



PRESS RELEASE

CIRCLE: alliance with Magellan and Circle Connecting EU NewCo are fully operational, as outlined in “Strategic Road Map 2024”

Genoa, January 29th, 2021

Circle S.p.A., (“**Circle**” or the “**Company**”), company heading the homonymous Group specialized in the analysis and development of automation and digitalization solutions for port and intermodal logistics sectors, listed on the AIM Italia market organized and managed by Borsa Italiana, announces that **strategic alliance with Magellan**, Portuguese entity delivering advocacy services towards the European Institutions with offices in Porto and Brussels, and **Circle Connecting EU NewCo** - incorporated by Circle as a spin-off of the homonymous Business Unit offering *Project Anticipation* and *EU Branding* - are fully operational.

This confirms the development plan shared with investors together with potential targets and “Strategic Road Map 2024” during Circle Virtual Investor Day on December 1st, 2020 (*see press release dated November 2020, 30th*); this strategic path will allow Circle Group to expand its international geography, with particular reference to the **Iberian Peninsula**.

To Circle, further central aspects of this joint venture agreement with Magellan (that the market is welcoming with great interest from the debut of the first common initiatives at the beginning of 2021) are the strengthening of its presence in Brussels and the capability of taking maximum advantages from any opportunity related to **Next Generation EU Recovery Fund**.

“The path of integration of the teams is continuing at full speed and the beginning of the 2021 has led to new important contracts, with particular regard to representation of the European Commission to Portugal; we will launch soon joint initiatives to communicate to the market new funding opportunities linked to the new seven-year programming” said Alexio Picco, Managing Director at Circle.

Circle and Magellan, that, pursuant to the agreement (“**Master Agreement**”) signed on November 30th, 2020, expected to complete the transaction not before January, 15th, 2021, also confirmed the **First Closing**, to be perfected by first Quarter in order to allow the accomplishment of last administrative formalities.

With the *First Closing*, Circle will become the holder of a minority participation of about 26% of the share capital of “Bussulas e Merdiianos, Lda” NewCo, established in Porto on



November 27th, 2020 to purchase from Magellan the business related to advocacy services towards the European Institutions.

It is recalled that the initial purchase of 26% of the share capital of Magellan NewCo will take place through (i) the full subscription and pay-in of corporate capital increase, in kind, reserved to Circle that will be resolved by the current shareholders of Magellan NewCo at the closing date for a total amount of Euro 240,100 (“**First Corporate Capital Increase**”) and, in the same context, (ii) the direct purchase of a participation equal to 12,10% of the share capital of Magellan NewCo held by the Partner against a consideration of Euro 200,000.

As to the First Corporate Capital Increase, it will be subscribed and paid-in by Circle upon First Closing date through a contribution in kind of a participation equal to 49% of the share capital of Circle Connecting EU NewCo. To purchase a 12,10% participation of the share capital of Magellan NewCo, Circle will pay to Partner by way of cash the above-mentioned consideration.

The Master Agreement also provides that - upon the occurrence of the financial assumptions intended by the parties - Circle will purchase by July, 31st, 2021, a further participation equal to 25% of the share capital of Magellan NewCo through (i) the full subscription and pay-in of a corporate capital increase, in kind, reserved to Circle that will be resolved by the general meeting of Magellan NewCo at the second closing date for a total amount of Euro 249,900 (the “**Second Corporate Capital Increase**”) and, in the same context, (ii) the direct purchase of a participation equal to 15,41% of the share capital of Magellan NewCo held by the Partner for a consideration of further Euro 200,000 (the “**Second Closing**”).

As a final result of the above-mentioned corporate operations, which have been already illustrated to investors (*see press release dated November 2020, 30th*), Circle will hold a participation equal to 51% of the share capital of Magellan NewCo, which will hold, in turn, 100% of the share capital of Circle Connecting EU NewCo.

This press release is available at www.circletouch.eu in the Investor Relations section and www.linfo.it.

*Established in Genoa in June 2012, **Circle S.p.A.** is the Innovative SME heading **CIRCLE Group**, specialized in the analysis and development of **innovation and digitalization solutions for the port and intermodal logistics sectors**.*

*Besides Circle, belong to the Group software houses **Info.era** and **Progetto Adele**, purchased respectively at the end of 2017 and in July 2019.*

Synergies between Circle, Info.era and Progetto Adele allowed the Group to expand the portfolio of solutions offered in the fields of IoT, Optimisation, Digital Twin, Big Data and Process Automation, and



to strengthen its software products: **Milos®** - the suite for all players of intermodal logistics such as inland terminals, port terminals, ports, MTOs and shipping agencies -, **Sinfomar®** - the Port Community System of port of Trieste -, **Master SPED®** and **Master TRADE®** solutions - respectively dedicated to shipping and logistics, and to commerce and industry.

Lastly, with **Connecting EU**, Circle supports Public Entities and Companies by identifying their positioning at European level (**EU Branding**) and funding opportunities (**Project Anticipation**). The joint venture agreement, announced on November 30th, 2020, with **Magellan**, Portuguese entity delivering advocacy services towards the European Institutions, will enable Circle to expand its international geography in the Iberian Peninsula, strengthen its presence in Brussels and take maximum advantages from opportunities related to **Next Generation EU Recovery Fund**.

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).

For further information

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