



Franchetti Spa
Next Gems 2025

October 21, 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 $\approx 30\%$ + 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



- Processes acceleration data from in-situ sensors, identifying modal dynamic characteristics and detecting non-linear phenomena



- Software for integrated management of sensors applied to transportation infrastructure and real estate assets

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



STRUCINSPECT
Infrastructure Lifecycle Hub

- 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

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

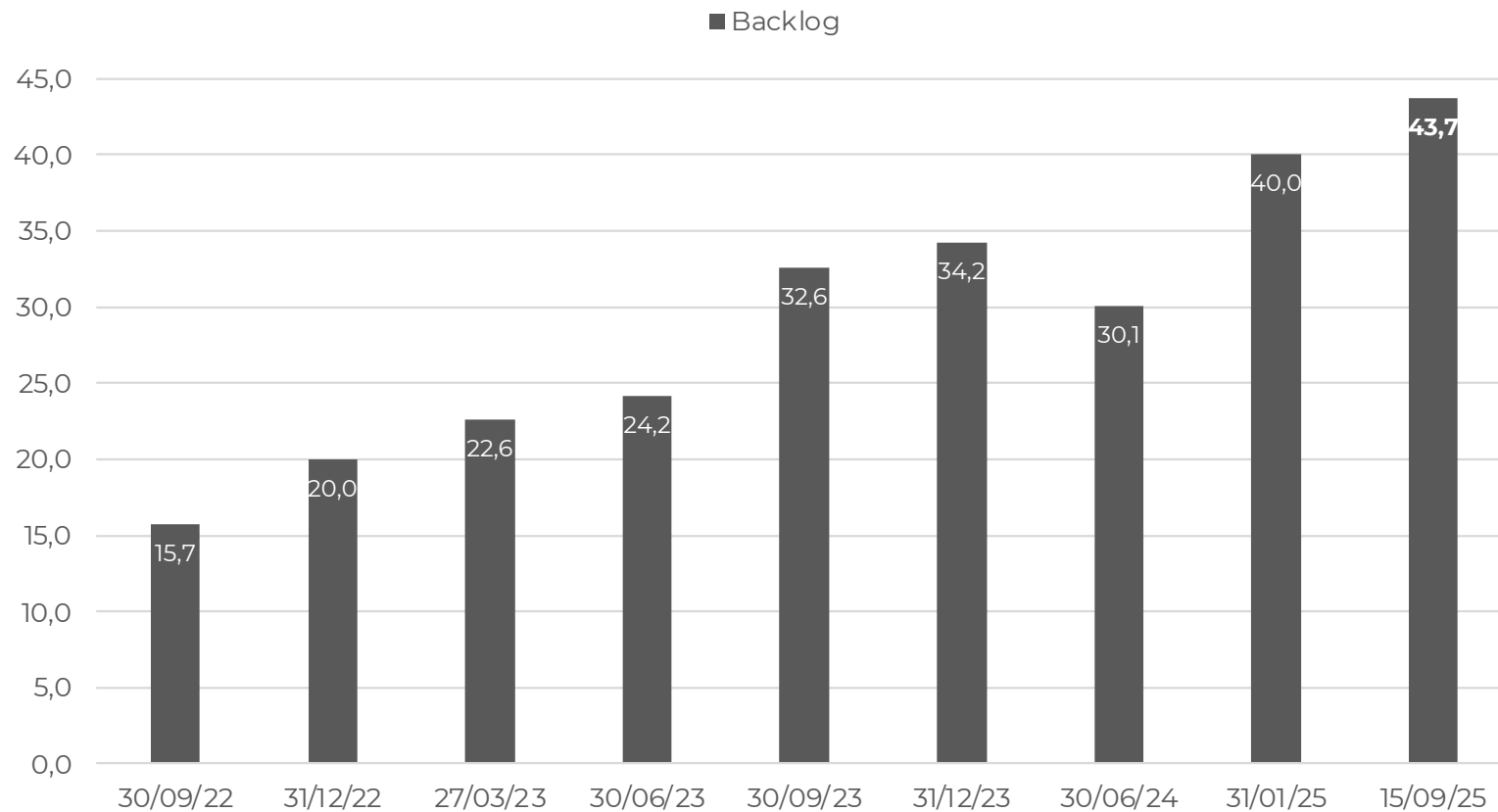
- New BIM integration work creates pathway for Argan into the building's world
- Strucinspect, and resulting partnership with Palfinger, creates bridgehead into DACH and will assist in USA

