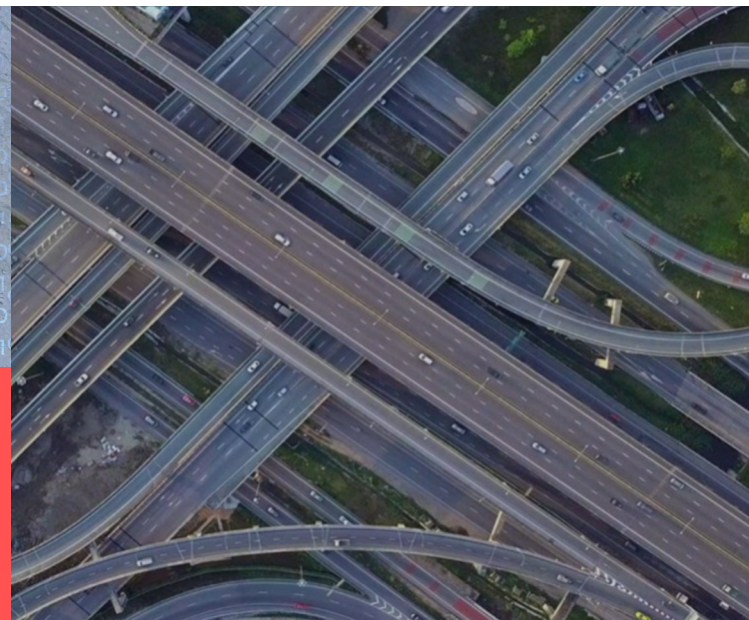




Franchetti Spa

Geneva Roadshow

17th July 2025



Scalable solutions for infrastructure management



Summary



Proprietary software suites and algorithms

Solving major pain points for infrastructure managers



High profile B2B customers

Large operators and global infrastructure funds



Large addressable market

1,000,000+ estimated bridges in current targeted markets; potential to extend to ports, tunnels, civil buildings and concrete dams



High profitability

Hybrid business model with 30%+ EBITDA margin



Clear growth model

Bolt-on acquisitions allied with a strong organic trend

Proprietary software - The suite

With the Argan predictive maintenance algorithm at its core, the Franchetti suite enables its engineers to provide all-encompassing solutions for infrastructure managers



- Trained over 25+ years, on database of ~40,000 bridges viaducts worldwide
- Analyses the data on the state of health of a structure, creating a digital twin
- Advance planning to enable prompt intervention and avoidance of emergencies
- Simulates deterioration, developing the most effective maintenance strategy in compliance with local legislation and taking budgets into account
- Brings safety, protection of existing assets and correct management of economic resources

The predictive nature of its AI-powered algorithms brings a new clarity to maintenance planning and budgeting, enabling operators to comply with safety standards while keeping expenditure under control



- Optimizes roadwork site planning
- Optimizes spatial and temporal distribution of sites



- Structural monitoring system planning
- Optimizes sensor placement and networking



- Assesses inspection and management processes
- Objective and complete evaluation process across the different actors involved



- AI-assisted structural inspection
- Drone-captured, so 80% reduction in road closure

Proprietary software - The business model

Combining pathbreaking technology with highly skilled engineers delivers value for both Franchetti and its customers

Franchetti offers infrastructure owners and operators a complete maintenance planning service

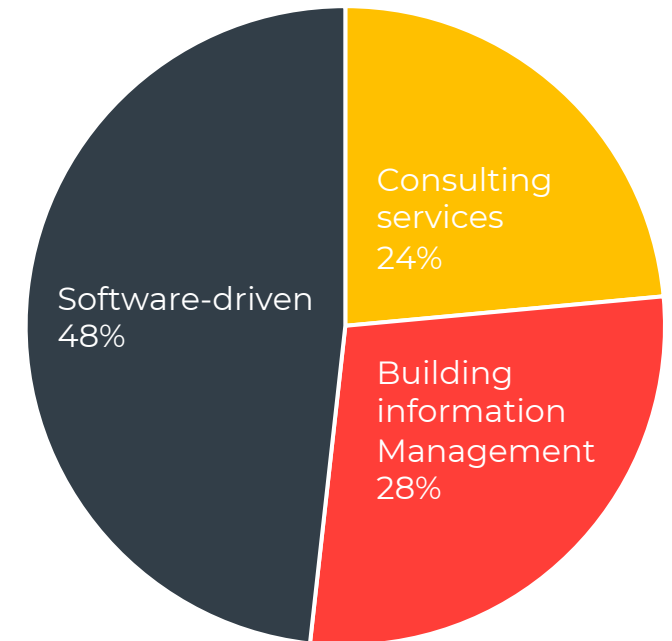
Its 100+ highly experienced engineers:

- Assess/improve the quality of client infrastructure data
- Run the data through the proprietary software suite
- Deliver reports and schedules that integrate seamlessly with client ERP/BMS* systems

This combination of engineering know-how and software tools delivers clear and recognized value-added to the client base

Consultancy work around recent BIM* regulation is opening up new opportunities to apply the suite to large buildings

Revenues Breakdown



High profile B2B customers

National and international public and private leaders in the management of road and railway infrastructures

Long-term concessionaires of infrastructural networks (typically 20+ years)



Indirectly....

