



PRESS RELEASE

CIRCLE GROUP: ANNUAL GENERAL MEETING APPROVES RESULTS FOR THE YEAR 2019

Milan, April 28th, 2020

The ordinary Shareholders' Meeting ("GM") of Circle S.p.A. ("**Circle**"), company heading the homonymous group, specialized in the analysis and development of automation and digitalization solutions for the port sectors and intermodal logistics, listed on the AIM Italia market, organized and managed by Borsa Italiana, was held today via video conference meeting under the chairmanship of Luca Abatello.

The GM has approved the Consolidated Financial Statements and the Draft Separate Financial Statements at December 31st, 2019.

Consolidated highlights at December 31st 2019

Circle Group recorded a **Value of Production** of 6.1 million Euro, +27% compared to 4.8 million Euro at December 31st 2018. This result was possible also thanks to significant synergies connected to the purchase of 100% of Progetto Adele software house in July 31st 2019, a company devoted to logistics and freight forwarding with Master SPED and Master TRADE software products (with a contribution of about 1.1 million Euro in the considered period). Thanks to this purchasing, as well as the development of new software modules, the revenues from proprietary software Milos® and MasterSPED registered a significant increase of 80% on a yearly basis. Moreover, the revenues from international projects saw the important growth of 21% on a yearly basis (among the most significant projects, it is worth to mention FENIX project, DG MOVE projects for rail and maritime developments, feasibility study for a Port Community System in Pakistan).

ADJUSTED EBITDA totalled 1.5 million Euro (1.3 million Euro at December 31st 2018), non-including non-recurrent operating costs for market development and internationalization of new software modules equal to about 0.3 million Euro.

EBITDA amounted to 1.2 million Euro (1.3 million Euro at December 31st 2018) resulting in a 20% EBITDA margin.

ADJUSTED EBIT totalled 0.9 million Euro (0.78 million Euro at December 31st 2018)



as a result of adjustments on adjusted EBITDA, after amortisations and depreciation of about 0.6 million Euro.

EBIT amounted to 0.6 million Euro (0.77 million Euro at December 31st 2018).

Net Profit totalled 0.5 million Euro (0.77 million Euro at December 31st 2018) after income taxes of 0.11 million Euro.

Net Financial Position (cash) amounted to 0.33 million Euro (2.1 million Euro at December 31st 2018) as a result of cash flows from investment for M&A, investment for product evolution as well as non-recurrent activities for market development and internationalization for a total amount exceeding 2.6 million Euro with a financial impact of about 1.8 million Euro.

Equity stood at 4.4 million Euro (4.0 million Euro at December 31st 2018).

Circle S.p.A. highlights at December 31st 2019

Value of Production amounted to 3.1 million Euro (2.7 million Euro at December 31st 2018) with an increase of 15%.

ADJUSTED EBITDA totalled 0.9 million Euro (0.8 million Euro at December 31st 2018), non-including non-recurrent operating costs for market development and internationalization of new software modules equal to about 0.3 million Euro, with **ADJUSTED EBITDA MARGIN** of about 28%.

L'**EBITDA** amounted to 0.6 million Euro (0.8 million Euro at December 31st 2018) resulting in a 18% EBITDA margin.

ADJUSTED EBIT totalled 0.6 million Euro (0.4 million Euro at December 31st 2018) as a result of adjustments on adjusted EBITDA, after amortisations and depreciation of about 0.3 million Euro.

EBIT amounted to 0.25 million Euro (0.4 million Euro at December 31st 2018).

Net Profit totalled 0.5 million Euro with a significant increase of 51% compared to December 31st 2018 (0.3 million Euro at December 31st 2018) after income taxes of 0.3 million Euro.

Net Financial Position (cash) amounted to 0.1 million Euro (1.7 million Euro at December 31st 2018) as a result of cash flows from investment for M&A, investment for product evolution as well as non-recurrent activities for market development and internationalization.

Equity stood at 4.0 million Euro (3.5 million Euro at December 31st 2018).



Allocation of Net Profit

The GM has decided to allocate the Net Profit for the year, totalling 522.623 Euro, to the legal reserve for 165 Euro and to retained earnings reserve for 522.458 Euro.

As communicated on 27th April 2020, the administrative body of Circle has withdrawn the proposal to revoke and authorize acquisition and disposal of own shares; the GM, having acknowledged the foregoing, has unanimously decided not to take any resolution in regard to this point.

Conferral of the mandate for the legal audit

The GM has unanimously approved on the basis of Board of Auditors' proposal pursuant to Article 13, first subparagraph of Legislative Decree 2010/01/27 n.39, the conferral to BDO Italia S.p.A. of the mandate for the statutory audit of the accounts for the years 2020-2022 for both Consolidated and Individual Financial Statements, and related fees determination.

Documentation

The documents related to the GM will be made publicly available on the website www.circletouch.eu in the Investor Relations section as required by applicable laws.

This press release is available at www.circletouch.eu and www.1info.it.

*Established in Genoa in June 2012, **Circle S.p.A.** is a company with distinctive vertical skills in the port sector and intermodal logistics specialized in consulting and in the development of **products for automation and for the Supply Chain digitalization**. The acquisition, at the end of 2017, of 51% of Info.era guaranteed the strengthening of the related **Milos®** and **Sinfomar®** software products, focused on the intermodal logistics sector, inland terminals and port terminals, ports (Port Community System of the Port of Trieste, in example), as well as to MTOs and maritime agencies. During 2019 Circle is further strengthening the solutions portfolio, in the IOT, Optimization, Digital Twin, Big Data, Process Automation sectors and, in July 2019, Circle has acquired 100% of Progetto Adele, a software house specialized in the development of vertical software systems on the Supply Chain with the two **Master SPED** and **Master TRADE** solutions, respectively dedicated to shipping and logistics, and commerce and industry. Furthermore, through the Connecting EU Business Unit, Circle supports Public Entities and Companies by identifying their positioning at European level (**EU Branding**) and funding opportunities (**Project Anticipation**). From October 26th, 2018 Circle is listed on the AIM Italia market of Borsa Italiana (alphanumeric code: CIRC; ISIN code for ordinary shares: IT. 0005344996). Circle is an Innovative SME.*



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