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 - Helped by visibility

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



Backlog (€m)

≈ 44

as at 15 Sept. 2025

With revenue visibility **until 2029**

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



1H2025 Financial Results



Financial Highlights

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

Value of Production (in €m)

5.7

+62% vs 3.5 1H2024

Ebitda (in €m)

1.8

+68% vs 1.0 1H2024

Net result (in €m)

0.3*

vs 0.4 1H2024

Net Financial Debt (in €m)

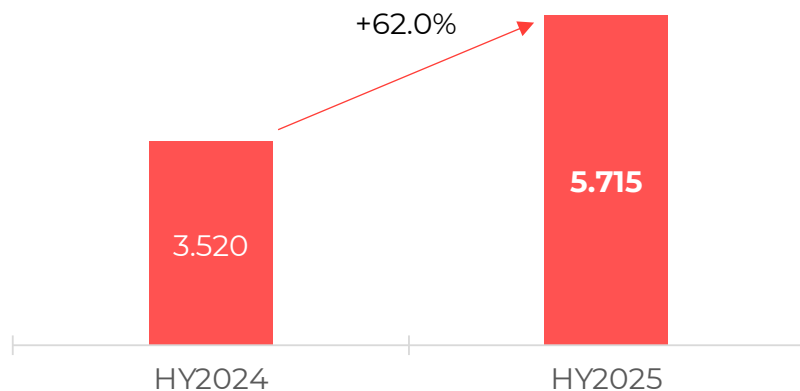
-0.3 (cash)

vs -1.1 (cash) as 31 Dec. '24

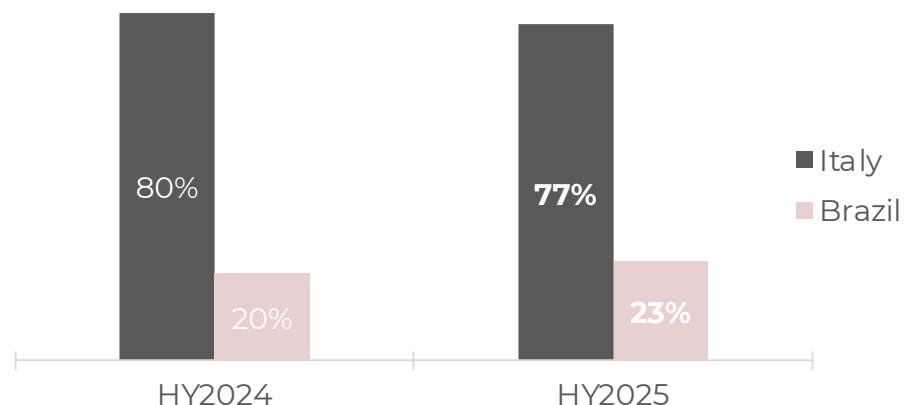
* Net result impacted by the share (66.67%) of the loss in the period of the associated company Strucinspect GmbH (0.3 €m), consolidated at equity. Directors consider the investment in Strucinspect GmbH to be strategic in nature in view of the potential of the Austrian start-up. The loss recognized is expected and typical of the start-up phase (it is therefore not considered as "long-term")

VoP – Solid top line sustained by robust backlog

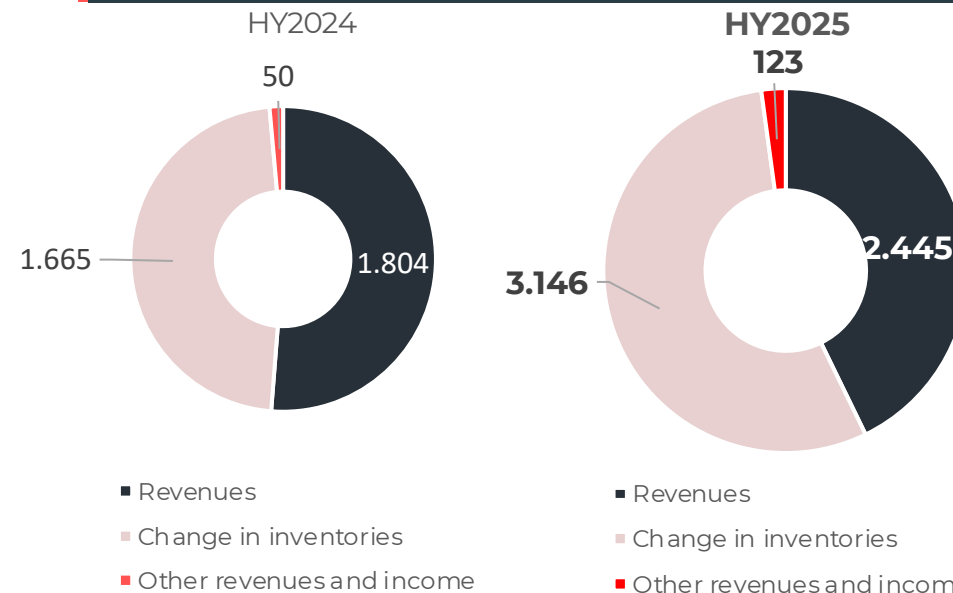
Value of Production (in €k)



