



*INVESTOR PRESENTATION  
November 3rd - 4th, 2020  
Next GEMs Conference 2020*

# 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 € 6.1 mln  
(+27% vs 2018)

Ebitda adj € 1.5 m

Ebitda Margin 24%

Group's Net Profit € 0.5 m

NFP € 0.3 m

Year 2019

### 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

**Projet 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

### 3 successful M&A since end of 2017

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

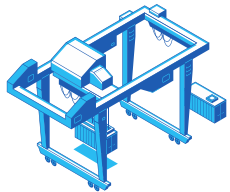
**100% of Progetto Adele**, specialised in the development of vertical software systems for the Supply Chain

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

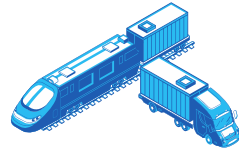
# Corporate Overview

## 3 Business Units, targets and products

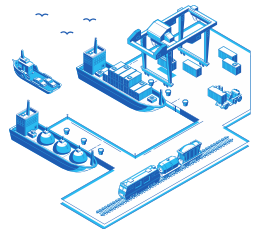
### Innovative and Smart Supply Chain



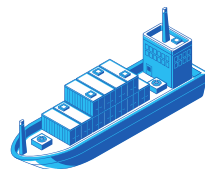
Inland and Port Terminal Operators