Brookfield



ARDIAN

Large addressable market

Increased infrastructure investments, supported by the adoption of modern technologies (AI and ML), are driving growth in the digital twin and predictive maintenance markets

WorldRanking	Country	Estimated No. of main network bridges
1	US (FHWA)	617,000
2	India	187,600
3	China	164,300
4	Brazil	94,900
7	Canada	54,200
15	Italy	27,000

Source:
<https://www.trade.gov/country-commercial-guides/brazil-infrastructure>
<https://www.trade.gov/country-commercial-guides/brazil-infrastructure>
<https://www.github.org/countries/brazil>

London consultancy Visiongain estimates for predictive maintenance and digital twin market (including industrial applications)

Global Market
Value in 2023

\$24bn

CAGR 2024–34

46%

Source:
<https://www.globenewswire.com/news-release/2024/04/22/2866614/0/en/Digital-Twins-and-Predictive-Maintenance-market-is-projected-to-grow-at-a-CAGR-of-46-3-by-2034-Visiongain.html>

Important Drivers

- Global trend towards private sector infrastructure ownership
- Re-insurers asking for more data-based maintenance plans
- Brazilian road privatization initiative
- US bipartisan infrastructure law
- Safety concerns kept alive by ageing structures

New Opportunities

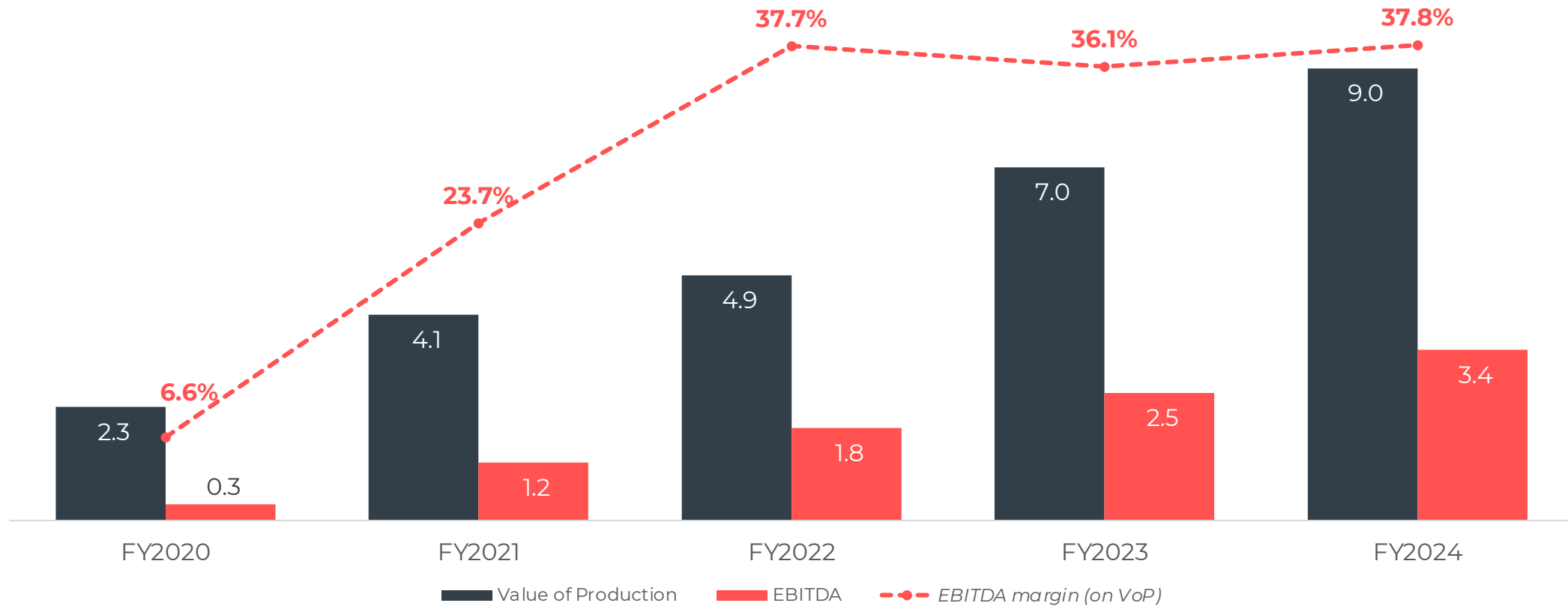
- New BIM integration work creates pathway for Argan into the building's world
- Strucinspect, and resulting partnership with Palfinger, creates bridgehead into DACH and will assist in USA

Fragmented Competition

- Franchetti's main advantage vs. in-house systems is the predictive capabilities embedded in its software suites trained on its transversal database of structures
- Small number of independent offerings on the market can offer some of the same functionalities but lack Franchetti's historic and global data to train their systems in the formulation of predictive plans