Value of Production by geographic area



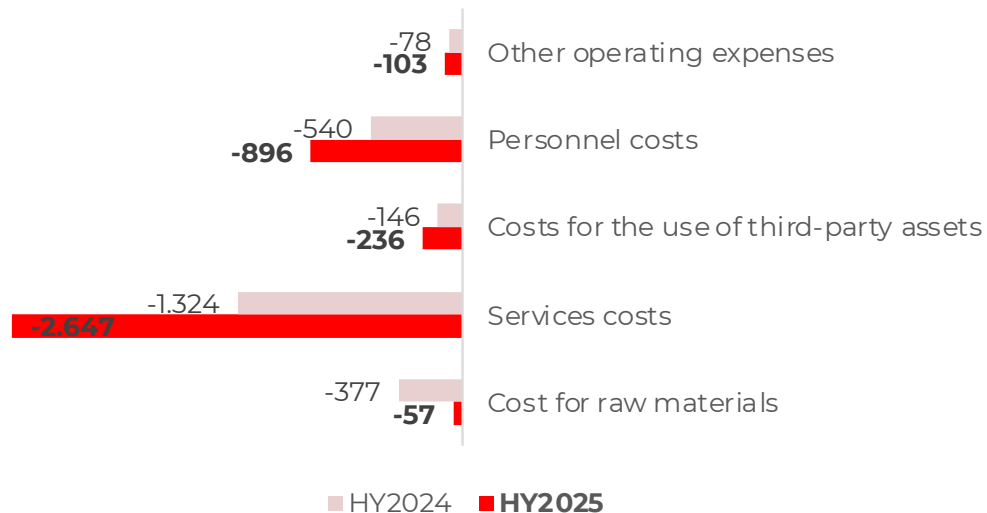
Breakdown Value of Production (in €k)



- **Revenues** from sales (2.4 €m, +36% YoY) includes not only invoices issued but also the amount allocated for invoices to be issued (i.e. referring to work completed and delivered but for which authorization for issuance is awaited from the contracting party).
- **Change in inventories** (3.1 €m, +89% YoY) refers to the increase in value of the expected revenue from orders not yet completed and delivered or the start of orders received thanks to the expansion of the digital offer, as a result of the new acquisitions and the new software and the progressive start of projects within the company's significant backlog

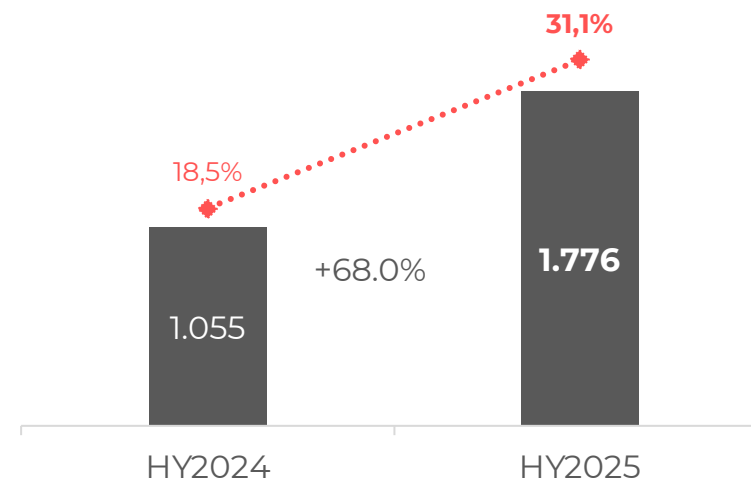
P&L – Strong growth at all level

Operating cost breakdown (in €k)

