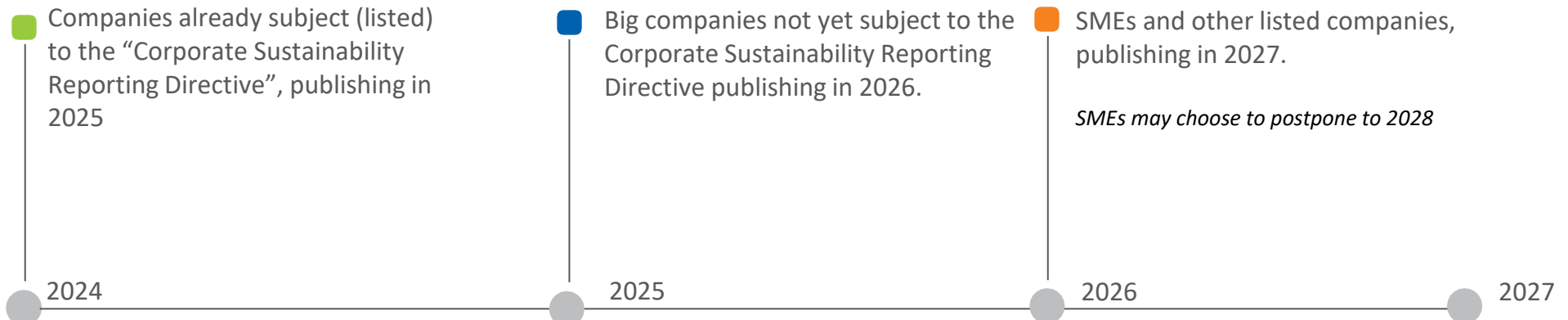
***With eXyond's industry positioning anticipates emerging trends & gives competitive advantages***

# ESG & Green Solution & Roadmap

Circle Group develops Green dashboard to integrate it into proprietary systems, in order to offer federative services, monitor polluting emissions connected to multimodal transports.



The “**Corporate Sustainability Reporting Directive**” will come into force from 2024 and within a few years will be mandatory for all companies operating in the European Union. Deadlines are as follows:



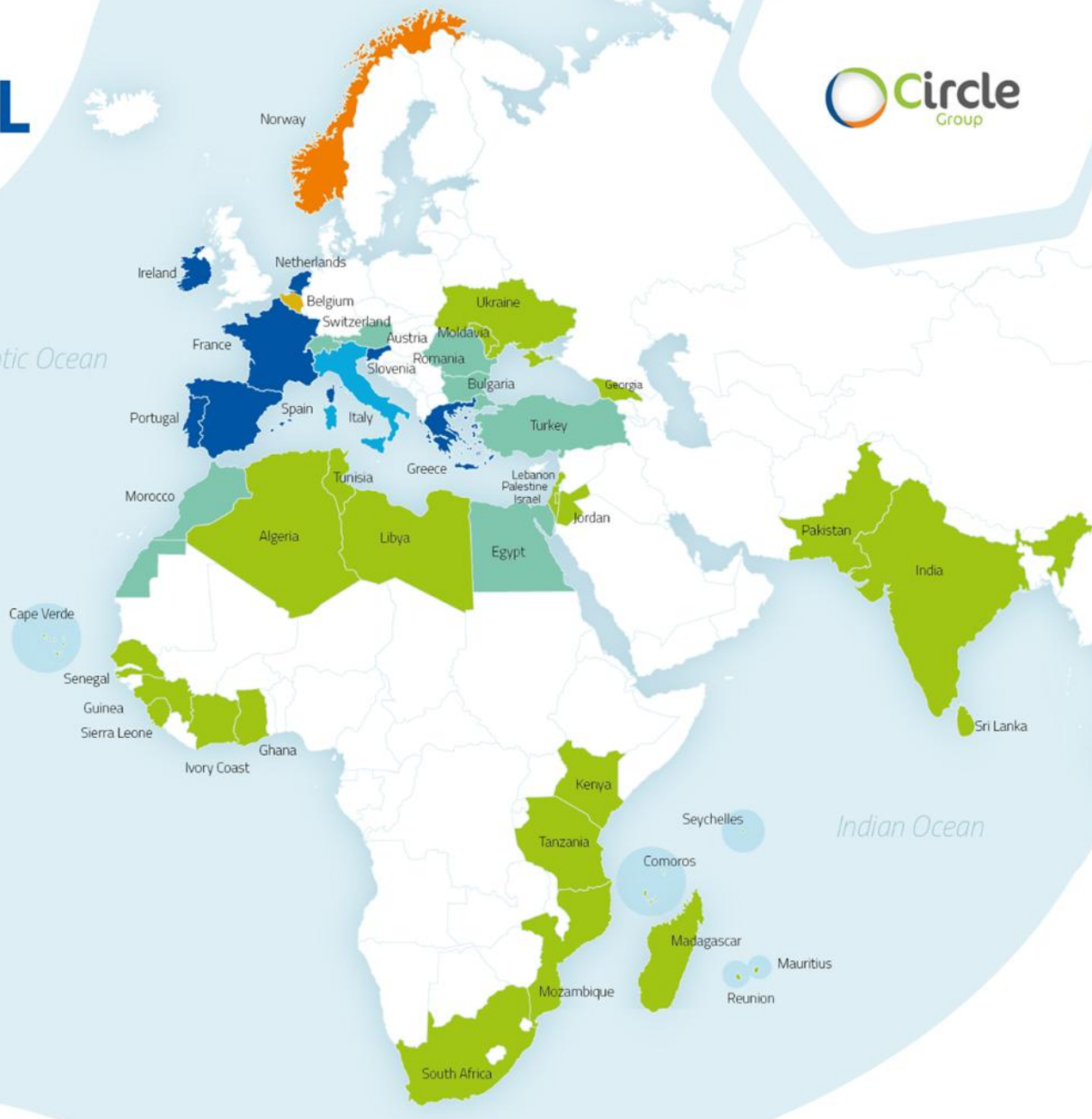
# INTERNATIONAL CONSULTANCY

## Main Success Cases



-  (Air)Port Community Systems and Maritime Single Windows
-  Transport IT Consultancy  
(Maritime Single Windows, TAF TSI, eFTI)
-  Strategic Communication & Policy Support  
(Motorways of the Sea)
-  Strategic Communication
-  EU Funding Accelerator
-  Trade & Customs Facilitations
-  Circle Group Headquarters