Multimodal Transport Operators & Rail Companies



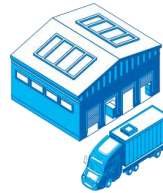
Port Authorities and Port Communities



Shipping Agencies

**Milos** **Sinfomar**

### Global Supply Chain Visibility



Shippers



Freight Forwarders



Customs Operators

**Milos** **MasterSPED**

### Connecting EU

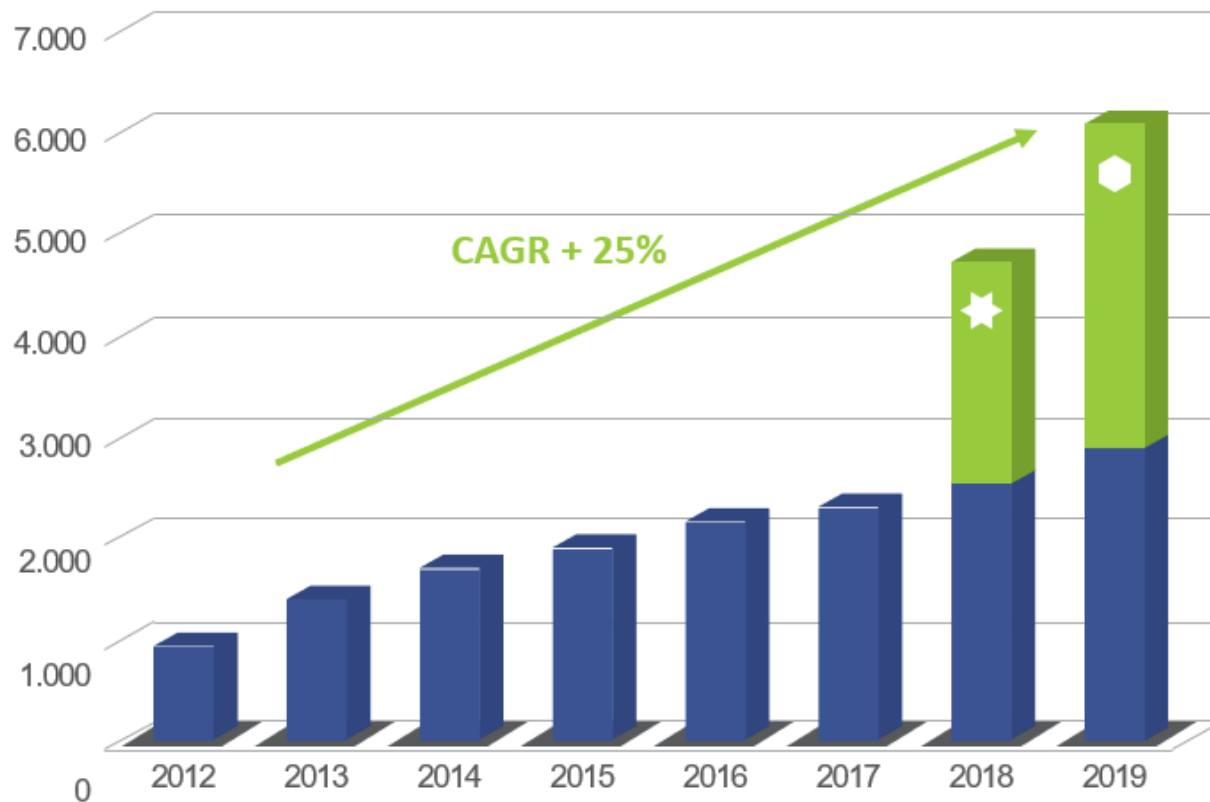


Private and Public entities specialised in port, transport and logistics

Project Anticipation  
EU Branding

# Financials

## 2012-2019 Group revenues



|                | 2019      | vs 2018 |
|----------------|-----------|---------|
| Group Revenues | € 6.1 mln | +27%    |

★ Green numbers are related to Info.era (acquisition 01.01.2018)

● Group consolidated revenues - including 5 months of Progetto Adele (acquisition 01.08.2019) and 12 months of Info.era

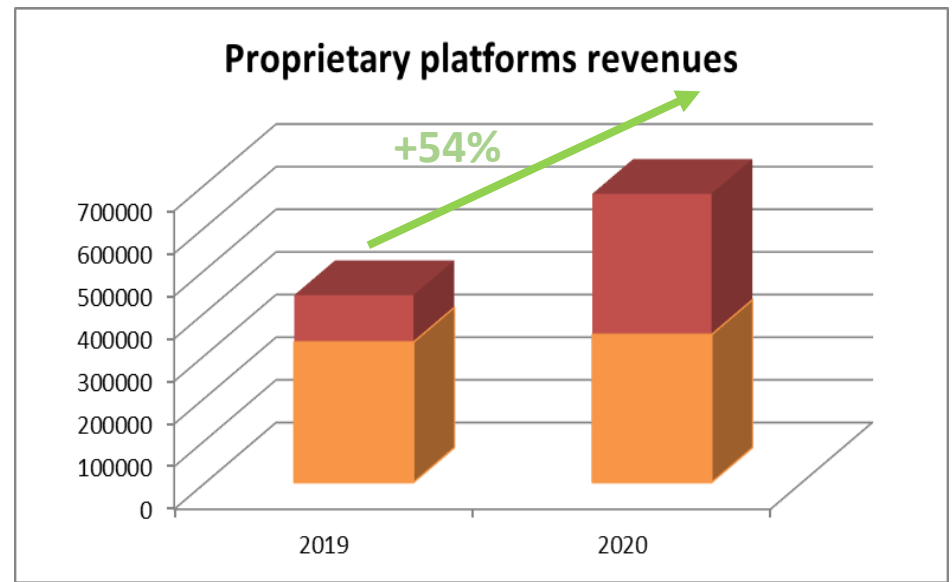
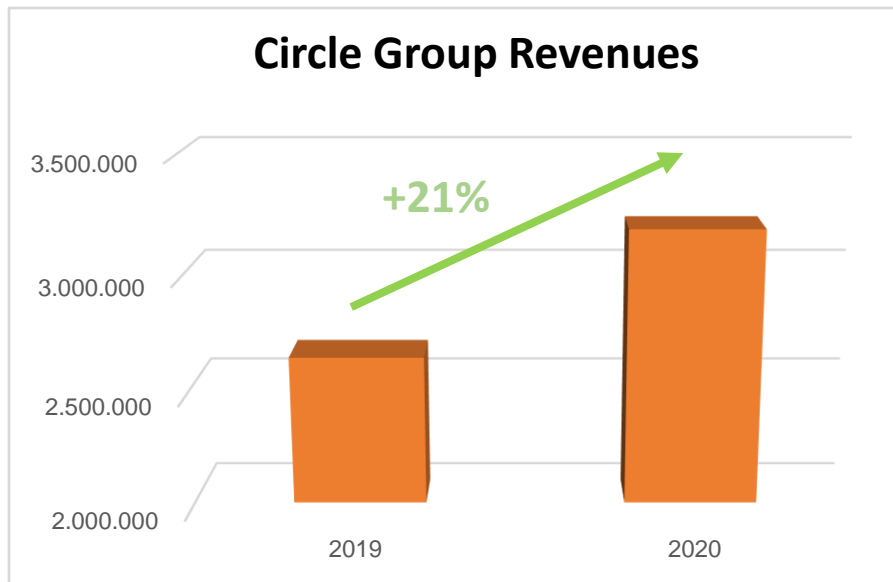
# Circle Group Financial Statement 2020 H1