High profitability

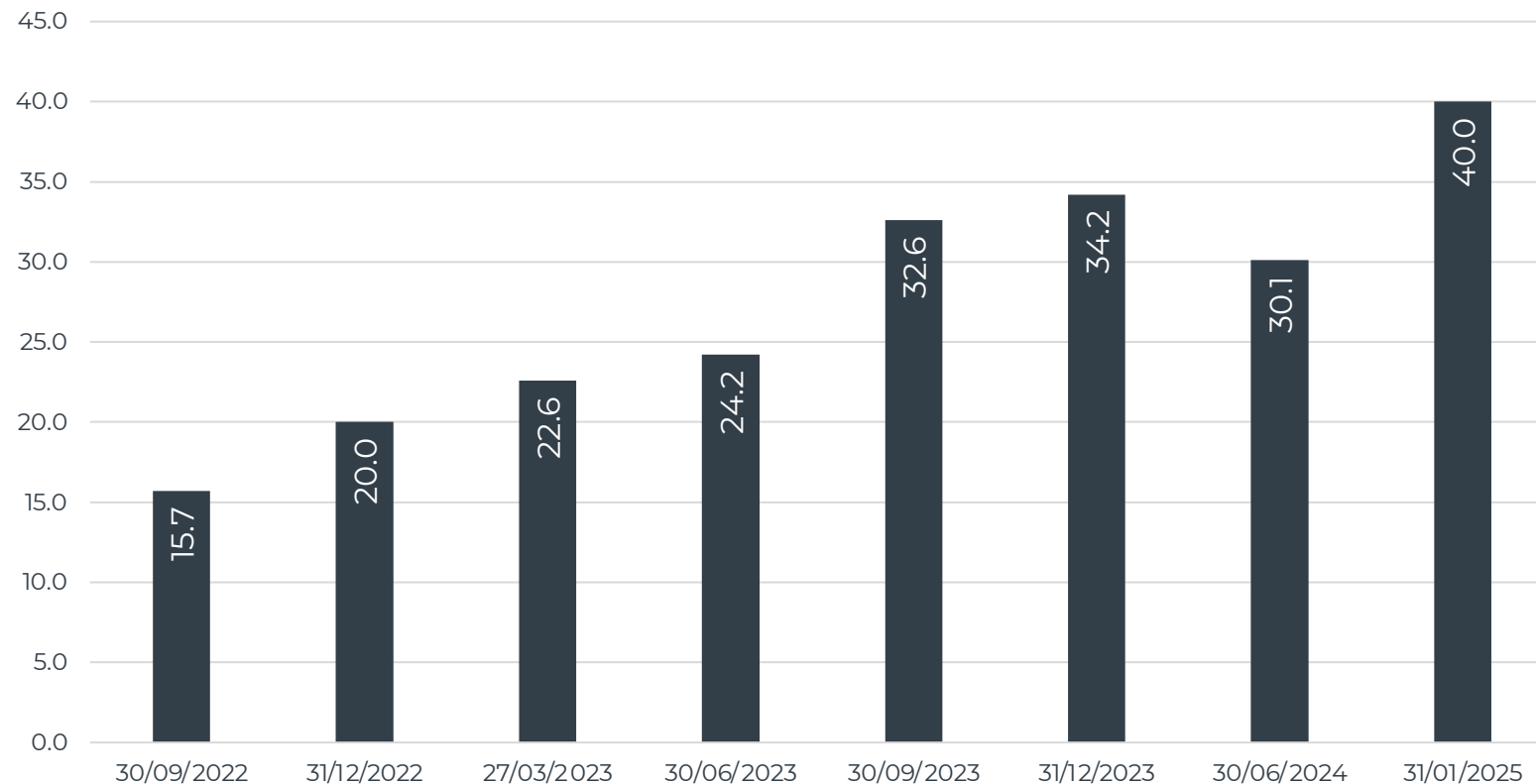
Value of production up to 9€m and EBITDA margin at 37.8%, confirming strong business momentum



High profitability - Helped by visibility

Franchetti's long-term relationships with its customers generate recurring business streams

■ Backlog



Backlog (€m)

≈40

as at 31 Jan. 2025

With revenue visibility **until 2029** and share for 2025 estimated approx. at **32.5%** of the total.

A Clear Growth Model - Three distinct pillars

Organic Growth



- Legacy Italian market continues to grow, with new BIM obligations creating a major opportunity for consultancy, but also for new Argan applications
- Brazil offers huge potential, with close to 8,500km of highways due to be privatised in 2025 alone
- Recently acquired Strucinspect has given Franchetti a foothold from which to grow in DACH and the USA

Strategic territorial M&A



- International acquisitions of companies operating in the same market segment, using traditional techniques and technologies but having a strong local presence
- Profitability of traditional consultant engineers enhanced by the integration of the Franchetti suite in their offering
- Targeting Italy, EU, Brazil, USA and Canada

Strategic technology M&A



- Acquisitions aimed at improving the group's technological chain – e.g. recently acquired Strucinspect

A Clear Growth Model - A structure fit for purpose

R&D at the core of our business

- ML tools to industrialize digitalization process of customer historic infrastructure data
- Raising cybersecurity standards for protection of high-profile infrastructure data
- Re-writing legacy software to enhance compatibility with e.g. AWS, MS, SAP cloud-based solutions

Preparing for growth with targeted investments

- Growing our hardware infrastructure to take on larger projects
- Implementing more powerful CRM to improve cross-selling
- Enhancing cloud security for customer data

Strengthening management team

- General manager with international experience hired to ensure acquisitions can be successfully integrated
- Wharton MBA engineer with extensive infrastructure experience and network added to the management team in Brazil



FY2024 Financial Highlights



FY2024 Financial Highlights

Strong acceleration in Production Value and Profitability, with positive Net Cash Position and solid Backlog supporting future visibility.