Atlantic Ocean



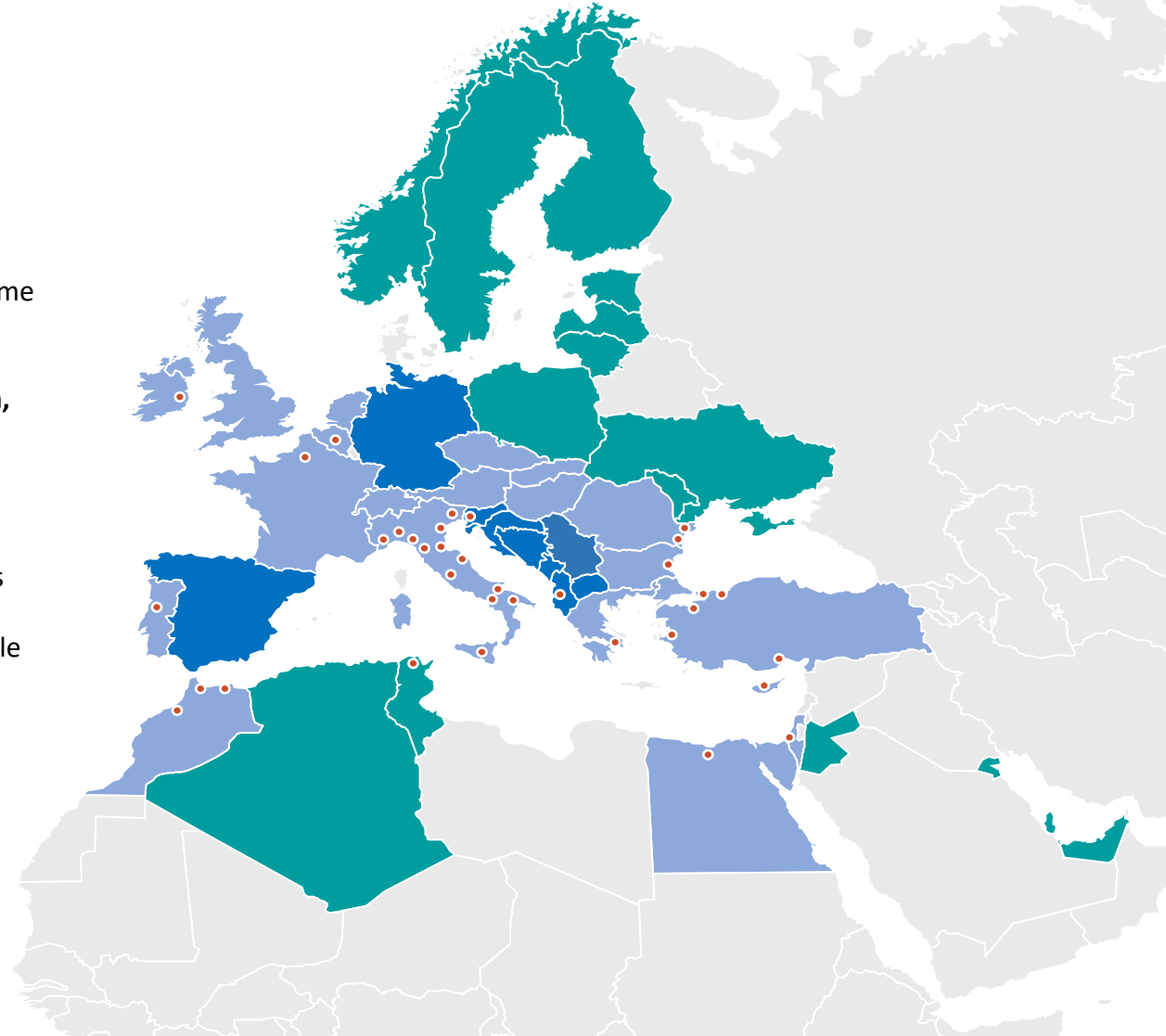
Indian Ocean

## International Activities & Projects

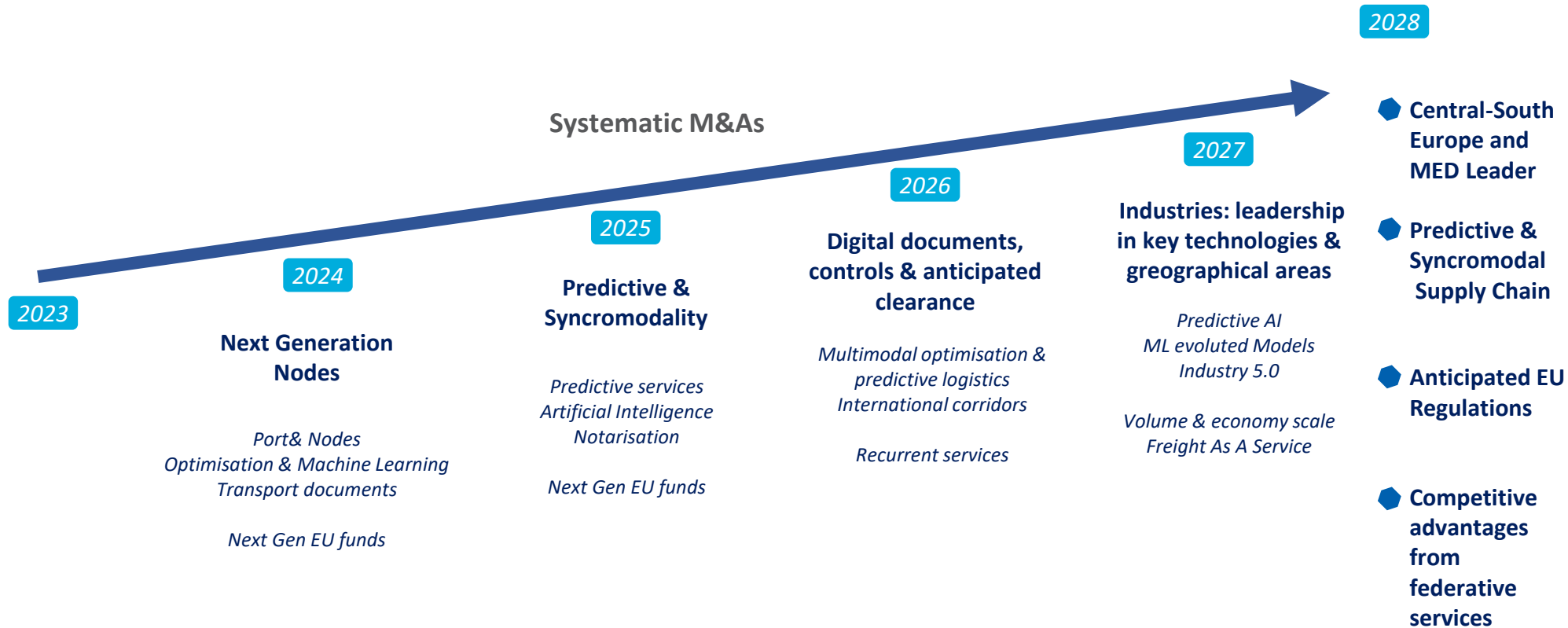
- Development of a presence in some chosen **foreign markets (Balkans, Morocco, Turkey, Egypt, Greece, Central Europe, Middle East)** comparable to the distinctive one that we have in the Italian market
- Thanks to a tender launched by the European Maritime Safety Agency (EMSA), a feasibility study on the development of the One Stop Maritime Shop for the neighbouring countries **Algeria, Egypt, Israel, Jordan, Lebanon, Morocco, Palestine, Tunisia, Georgia, Moldova, Turkey and Ukraine** was carried out;
- Building **relationships and developing international cooperation** with **Gulf and Middle Eastern** countries planning to invest in infrastructure, in the transport (airports, ports, roads) and energy (oil, gas, renewable energy) sectors.

- Preliminary project proposals and lead generation activities (2024-2025)