|   | 2020 H1   | 2019 H1    |
|---|---|------------|
| Revenues  | € 3.2 mln (+21%)  | € 2.6 mln  |
| EBITDA adjusted*<br><i>*excluding not recurrent costs</i> | € 0.7 mln<br>(excluding non-recurring costs deriving from the pandemic; EBITDA 0.4) | € 0.7 mln  |
| EBIT adjusted*<br><i>*excluding not recurrent costs</i>   | € 0.4 mln<br>(excluding non-recurring costs deriving from the pandemic, EBIT 0.1)   | € 0.4 mln  |
| Net profit  | € 0.04 mln  | € 0.38 mln |
| NFP   | € 0.47 mln<br>(considering investment 0.4 + non-recurring costs 0.3)                | € 0.34 mln |

**Group Backlog: + 45% vs 2019 H1**

# Group Financial Statement 2020 H1

Products



*SaaS: + 101% vs 2019 H1*

# Market trends

## Potential market by industry

### Market drivers of maritime logistics segment



#### Ever-increasing cargo volumes and increasingly complex transportation networks

- Ever-increasing vessel sizes and cargo volumes continue to pressure ports and terminals
- At a time when logistics service providers are attempting to provide door-to-door services, ports need to transform themselves to eliminate bottlenecks in information, services and efficiency
- Therefore seaports have now become one of the most dynamic links in international transport networks



#### Continued focus on port productivity

- The terminal operations of warehousing, transshipments, and loading and unloading are well established and increasingly homogenous
- Operators that want to maintain a competitive edge must adopt a digital mindset and connect with inland industries to counter underutilisation of resources and lack of collaboration

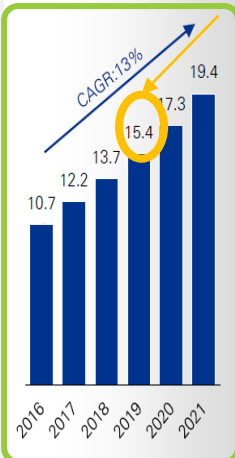


#### Increasingly stringent requirements

- The maritime logistics value chain has increasingly stringent requirements for adequacy of collection, distribution and transportation systems, transparency of logistics operations and convenience of trade
- Regulations like the EU National Single Window directive increase the administrative burden on large and small ports
- To manage the administration burden efficiently, automation and software solutions are key



Highly attractive supply chain management software market which is expected to show double digit growth (\$bn)



The global supply chain management (SCM) software market is expected to grow significantly driven by increased adoption by midsized enterprises due to ease of use and product innovation (e.g. cloud-based solutions)

Gartner anticipates that vendors offering a well-defined, vertical industry oriented strategy for midsized organisations will grow rapidly over the next five years by capturing large parts of the market



Source: Gartner: Supply Chain Management Software Worldwide (2018); Accenture: Connected Ports Driving Future Trade (2016)

Global Supply Chain Management Software potential market size (2024)  
 ≈ 21-25 bln \$

Sources:

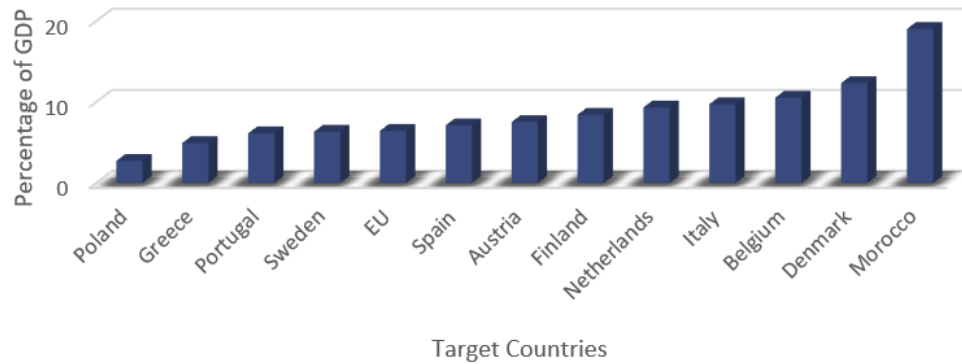
Gartner - Supply Management Software Worldwide 2018

Technavio - Global Supply Management Software market 2020 - 2024

# Market trends

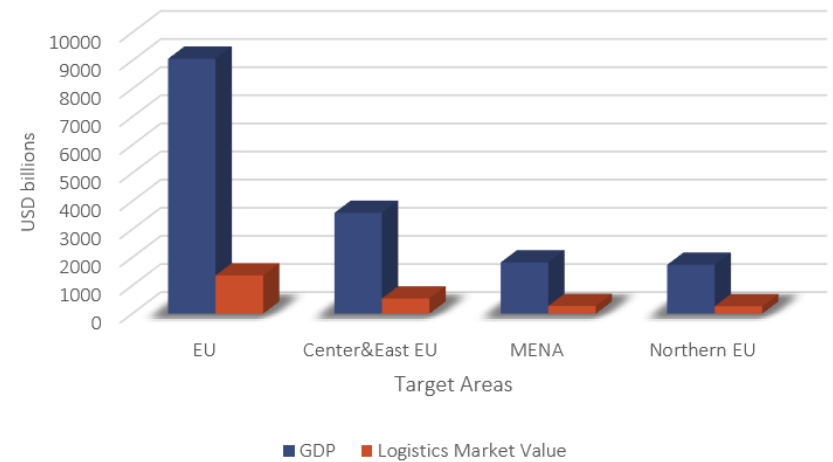
## Potential market by geography

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)  
 $\approx 3$  bln €

Circle Group's potential market size (to 2024)  $\approx 1.1$  bln €





# Strategic guidelines

The development plan 2020 - 2024

## Product evolution

- Roadmap Milos® 2024
- Roadmap MasterSped® 2024
- Roadmap Sinfomar® 2024
- Federative Services

## EU Services evolution

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

## Geographical expansion

- Med area (Portugal and Spain)
- 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)