Value of Production (in €m)

9.0

+28% vs 7.0
FY2023

Ebitda (in €m)

3.4

+34% vs 2.5
FY2023

Backlog (€m)

≈40

as at 1 Jan 2025

Net income (in €m)

1.5

+21% vs 1.2
FY2023

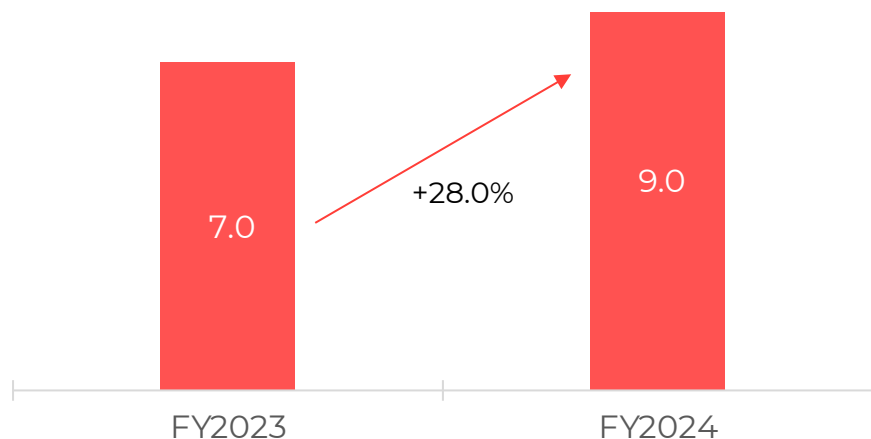
Net Financial Debt in (€m)

-1.1 (cash)

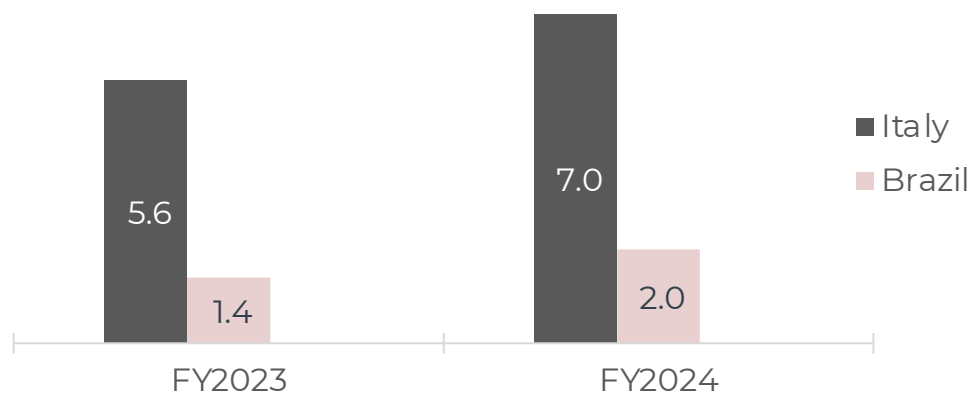
vs 0.4 (debt)
as 31 Dec. 2023

FY2024 VoP – Solid top line sustained by robust backlog

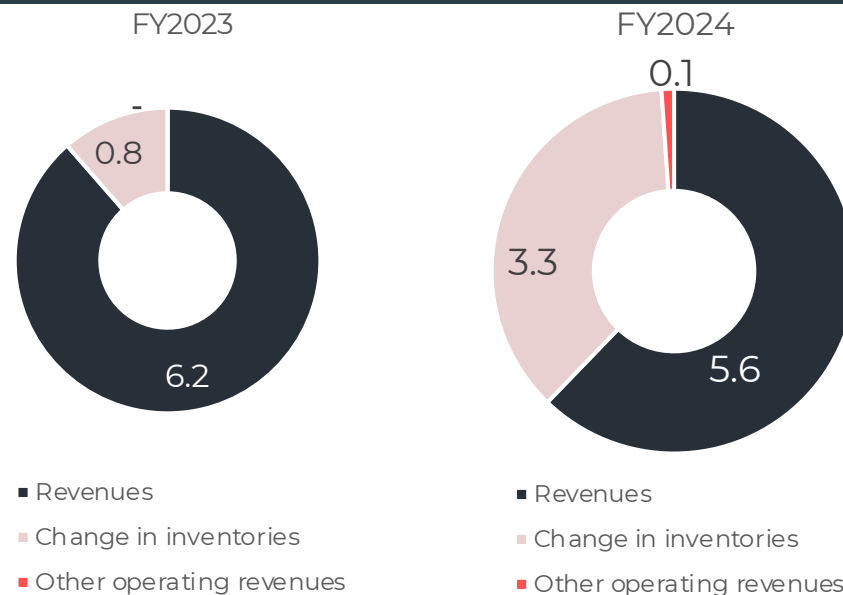
Value of Production (in €m)



Value of Production by geographic area (in €m)



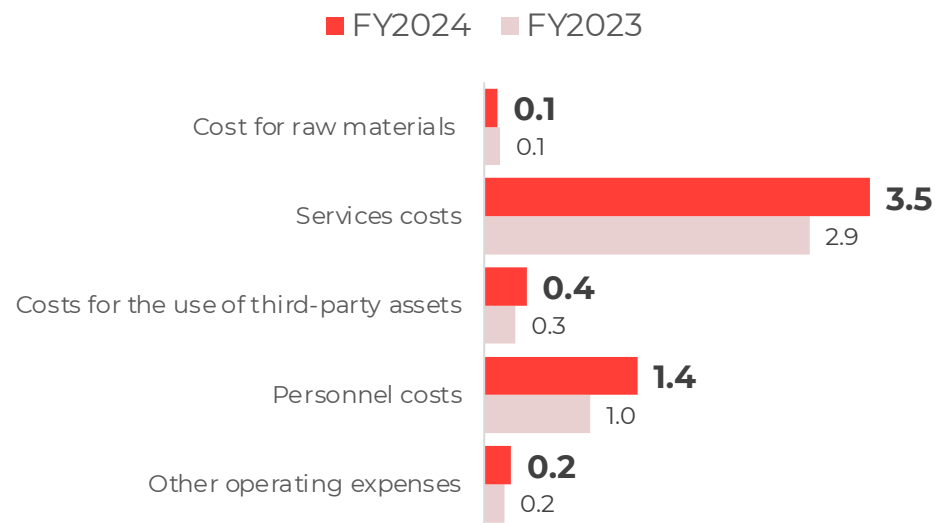
Breakdown Value of Production (in €m)



- **Revenues** showed a temporary dip due to the rescheduling of orders from key strategic clients undergoing internal reorganization, with these orders now expected to be delivered in 2025, valued at approximately €1.5 million.
- The increase in **Inventories** is a positive indicator of the robust pipeline, reflecting the work-in-progress of confirmed orders received in the final quarter of the year, which are set to be delivered in 2025, accounted for based on progress.