- *Ports Clients/Projects*



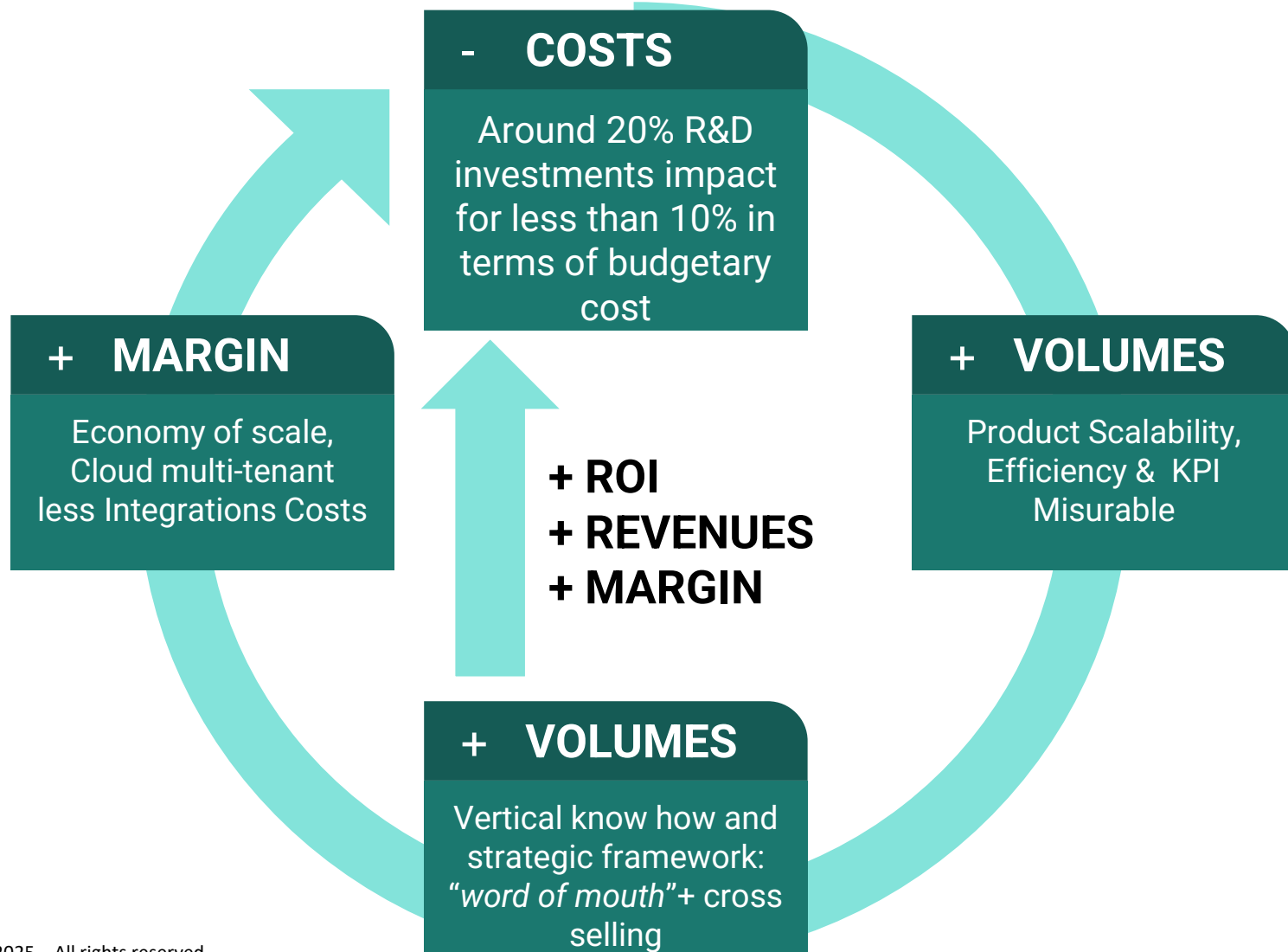
# Business Goals 2027



## Connect 4 Agile Growth

# Added Value & Margin

## Digital & Green Virtuous cycle





# *Strategic Roadmap*

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*«Connect 4 Agile Growth»*

*2024-2025 Financials*



# New assumptions for 2025

- New market & numbers about eXyond KMaster (partially included in alliance, now complete & anticipated)
- New market & numbers about eXyond Infoblu (partially included in alliance, now complete & anticipated)
- Technical synergies about Circle Garage (already alliance)
  
- Change of strategy about Accudire: no consolidation, focus on volume > Zucchetti entrance (12/6; 1/7; 13/11)
- Change in EU strategy for Cofunding: new Data Space, from 2026
- Change in EU/PT and consequent reduction of margin and forecasted margin of Magellan Circle
- Important additional delays in PNRR and administrative complexity
- Political & global complexity, change in US strategy, impact of war on economy: investment postponement
- Reduction and delay in ESG roadmap: reduction of related investment
  
- New products & synergy: KMASTER + MILOS TFP
- New product and services: INFOBLU + FEDERATIVE SERVICES
- PCS Newco from june 2025: 1mln € more for 3+3+1 years