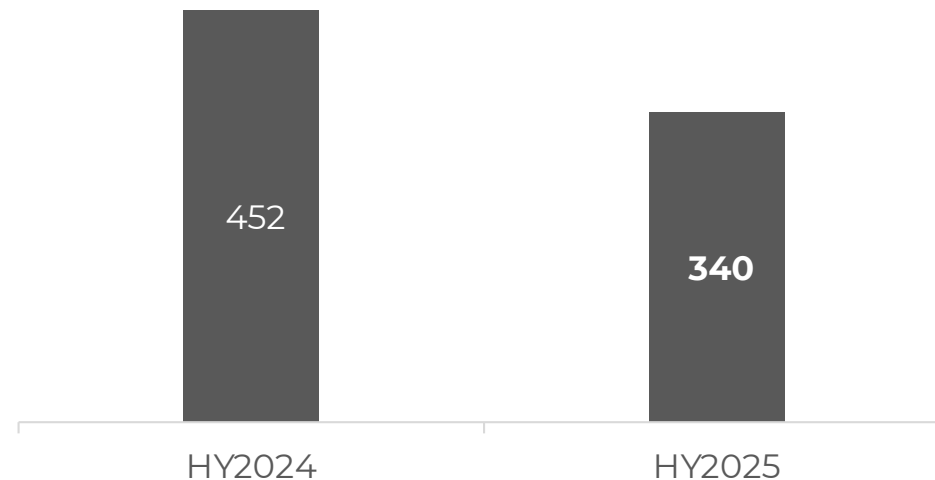


- **Operating Costs** equal to 3.8€m, YoY increase mainly attributable to the rise in Service costs from external suppliers and higher Personnel expenses (128 employees and collaborators at June 30, 2025)

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

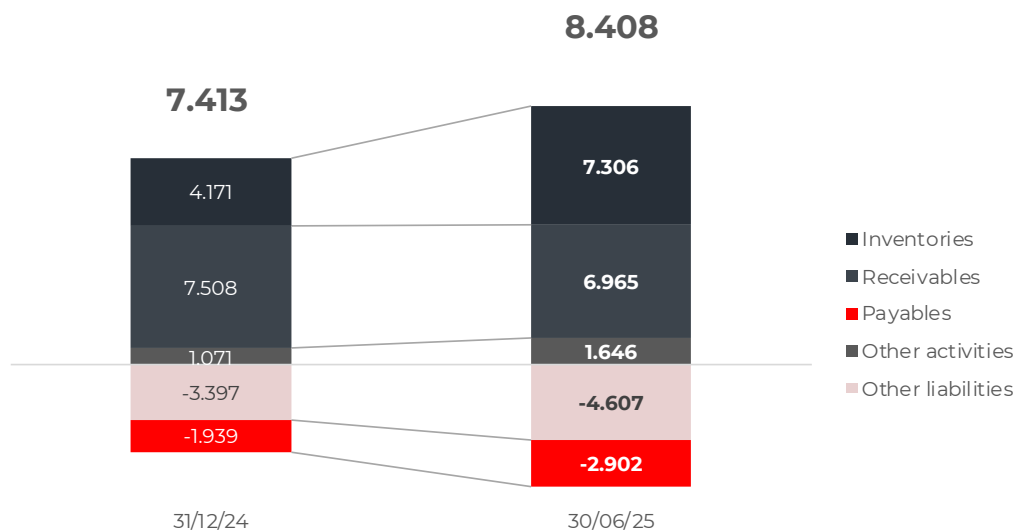


Net Result (in €k)