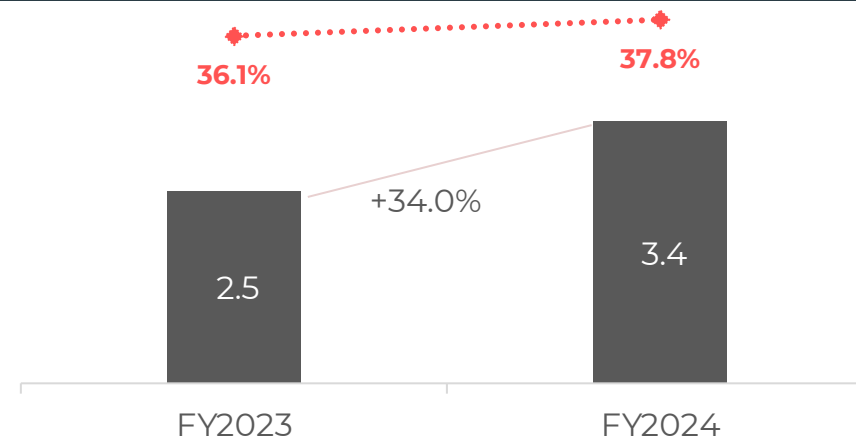
FY2024 Profit & Loss – Strong growth at all level

Operating cost breakdown (in€m)

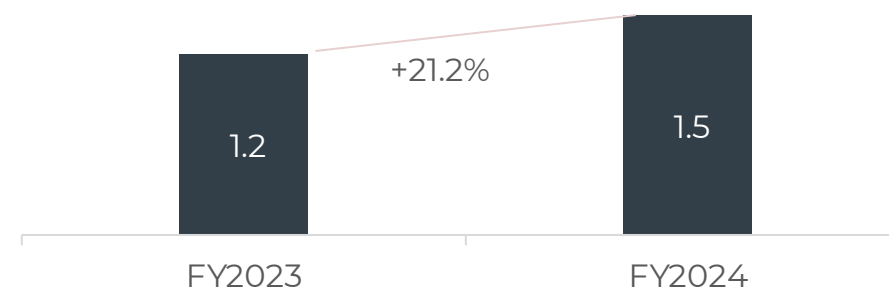


- Despite an increase in Operating Costs the Group achieved strong operating performance and double digit increase in Net Result.

EBITDA (in €m) and EBITDA margin (% on VoP)

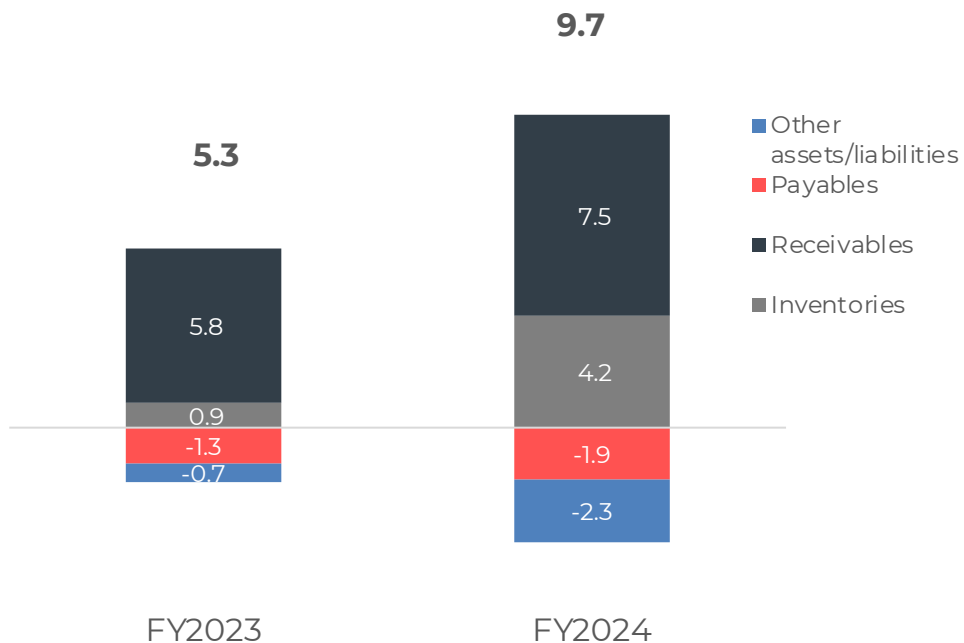


Net Result (in€m)