***Connect 4 Agile Growth***

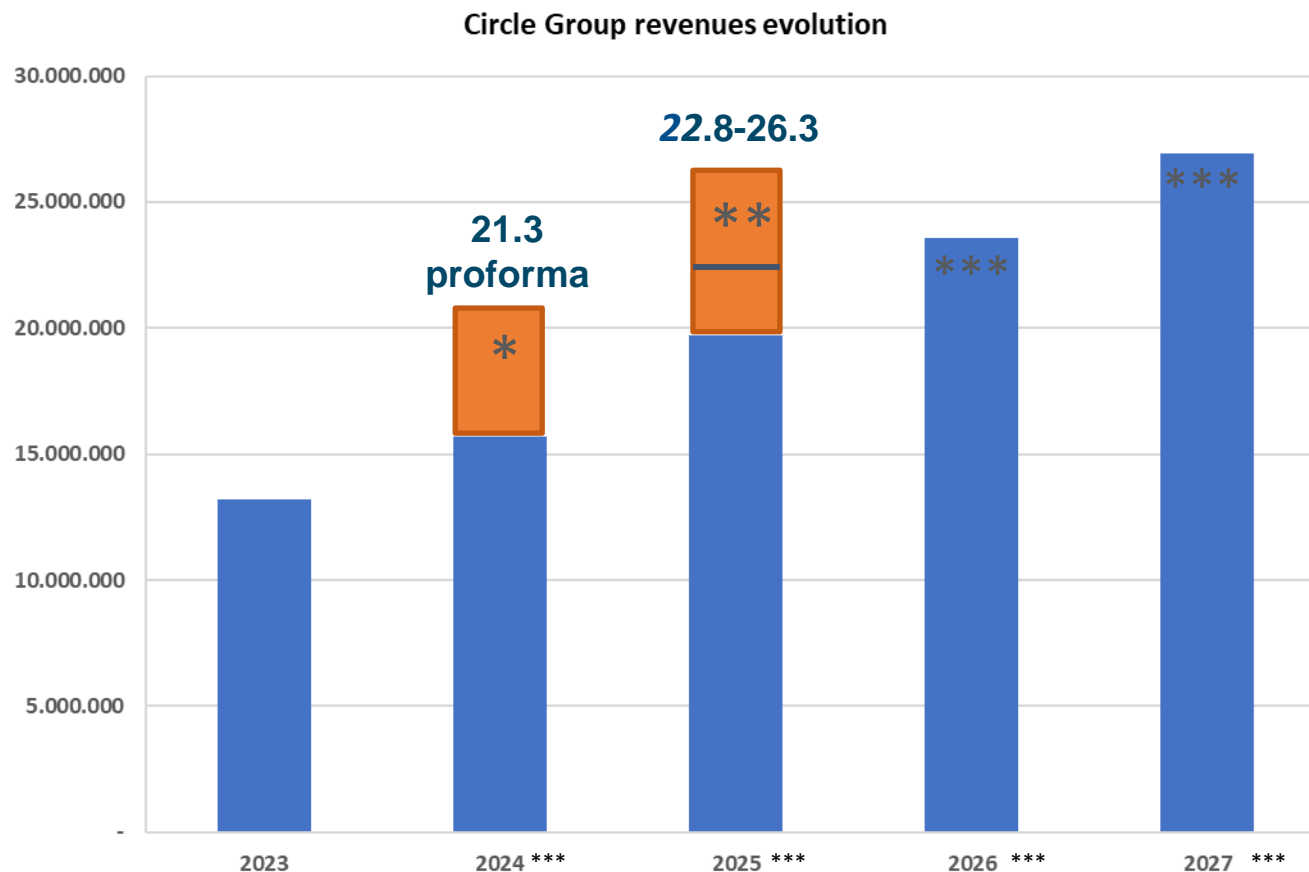


# Guidance 2025

- The **consolidated production value for 2025** is expected in the **range EUR 22.8 – EUR 26.3 million** (higher than the previous forecast 2025 at EUR 21 million presented in the “Connect 4 Agile Growth” plan approved on 11 June 2024, which also included potential M&A operations and excluded the consolidation of Accudire).
- The **consolidated EBITDA** for 2025 is expected in the range **EUR 4.6 – EUR 5.5 million**.

***Connect 4 Agile Growth***

# C4AG 2024-25 eXyond Value of production



*Original numbers presented in 2024 were including synergies with partners & alliances*

*Final numbers 2024 proforma include Circle Garage & eXyond acquisitions*

*2025 forecast is related to the new Group perimeter*

## Connect 4 Agile Growth

\* \*The value of production of new LOB of eXyond and Circle Garage. This number will be included in the Group from 2025.

\* The figure expected for 2024 was including alliance Telepass Innova for € 0.6 mln, Circle Garage € 0.5 mln and Accudire € 0.7 mln