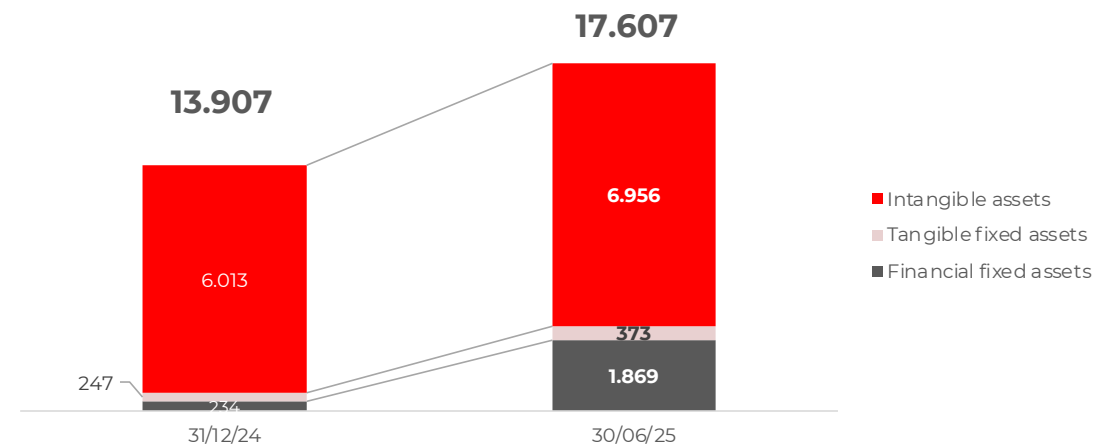
Balance Sheet

Net Working Capital (in €k)



- **Net Working Capital** increase mainly attributable to the increase in inventories, measured at estimated realizable value in line with the accounting standards applied.

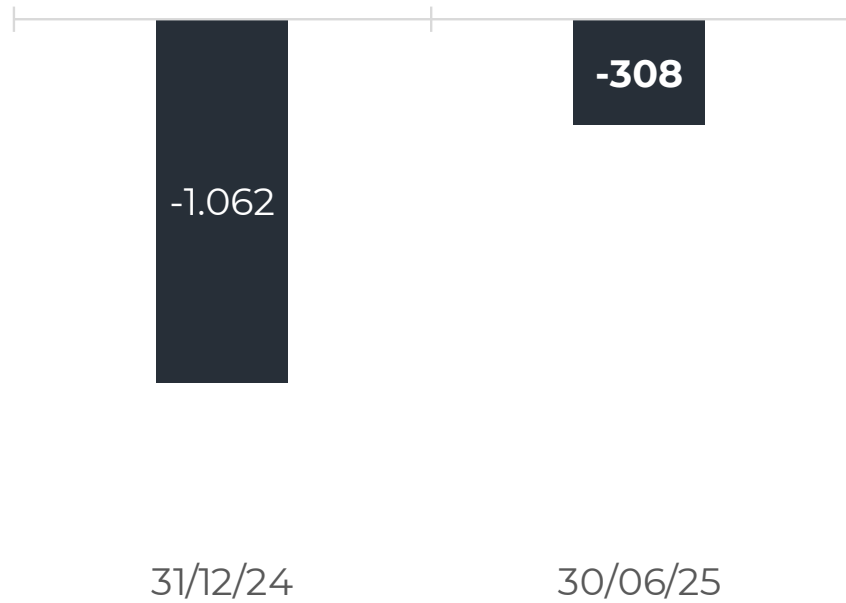
Gross Invested Capital (in €k)



- **Gross Invested Capital** strengthened reflecting an increase in intangible and financial assets.
- Regards to **financial assets**, the increase is a result of the reclassification to goodwill of the investment in Matildi+Partners and the Austrian company Strucinspect, in addition to the increased capitalizations for investments in software and M&A transactions.