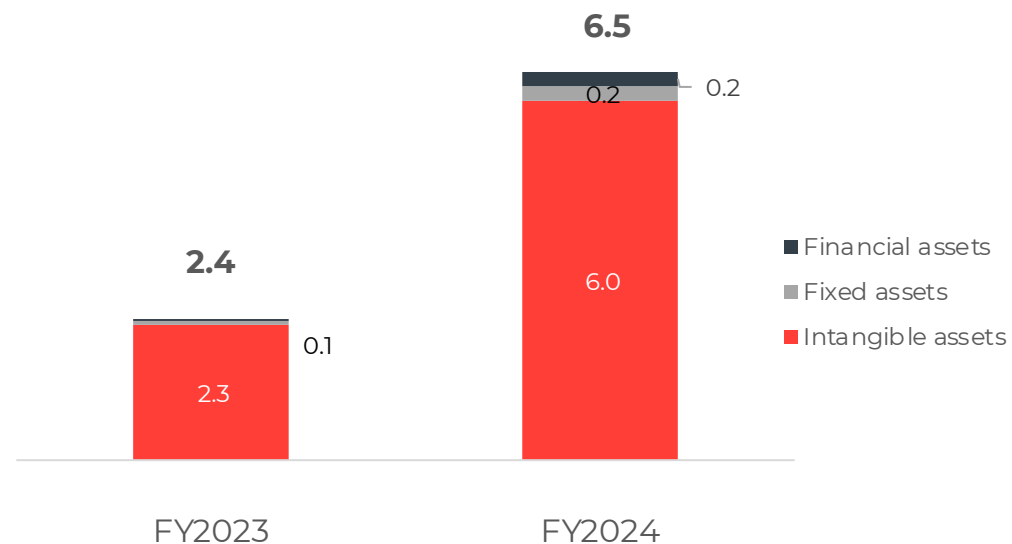
FY2024 Balance Sheet

Net Working Capital (in €m)



- 2024 has been an unusual yr for a major client (late payer but safe payer) due to PNRR work overload.
- In the first months 2025 the DSO already improved.

Non-current assets (in €m)

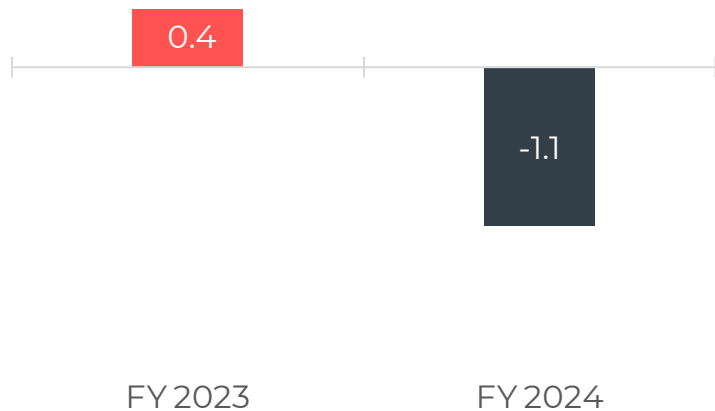


- In 2024 the increase in Intangible asset is due to the reclassification of Matildi + Partners S.r.l. under goodwill and higher capitalizations from software and M&A investments.