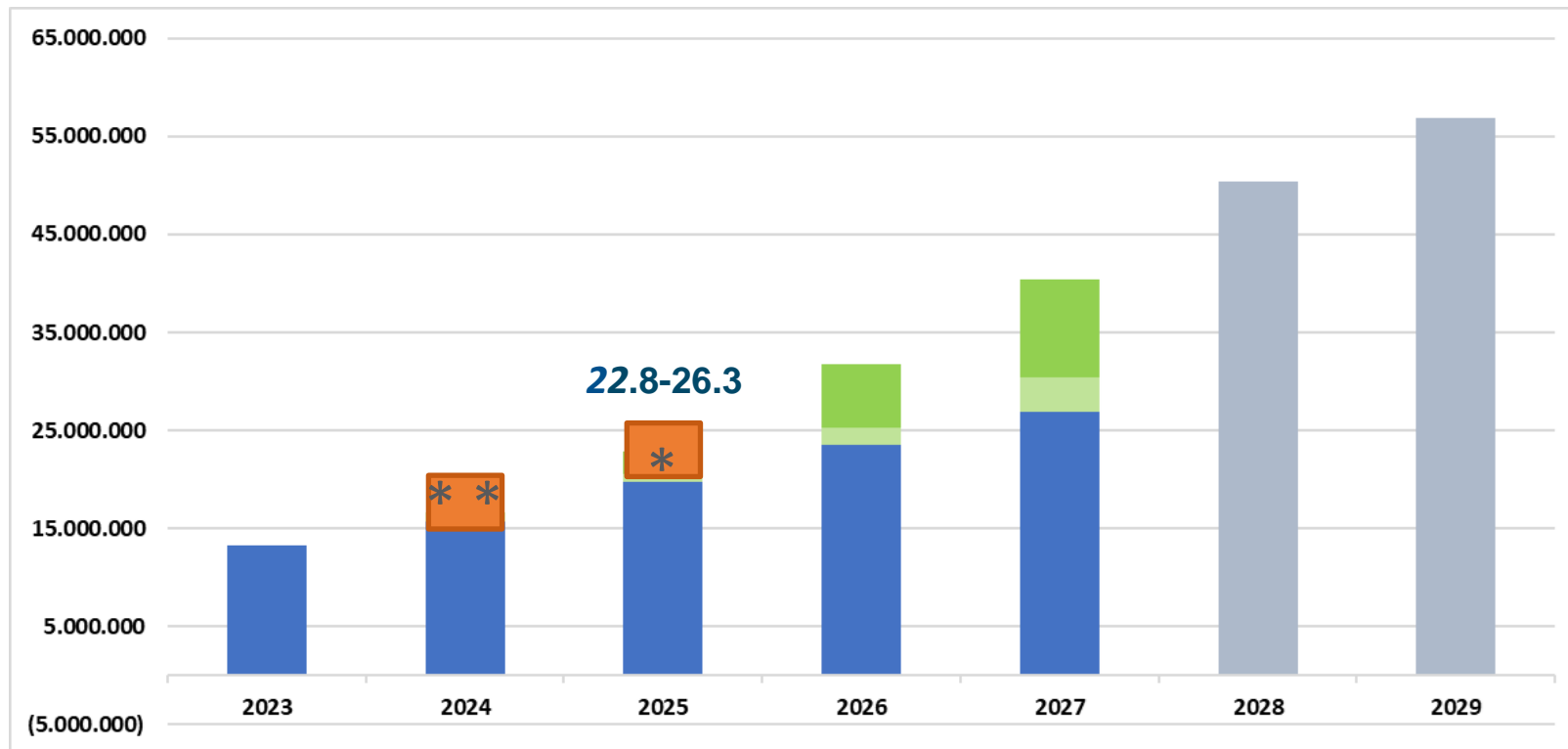
\*\*\* Current figures refer to BP2026-27 announced in June 2024. The Business Plan will be updated following FY2024 results, if possible, in April 2025 or following.

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# 2025 with M&A

2024, 2025 assumption on plan 2027



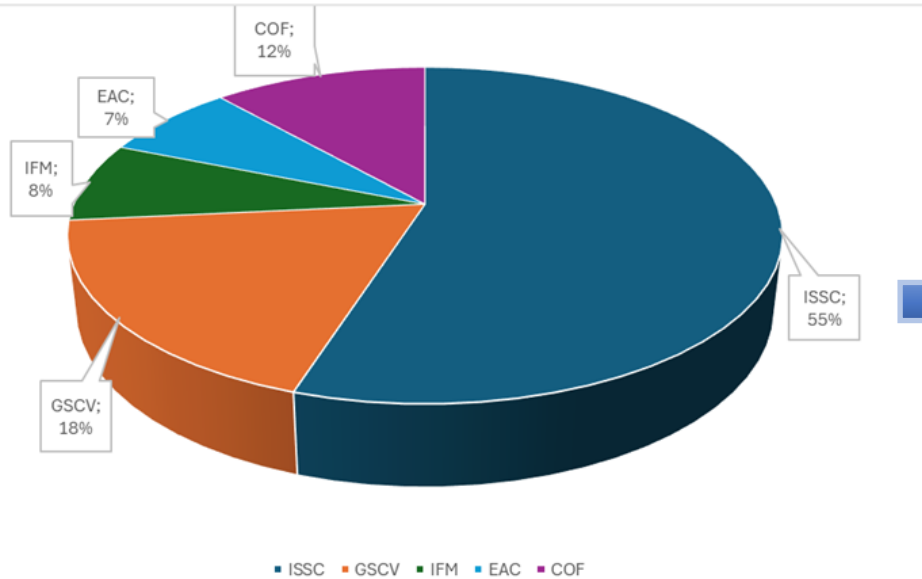
\*This was not a forecast, considering M&A preliminary DD were ongoing, but only a preliminary estimation of possible effects of M&A operations.

\* The value of production of new LOB of eXyond and Circle Garage. This figure will be included in Group's VOP from 2025.