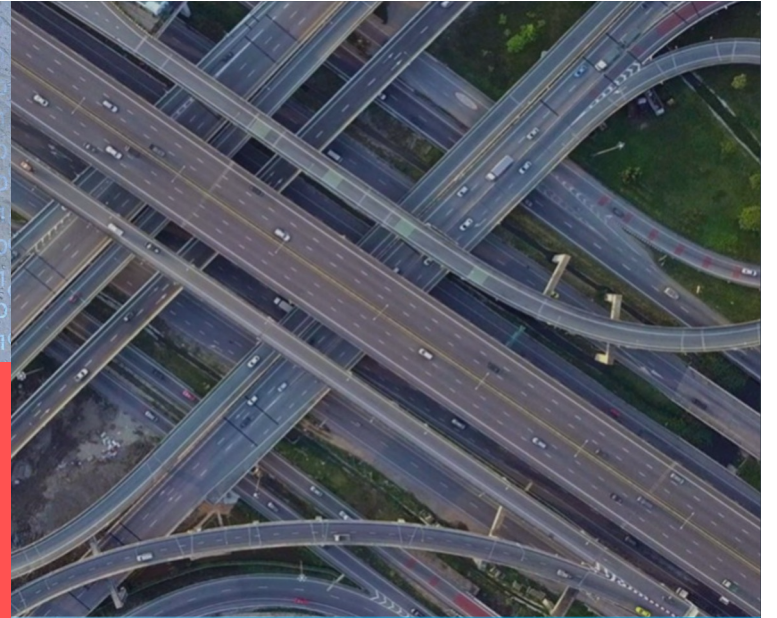
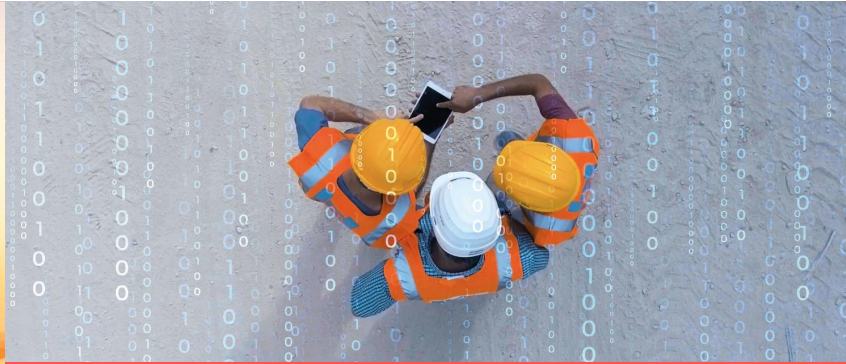
Net Financial Debt – Surplus position with net cash at 0.3 €m

Net Financial Debt (in €k) – negative=cash



Outlook

- Operating performance for the current year **in line with management's positive expectations**
- Group is focusing on the **territorial scalability of its specific sector abroad**, where targeted opportunities are expected. Capital increase finalized in 2024 and in March 2025 provided the Parent Company with immediately available financial resources to quickly tap into market opportunities.
- At the same time, the possibility of **extending the application of the technologies to adjacent sectors** is being evaluated. Italy has already been used, in addition to its core business, as a testing ground for applications in areas such as hospitals and large industrial complexes (e.g., dams and steel plants), which could represent natural areas for future development.
- Management – in consultation with the Independent Directors – does not assess any significant impact on the Group's activities at present from **global macroeconomic and geopolitical environment**, due to the absence of exposure in the crisis areas



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
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Stock Ticker	FCH
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Market	EGM
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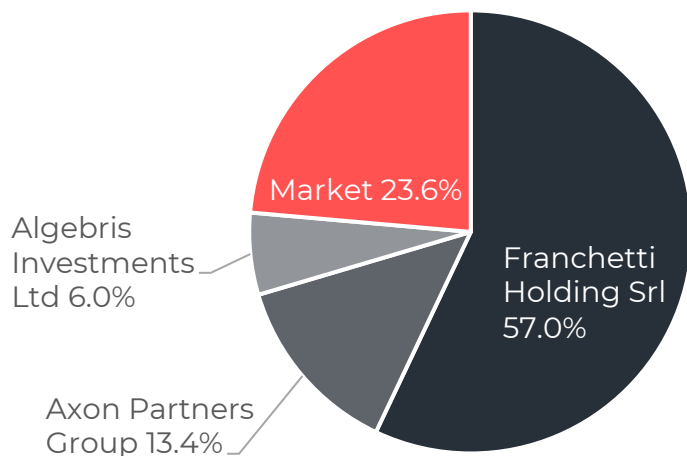
Warrants