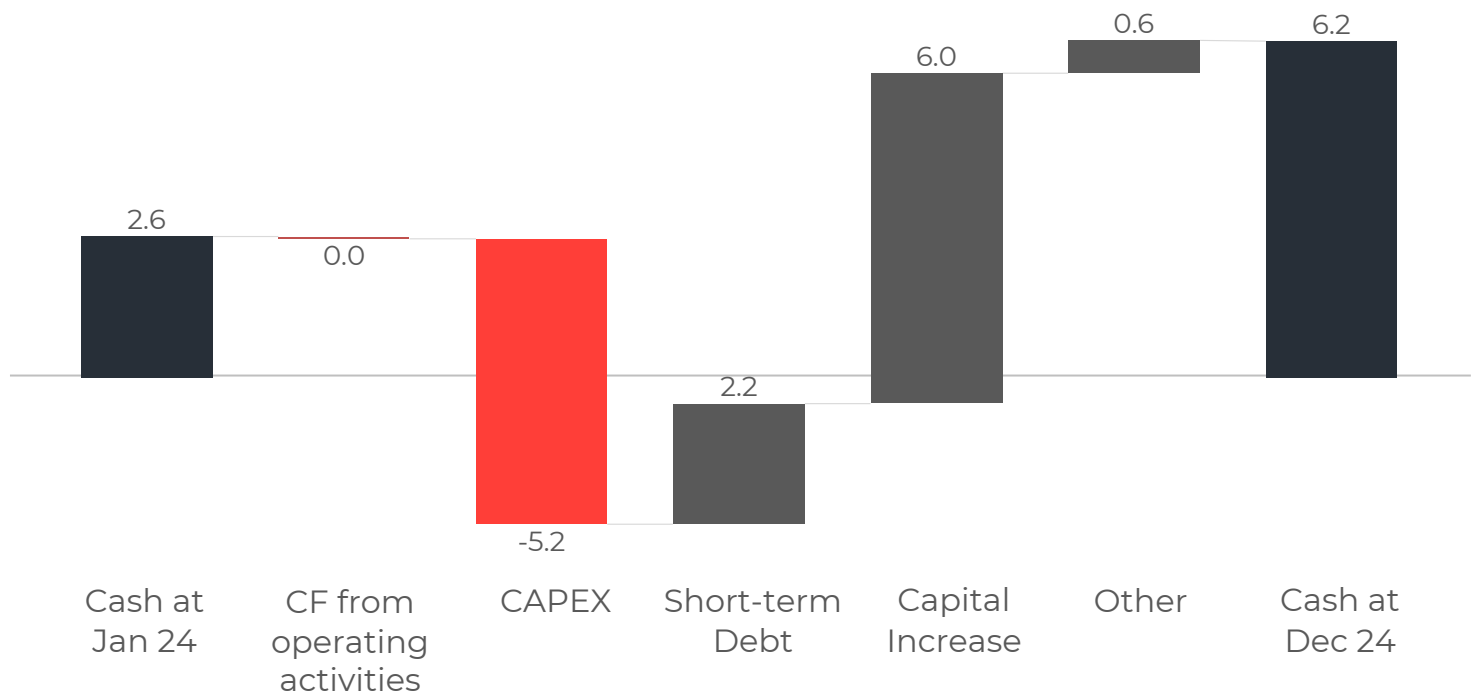
FY2024 Net Financial Debt

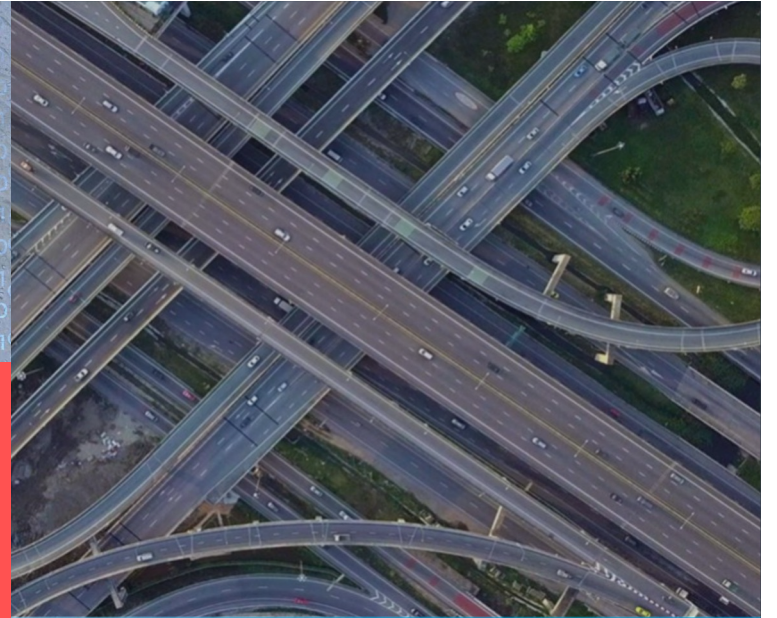
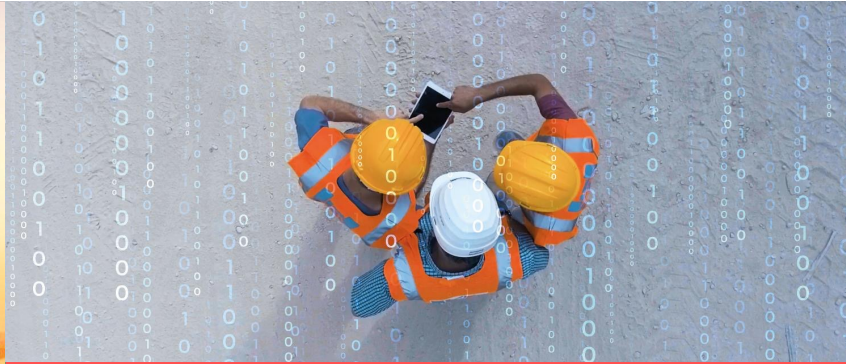
Group’s financial position impacted by capital injection and increasing of short-term bank debt

Net Financial Position (in €m) (negative = cash)



Cash at the end of December 2024 (in €m)





Thank you



Annex



Franchetti's History



*<https://www.semanticscholar.org/paper/Resource-allocation-for-seismic-retrofit-of-highway-Shinozuka-Na/73693d994ba330569e83658d08f5cd27719b7163>

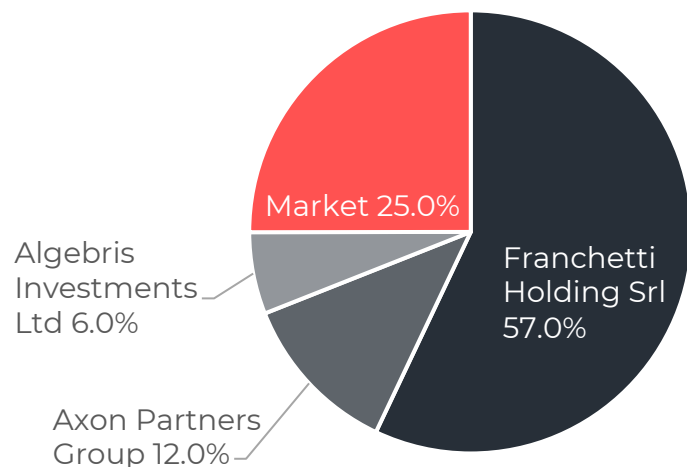
Shares and Governance

Board of Directors

Paolo Franchetti	<i>Chairman and CEO</i>
Michele Frizzarin	<i>Director</i>
Rony Hamaui	<i>Director</i>
Davide Croff	<i>Independent director</i>
Remy Cohen	<i>Director</i>