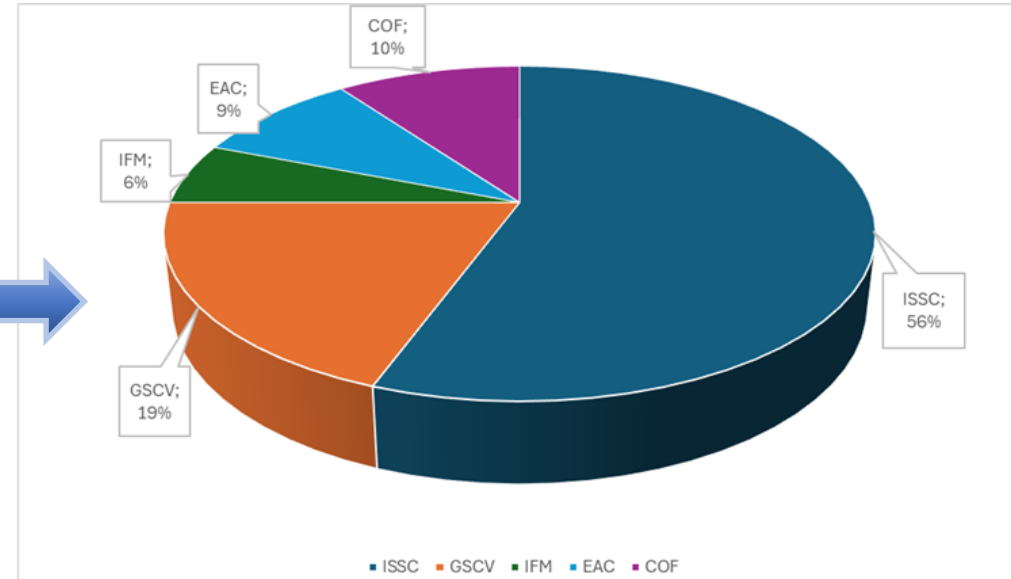
\*\* The figure expected for 2024 was including alliance Telepass Innova for € 0.6 mln, Circle Garage € 0.5 mln and Accudire € 0.7 mln + a first part of a small acquisition.

# BU evolution 24-25

## 2024 pro-forma



## 2025



ISSC – Innovative and Smart Supply Chain BU  
GSCV – Global Supply Chain Visibility BU  
IFM - Infomobility LOB  
EAC – European Affairs Consultancy BU  
EU Pjt (COF) – European Projects