1st period of exercise	157,250 warrants at € 3.30
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2nd period of exercise	209,754 warrants at € 3.63
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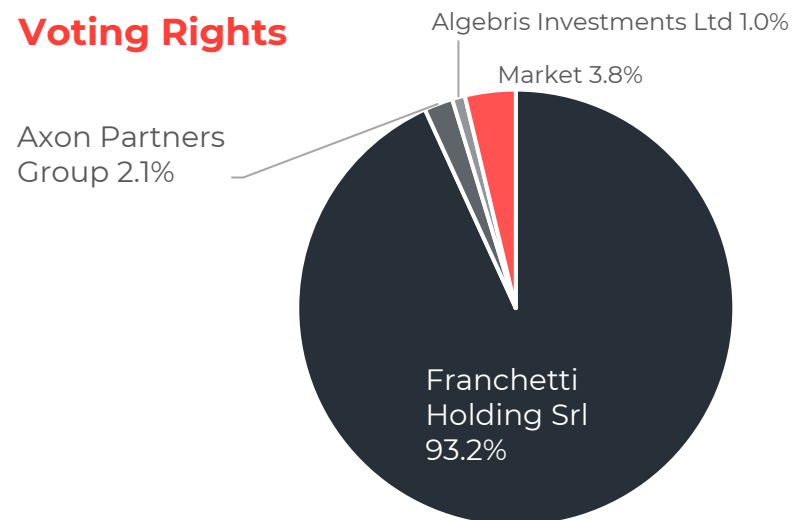
3rd period of exercise	765,217 warrants at € 3.99
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Ordinary Shares



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

Revenues
Change in inventories
Other revenues and income
Value of Production
Cost for raw materials
Services costs
Costs for the use of third-party assets
Personnel costs
Other operating expenses
Total production costs
EBITDA
Amortization of intangible assets
Depreciation of tangible fixed assets
Write-downs
EBIT
Financial income/expenses
Exchange gains/losses
EBT
Income taxes
Profit (loss) for the period

HY2025	% VdP
2.445	
3.146	
123	
5.715	100,0%
- 57	
- 2.647	
- 236	
- 896	
- 103	
- 3.939	
1.776	31,1%
- 731	
- 40	
- 4	
1.002	17,5%
50	
- 368	
684	
- 344	
340	

HY2024	% VdP
1.804	
1.665	
50	
3.520	61,6%
- 377	
- 1.324	
- 146	
- 540	
- 78	
- 2.465	
1.055	18,5%
- 262	
- 8	
-	
785	13,7%
0	
- 154	
632	
- 180	
452	

Δ	Δ%
641	36%
1.481	89%
73	145%
2.195	62%
320	-85%
- 1.323	100%
- 90	62%
- 356	66%
- 25	32%
- 1.474	60%
721	68%
- 469	179%
- 32	379%
217	28%
50	12761%
- 215	140%
52	8%
- 164	91%
- 111	-25%

Consolidated Balance Sheet

	30/06/2025	31/12/2024	Δ
Inventories	7.306	4.171	3.135
Receivables	6.965	7.508	- 543
Payables	- 2.902	- 1.939	- 963
Commercial Working Capital	11.369	9.740	1.629
Other activities	1.646	1.071	576
Other liabilities	- 4.607	- 3.397	- 1.210
Net Working Capital	8.408	7.413	995
Intangible assets	6.956	6.013	943
Tangible fixed assets	373	247	127
Financial fixed assets	1.869	234	1.635
Gross Invested Capital	17.607	13.907	3.700
Severance Pay	- 160	- 161	1
Funds	-	-	
Net Invested Capital	17.447	13.746	3.701
Short-term bank debt	5.095	5.000	96
Medium/long-term debts to banks	44	102	- 58
Debts to other lenders	-	-	-
Total financial debts	5.139	5.102	37
Cash and cash equivalents	- 5.447	- 6.164	717
Other financial activities	-	-	
Net Financial Debt	- 308	- 1.062	754
Share capital	453	430	23
Reserves	16.961	12.870	4.092
Net result	340	1.507	- 1.167
Total Net Equity	17.755	14.807	2.947
Total Sources and Net Equity	17.447	13.746	3.701

Consolidated Net Financial Debt

	30/06/2025	31/12/2024
A) Liquid assets	5.447	6.164
B) Cash equivalents	-	-
C) Other current financial assets	-	-
C') Other short-term activities	-	-
D) Liquidity (A+B+C)	5.447	6.164
E) Current financial debt	5.095	5.000
F) Current portion of non-current financial debt	-	-
Other short-term liabilities	-	-
G) Current financial debt (E+F)	5.095	5.000
H) Net current financial debt (G-D)	- 352	- 1.164
I) Non-current financial debt	44	102
J) Debt instruments	-	-
K) Trade payables and other non-current payables	-	-
L) Non-current financial debt (I+J+K)	44	102
M) TOTAL FINANCIAL DEBT (H+L)	- 308	- 1.062
Financial credits over 12 months	- 250	- 234
Overdue Tax Debts	1.270	957
TOTAL ADJUSTED NET FINANCIAL DEBT	712	- 338

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