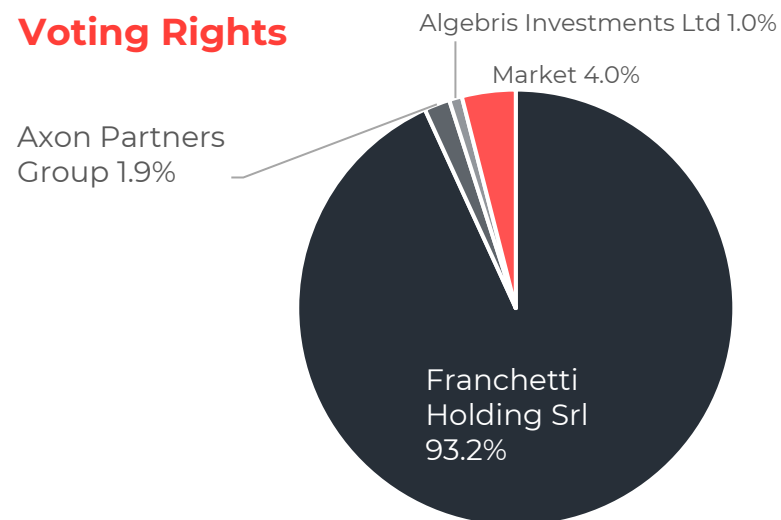
IPO Price (2022)	€ 3.00
Stock Ticker	FCH
Market	EGM
Warrants in circulation	1,007,746
Warrant Ticker	WFCH25
1st period of exercise	157,250 warrants at € 3.30
2nd period of exercise	209,754 warrants at € 3.63

Ordinary Shares



The share capital is divided into **8,670,504 shares**, incl. **5,670,504 ordinary shares** and 3,000,000 shares with multiple voting rights (10x).

Voting Rights



Management Team



Paolo Franchetti
CEO & Partner

- **Experienced civil engineer**, specialized in the dynamics of existing and monument structures
- Member of the Study Commission for the Port of Venice and of the Commission for the Evaluation of Maritime Traffic of the Giudecca Canal
- Associate Professor at the University of Padua



Michele Frizzarin
R&D Director, Partner

- **Structural engineer**, specialized in the field of analysis and verification of existing structures



Gianluca Del Fabbro
GM Italy

- **Management engineer** with 25 ys. of experience in multinational industrial companies



Alexandre Dittert
GM Brazil

- **Civil Engineer** with 25+ years of expertise in infrastructure, port, industrial and steel projects, as well as consultancy on bridges and viaducts
- Specialized in strategic management and business development, with strong experience in consultancy and EPC contracts



Omar E. Salustri
CFO - Franchetti Italy

- Graduated in Economic studies and **certified statutory auditor**

Consolidated Profit & Loss

	31/12/2024	31/12/2023
Revenues	5.7	6.2
+ Δ in inventories	3.3	0.8
+ Other revenues & income	0.1	0.1
Value of Production	9.0	7.0
- Costs for raw materials	- 0.1	- 0.1
- Services costs	- 3.5	- 2.9
- Costs for the use of third-party assets	- 0.4	- 0.3
- Personnel costs	- 1.4	- 1.0
- Other operating expenses	- 0.2	- 0.2
Production costs	- 5.6	- 4.5
EBITDA	3.4	2.5
EBITDA margin (on VoP)	38%	36%
- Depreciation & Amortization	- 1.1	- 0.5
EBIT	2.3	2.0
+/- Financial income/expenses	- 0.4	- 0.1
+/- Exchange gains/losses	-	0.0
EBT	1.9	1.9
- Taxes	- 0.4	- 0.6
Net result	1.5	1.2

Consolidated Balance Sheet

	31/12/2024	31/12/2023
+ Inventories	4.2	0.9
+ Trade Receivables	7.5	5.8
- Trade Payables	- 1.9	- 1.3
Trade Net Working Capital	9.7	5.4
+ Other assets	1.1	1.2
- Other liabilities	- 3.4	- 1.9
Net Working Capital	7.4	4.7
+ Fixed assets	6.0	2.3
+ Intangible assets	0.2	0.2
+ Financial assets	0.2	0.0
- Severance pay	- 0.2	- 0.1
Net Invested Capital	13.7	7.0
+ Short-term debt	5.0	2.8
+ Medium-/long-term debt	0.1	0.2
+ Other debts	0.0	0.0
Financial debt	5.1	3.0
- Cash & cash equivalents	- 6.2	- 2.6
- Other financial assets	0.0	0.0
Net financial debt	- 1.1	0.4
+ Share capital	0.4	0.4
+ Reserves	12.9	5.0
Net result	1.5	1.2
Equity	14.8	6.6
Total Net financial debt + Equity	13.7	7.0

Inventories:

The Company has maintained the same methodology adopted at 31/12/2024, i.e. at the presumed realisable value

Trade Receivables

consist essentially of invoices issued and not yet expired, as well as invoices to be issued relating to work already delivered (for which authorization for issuance is awaited from customers)

Other assets

- include:
- Credits for deferred tax assets
 - Advance payments for taxes
 - Prepaid expenses

Other liabilities

- include:
- Contribution debts
 - Tax debts
 - Debts to INARCASSA (National Social Security and Welfare Fund for Freelance Engineers and Architects)
 - Staff accruals
 - Deferred income

Consolidated Net Financial Debt

	31/12/2024	31/12/2023
Liquidity	6.163.657	2.602.278
B) Cash and cash equivalents		
C) Other current financial assets		0
Other current assets		0
D) Liquidity (A+B+C)	6.163.657	2.602.278
E) Current financial debt	4.999.683	2.787.893
F) Current portion of non-current financial debt		0
Other current liabilities		0
G) Current financial debt (E+F)	4.999.683	2.787.893
H) Net current financial debt (G-D)	-1.163.974	185.615
I) Non-current financial debt	102.273	233.161
J) Debt instruments		0
K) Trade payables and other non-current payables		0
L) Non-current financial debt (I+J+K)	102.273	233.161
M) TOTAL FINANCIAL DEBT (H+L)	-1.061.701	418.776
Financial receivables beyond 12 months	-234.128	-31.702
Overdue Tax Payables	957.417	399.132
TOTAL ADJ NET FINANCIAL DEBT	-338.412	786.206

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