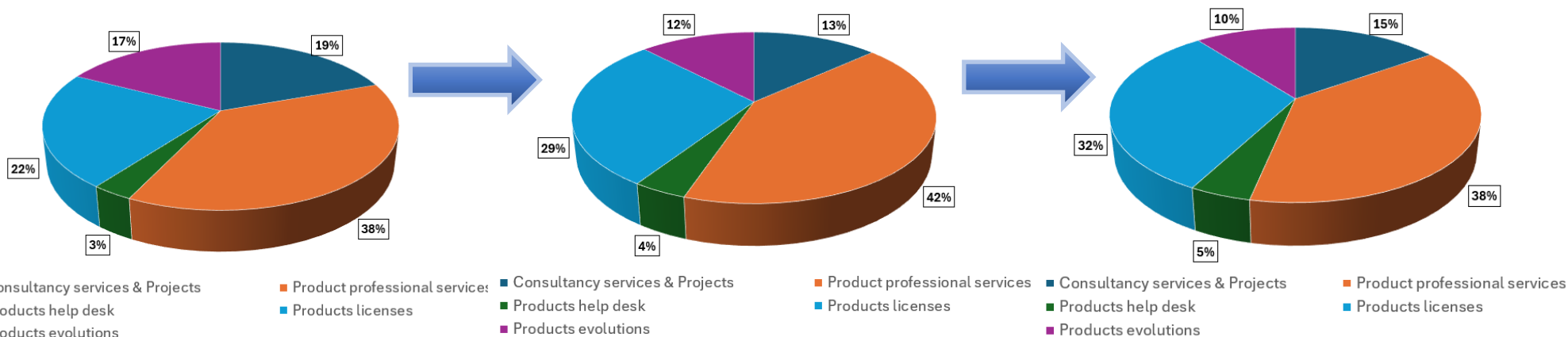
## Connect 4 Agile Growth

# )))))) Detailed revenues split 2024-2025

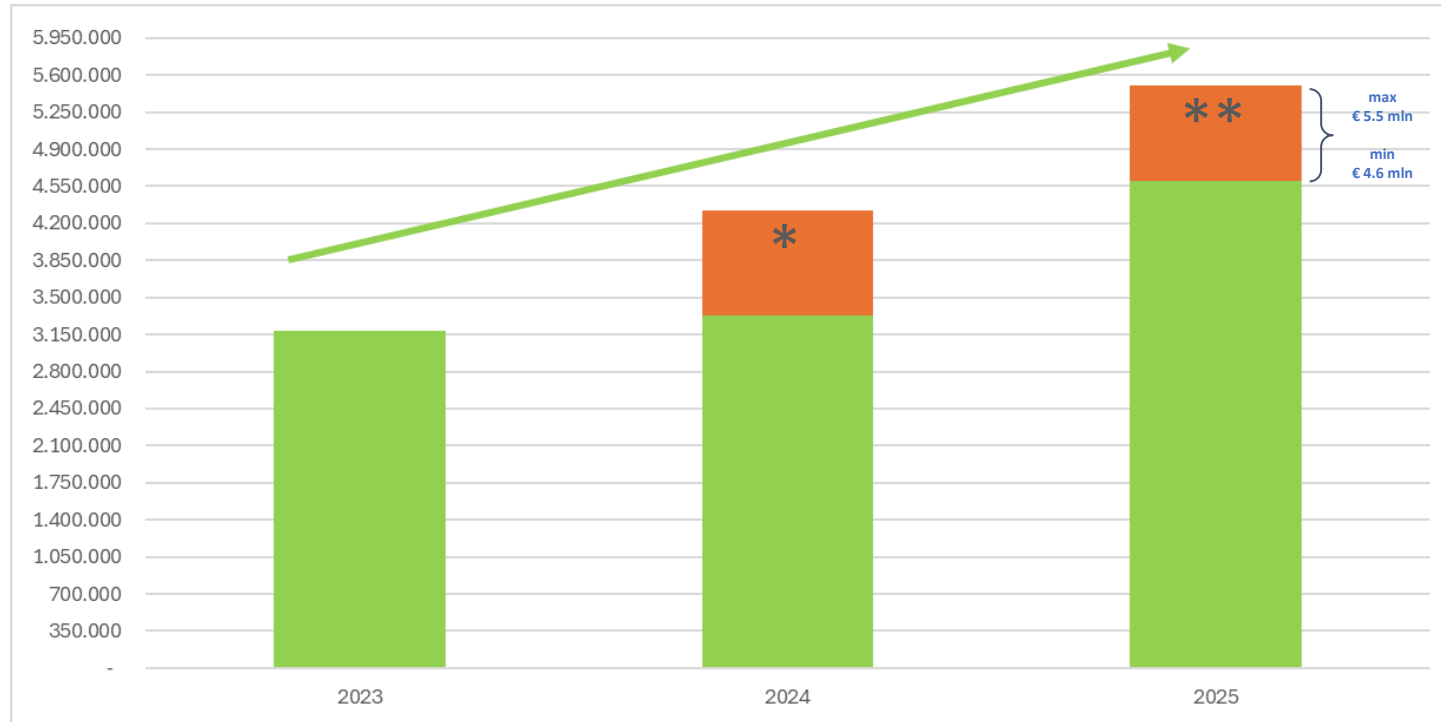
2024

2024 pro-forma

budget 2025



# EBITDA 2023-25



(\*) 2024 Pro forma EBITDA including M&A

(\*\*) The consolidated EBITDA for 2025 is expected to range between EUR 4.6 – EUR 5.5 million. In the current, evolving geopolitical and macroeconomic scenario, the stabilization of certain contextual elements is necessary in order to formulate sound and responsible forecasts aligned with market expectations and our strategic objectives.

## Connect 4 Agile Growth

# 2025-2028



# 2028-29 objective

Growth target also continuing integrating Systematic M&As

In addition to organic growth, CIRCLE pillar of growth through Systematic M&As and partnerships **further extends the objectives and the Group's perimeter.**

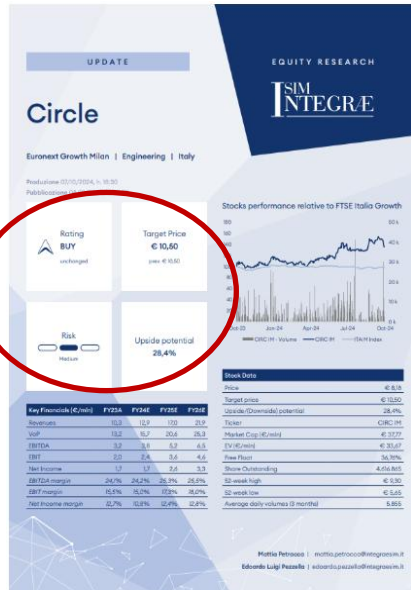
Main focus identified in the previous picture. Final objective is confirmed (and 2024 M&A partially anticipated intermediate steps).



More than € 50 mln  
annual revenues  
among 2028 - 2029



# Stock growth



## Euronext Growth Milan

### 1H23 Earnings Season

#### About ValueTrack

ValueTrack is a capital markets and corporate finance firm focused on mid-small caps offering a wide range of services. Advisory, Equity, Debt Research, Investor Access. Our research is available on ValueTrack and from Italian websites, Bloomberg, FactSet, Thomson Reuters, SIF Capital IQ.

#### Top line up, profits down y/y, net debt worsening

ECM companies' 1H23 results describe a rather subdued scenario marked by a substantial deceleration in growth, stemming from a deteriorating macroeconomic environment.

Diving into numbers, in 1H23 our ECM non-financial firms sample recorded aggregate Top line up +4.8% y/y, but Net Profit down i.e. -23% y/y, and Net Debt worsening by more than 300mm 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 NRRP).

#### Still, polarization happens at company level (and peaks)

Polarization between best and worst companies is growing. Indeed, in 1H23 ca. 24% 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 FY2023 figures, a substantial number of companies probably over-baked their earnings estimates revisions.

#### Top performers

Those names that recorded the strongest 1H23 figures in our view are: A.L.A., Abnovo, Altea Green Power, Circle, Conel, Cyberon, DHB, Euronext, Fin Technology, JINTY, NTF, Office Shellen, Oner, Powercraft. Many of these companies should keep granting satisfactory results ahead, given their exposure to noteworthy secular trends.



- «Free allocation of shares» - 1 free stock each 10 - May 20<sup>th</sup>, 2019
- Buy back - now **68,640** own shares (1.44%) at 31.3.25
- CIRCLE is an Innovative SME**
- Average monthly volume (from IPO) more than € 1 mln

Upside from IPO	TP	Upside opportunity
+256*	TP 10.5	+36%

\*Stock price at March 31, 2025

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