# Framework positioning

## CIRCLE GROUP PRODUCTS



## STRATEGIC ALLIANCES

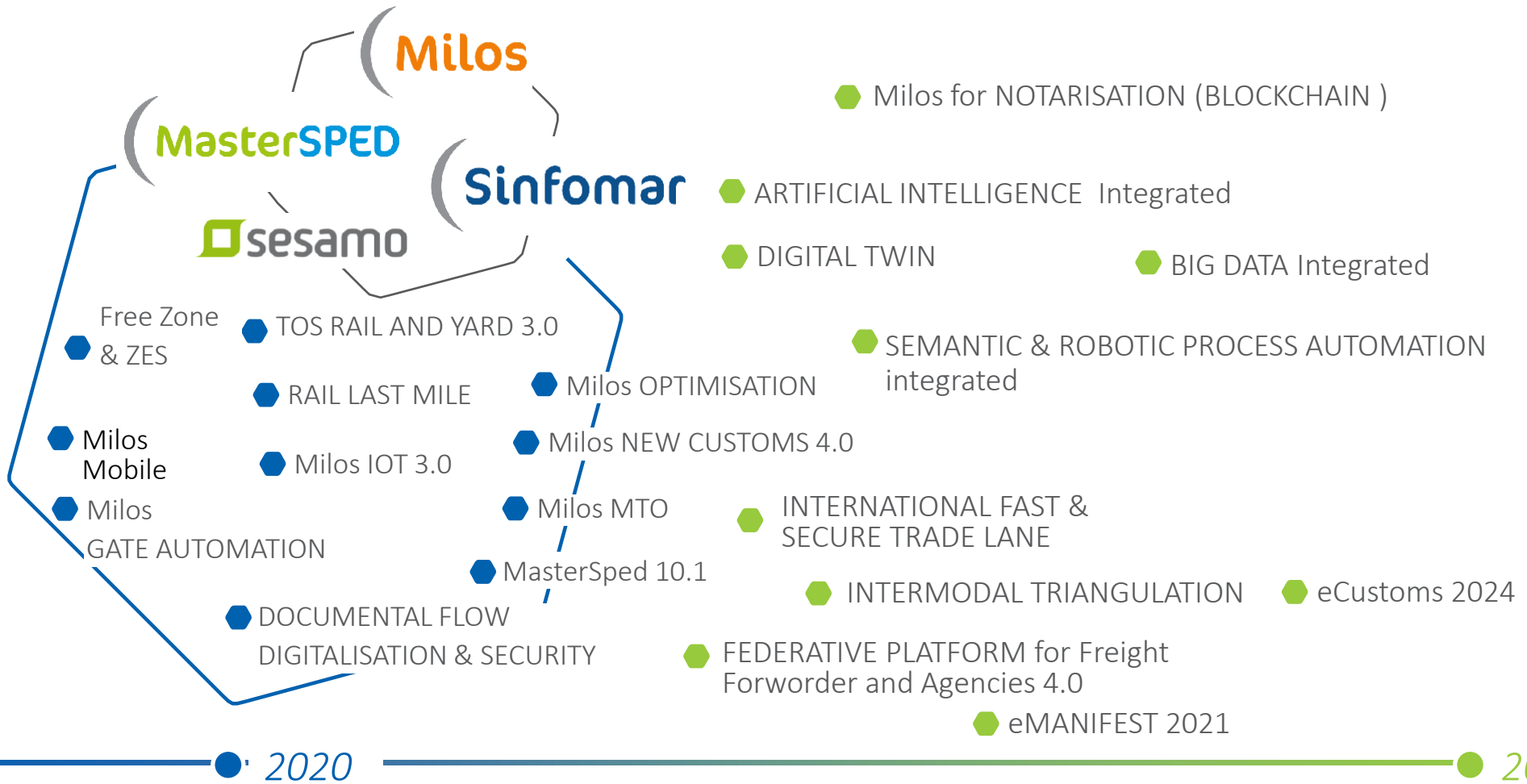
*Integration with Circle Group's products for value added services development*

|   |  |
|---|--|
|    | Rail Undertaking solutions                                   |
|    | Artificial Intelligence                                      |
|    | Digital Twin   |
|    | Operative Human Resources                                    |
|   | Semantic & Robotic Process Automation                        |
|  | Environment / Circular economy consultancy                   |
|  | IT networking, security and Infrastructure AsaService (IaaS) |

Complementary technologies/business

# Product evolution

## 2020-2024 roadmap



# Ongoing EU services evolution



## New topics for EU Funding opportunities

Connecting EU, within its line of business Project Anticipation, is expanding the services of EU projects generation, negotiation and management to a wider range of topics:

- Green Deal
- Sustainability
- 5G Broadband
- Circular economy
- Autonomous vehicles



## New digital and hybrid communication tools & events

With its line of business EU Branding , officially launched in June 2020, Connecting EU is offering new services for the positioning on the international market of companies specialised in port, transport and logistics:

- digital and social multichannel promotion
- organisation of physical, hybrid and virtual events
- business to business matching

# 2021-24 Highlights



Port & Maritime

✓ Acquisition of Infoera



Development of Supply Chain Federative Services for merchant and carrier business



Freight forwarding & Customs Services

✓ Acquisition of Progetto Adele



Development of common Supply Chain Federative Services



Volume expansion



Rail & Rail Last Mile

✓ Strategic alliance with Binary System



Development of internal Line Of Business dedicated to MTO's and Rail



Development through indirect channels (partners & alliances)



Internet of things & Optimisation pilot

✓ Joint Venture with Log@Sea



Development of internal Line of Business dedicated to Optimisation



Development through indirect channels (partners & alliances)



Big Data, AI & Robotic Process Automation

✓ Strategic alliance with Expert System



Strategic alliance with Maps



Go to market roadmap



European projects and consultancy

✓ Connecting EU EU Branding launch



Strategic evolution in Bruxelles and with other EU (Med) countries coverage



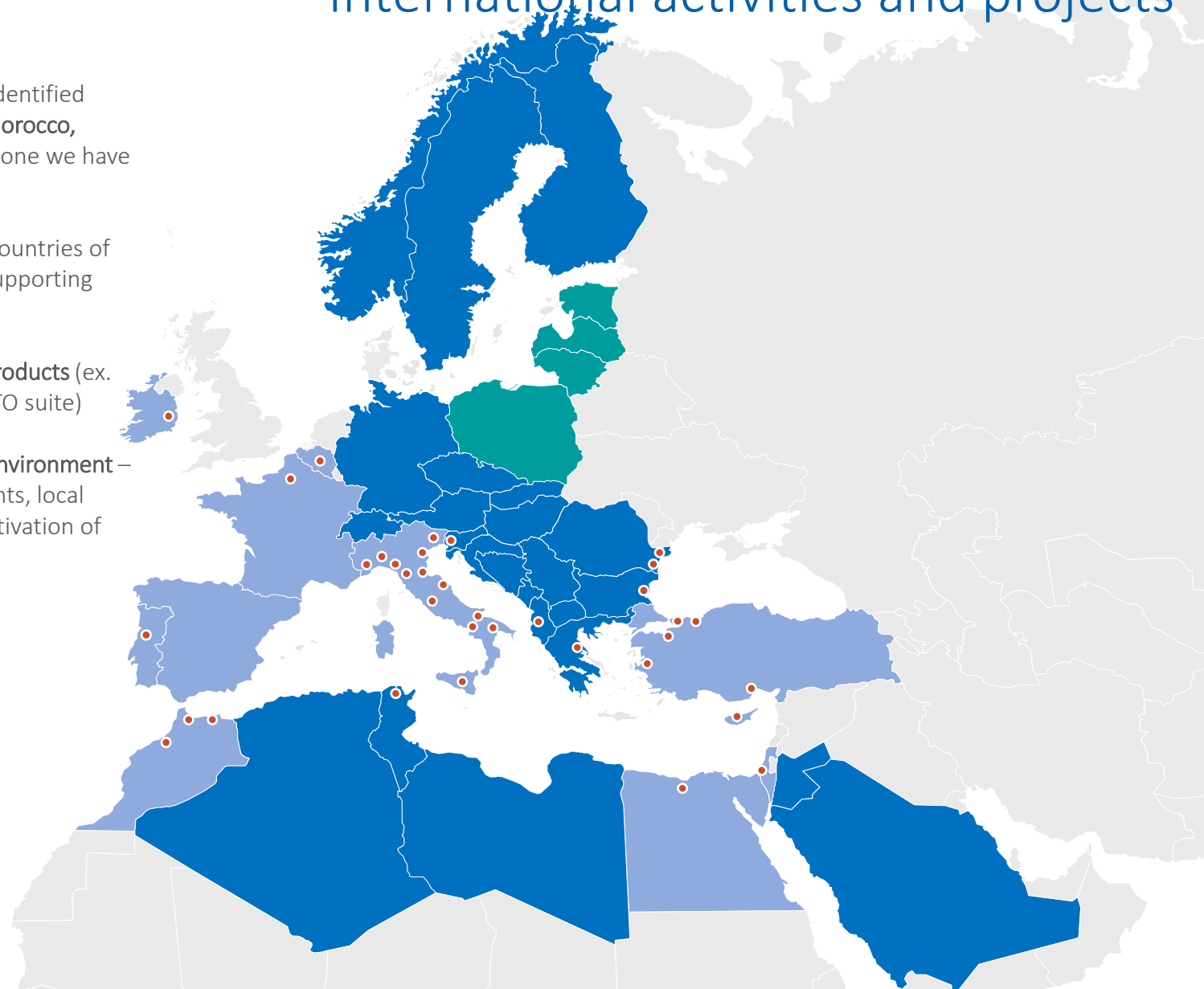
# Geographical expansion

## International activities and projects

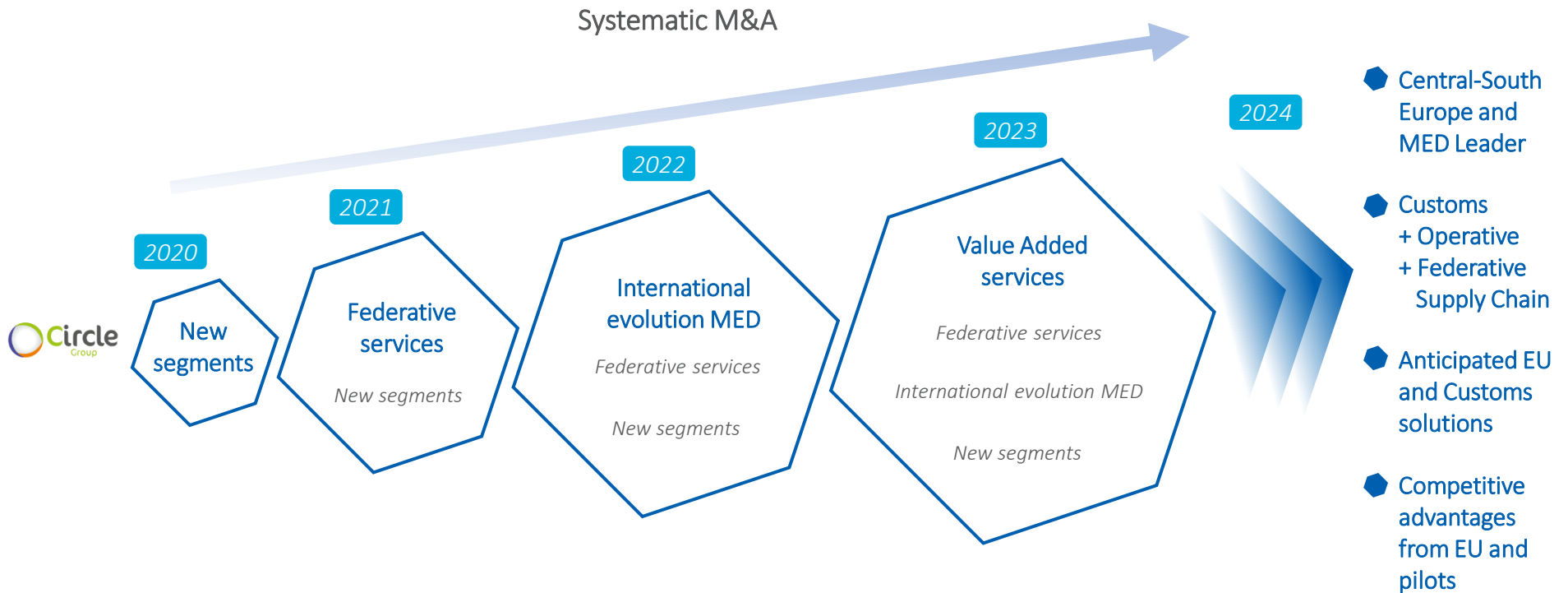
### OBJECTIVES 2021 – 2024

- Achievement of a presence in some identified **foreign markets (es. 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*
-  *Ongoing preliminary project proposals and lead generation activities*
-  *Target countries for future developments*
-  *Clients/Projects*



# Strategic Goals



# Financial focus & stock growth



## CIRCLE

1H20: strong revenue growth +21% yoy

**Strong growth trend in revenues:** CIRCLE, "innovative SME" specialized in the provision of innovative technological solutions for the port and intermodal logistic sector, recently released strong set of 1H20 results that confirmed the growth trend of FY19 revenues (+21%) and a high profitability with an EBITDA margin adjusted of ca. 22%. Revenues reached Euro 3.2 m, up by +21% (Euro 2.6 m in 1H19) mainly driven by a sharp increase in revenues from proprietary products (+54%). EBITDA adjusted stood at Euro 0.7 m in line with 1H19. EBITDA non adjusted was of Euro 0.4 m (12.5% on revenues). Net Profit came at Euro 43 k compared with Euro 0.3 m in 1H19. Net Cash stood at Euro 0.5 m compared with Euro 0.3 m of FY19.

**Positive outlook:** Our outlook for Circle remains positive, as the Company's exposure to digital and Management's focus on external growth and innovation of product/service portfolio should mitigate any potential negative impact from reduction of industrial production and lay ground for future growth. More in particular the Company launched a new set of innovative services (Federative Services) in September. In order to respond to customers' needs of a fully digitalized Supply Chain, also in light of the current pandemic which has put emphasis on the importance of digital, and has recently announced the participation in two important Connecting EU projects (MOSES and 5G-LOGINNOV) for which the Company will be granted a total of c. Euro 560k.

Management stated that the growth trend of FY19 and 1H20 continued in the first two months of 2H20, during which the Group saw an increase in commercial activity confirming a recovery in the market. Management further anticipated the new industrial plan will focus on the development of the recently acquired

UPDATE 1H 2020 RESULTS  
AIM Italia - September 30<sup>th</sup>, 2020 7:20 p.m.

### Sector: Technology

Target Price (Euro) 4.40 (4.49 pr)  
Market Price (Euro) 2.82  
Market Cap (Euro m) 10  
EV (Euro m) 10  
(as of September 29<sup>th</sup>, 2020)

#### Share Data

Market AIM ITALIA  
Bloomberg/Reuters CIRC:IM / CIRC:MI  
ISIN IT0005344996  
N. of Shares 3,470,115  
Free Float 23.67%  
CEO Luca Abatello

#### Aim Positioning

| FY 2019       | Company | AIM Italia |
|---------------|---------|------------|
| VoP (Eu m)    | 6.1     | 44.5       |
| Yoy           | 26.9%   | 16.9%      |
| EBITDA %      | 19.9%   | 15.4%      |
| ND/EBITDA (x) | (0.3)   | 2.1        |

| Market Data     | Company | AIM Italia |
|-----------------|---------|------------|
| Mkt Cap (Eu m)  | 10.1    | 44.7       |
| Perf. YTD       | -4.9%   | -7.4%      |
| Free Float      | 23.7%   | 32.8%      |
| ADIT YTD (Eu k) | 14,971  | 71,392     |

#### Credit Risk Profile

|                                    | Circle | Italian PMI Av |
|------------------------------------|--------|----------------|
| WiseFunding Bond Rating Equivalent | BB+    | B+             |

#### Performance

|                       | 1M          | 3M     | 6M     |
|-----------------------|-------------|--------|--------|
| Absolute              | -2.76%      | -4.73% | 1.44%  |
| Relative              | -2.17%      | -0.42% | -0.97% |
| 52-week High/Low (Eu) | 3.16 / 2.16 |        |        |

## GRAFICO



| Upside from IPO | Target Prices | Upside Opportunity |
|-----------------|---------------|--------------------|
| +35%^           | 4,2/4,4       | From +44% to +54%  |

- «Free allocation of shares» - 1 free stock each 10 - May 20<sup>th</sup>, 2019
- Buy back – 17.160 stocks
- Circle is an innovative SME
- Average monthly volume (from IPO) around € 600.000

^ stock price at September 23<sup>th</sup>, 2020



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