



## PRESS RELEASE

**CIRCLE: THE BOARD OF DIRECTORS APPROVES THE HALF-YEAR FINANCIAL CONSOLIDATED REPORT AT JUNE 30<sup>th</sup>, 2021**

**VALUE OF PRODUCTION +31%, PROPRIETARY PRODUCTS MILOS® +72%, INTERNATIONAL PROJECTS +37%, EBITDA +84%, EBITDA MARGIN GRAZES 18%**

### **MAIN CONSOLIDATED RESULTS 1H2020**

- Value of Production: 4.2 million Euro, +31% (3.2 million Euro 1H2020)
- EBITDA (except non-recurrent costs related to pandemic): 0.74 million Euro (0.4 million Euro 1H2020), +84%
- EBIT: 0.3 million Euro (0.07 million Euro 1H2020), +304%
- Net Profit: 0.32 million Euro (0.04 million Euro 1H2020), +640%
- Net Financial Position (cash): 2.3 million Euro (0.6 million Euro at 31<sup>st</sup> December 2020) after Capital Increase resolved by the Shareholders' Meeting of 27<sup>th</sup> May 2021
- Proprietary products Milos® +72%; new “federative” services launched to meet the needs for a full digitalisation of the Supply Chain, report a +57% growth
- Among the most significant events after the reporting period are the execution of a reserved Capital Increase for Italian qualified and foreign institutional investors with new 556,380 ordinary shares for Euro 1,902,819.6 and the purchase of Magellan (now Magellan Circle)

*Genoa, 29<sup>th</sup> September 2021*

The Board of Directors of **Circle S.p.A.** ("**Circle**"), company heading the homonymous Group specialized in the analysis and development of automation and digitalization solutions for port sectors and intermodal logistics sectors, listed on the AIM Italia market organized and managed by Borsa Italiana, during the conference call meeting held today, approved the half-year consolidated financial report at June 30<sup>th</sup> 2021, which is subject to limited audit.

*Luca Abatello, President & CEO at Circle, stated: “First half of the year was completely new, considering the extraordinary context sawing the end of a hard pandemic and a next following economic rebound with consequent bubble on marine hires, shortage and strong rise of the cost of commodity.*

*In this scenario, we are extremely happy for the results obtained, with **Value of Production***



having totalled **+31%** compared to 1H2020.

*The release strategy of new “**Federative**” Services, conceived to answer to the increasing need for a full but still personalized digitalization of the Supply Chain, is giving us important results among large players as well as among small and medium companies.*

*We also have high expectations for the calls for tenders and projects we are participating in the field of **PNRR & Green Deal (besides Transition 4.0)**, thanks to **Magellan Circle joint venture**. In this respect, we can already boast two remarkable contracts: the first (value **818,000 Euro**) includes the presence of Magellan Circle among the members of international consortium of **PIONEERS** project, aimed at reducing GHG emissions in ports and addressee of 25 million Euro investment as part of the European Green Deal Horizon 2020 program; the second provide the support to the **European Commission Representation in Portugal** for the provision of Events Management Services and has a total value of about **1.8 million Euro**”.*

#### **Consolidated highlights at June 30<sup>th</sup> 2021**

**Value of Production** amounted to 4.2 million Euro (3.2 million Euro 1H2020) with an increase of 31%.

Indeed, the Group has made constant actions to improve efficiency and to strengthen the synergies with subsidiaries **Info.era** and **Progetto Adele**. These initiatives, together with internal optimisations, brought to a **72% growth of proprietary products Milos®** and, in general, to a 57% growth of **Milos®, MasterSped®** and **MasterTrade®** in PPU mode.

**EBITDA** amounted to 0.74 million Euro (0.4 million Euro 1H2020) with 14% EBITDA margin grazing 18% (12.5% 1H2020).

After depreciation of 0.4 million Euro, **EBIT** amounted to 0.3 million Euro (0.07 million Euro 1H2020), +304%.

**Net Profit** totalled 0.32 million Euro (0.04 million Euro 1H2020), +640%.

**Net Financial Position** (cash) amounted to 2.3 million Euro (0.6 million Euro at December 31<sup>st</sup>, 2020) after investments for product evolution and M&A initiatives for 0.45 million Euro. This strong rise in Net Financial Position is also due to the reserved Capital Increase for Italian qualified and foreign institutional investors resolved by the Shareholders' Meeting of 27<sup>th</sup> May 2021.



**Equity** stood at 6.8 million Euro (4.4 million Euro at December 31<sup>st</sup>, 2020)

During 1H2021 **investments**, amounting to 0.25 million Euro (0.4 million Euro during 2020), were made mainly for the evolution of Milos® TOS and MTO suite, MasterSped® and new “federative” services launched by Circle Group in 2020, including those related to the dematerialisation of security and customs procedures, which is an even more strategic aspect because of the pandemic.

### **Own shares**

Own shares of the Company are equal to 17.160 (representing 0,4945% of share capital) at June 30<sup>th</sup> 2021.

### **Significant events during the reporting period**

- From the beginning of 2021, in a progressive way, Circle has been working to the consolidation of operational activities of Circle Connecting EU newCo and of its strategic alliance with “Circle Magellan” which led to two common events and strategic integrated contracts
- 08/02/2021 - participation to 2021 edition of European Mid Small Cap Forum organized by Lond Capital
- 02/04/2021 - participation to SMART TECH INVESTOR DAY organized by IR Top Consulting
- 27/05/2021 - participation to AIM ITALIA CONFERENCE 2021 - Virtual Edition organized by Borsa Italiana
- 28/05/2021 - execution of a reserved Capital Increase for Italian qualified and foreign institutional investors with new 556,380 ordinary shares for Euro 1,902,819.6
- 31/05/2021 - purchase of 51% of Magellan Circle
- 07/06/2021 - new contract for the supply of technical & advisory services for the development of the International Fast & Secure Trade Lane (IFSTL) concept on several routes connecting Ireland with France and UK supporting the improvement of the overall maritime connectivity in the Atlantic and North Sea
- 08/06/2021 - participation to INTEGRAE SIM INVESTOR DAY
- 21/06/2021 - new contract, with Lugo Terminal SpA, to select technological innovation projects for BI-REX (“Big Data Innovation & Research Excellence”) national Competence Center with a strong focus on Big Data.



### **Significant events after the reporting period**

Many important news were released after the reporting period, starting from the win, together with RINA Consulting S.p.A., of the tender launched in 2020 by the European Commission to support **DG MOVE** on the development of implementations specifications for the EU Regulation 2020/1056 on **electronic freight transport information (eFTI)**. For Circle, the value of the contract is about **Euro 210,000**.

In July Circle announced its participation to “**Efficacy**” project, which is co-funded by Fondo Europeo di Sviluppo Regionale (FESR) and aims at improving door-to-door collection of bulky waste and facilitating their recovery thanks to a new software that allows its cataloguing. AMIU Genova with ALGOWATT S.p.A. is leading this project.

In August Circle announced that will be among the members of international consortium of “**PIONEERS**” project with its subsidiary **Magellan Circle**. Aimed at reducing GHG emissions in ports, the project – which is scheduled to depart in October 2021 for a duration of 5 years - has obtained 25 million Euro investment as part of the **European Green Deal Horizon 2020 program**. For Magellan Circle, which will lead “Cross cooperation, Communication & Dissemination” activities, with the creation and management of digital communication channels, promotional materials, the organization of events and clustering initiatives with other major projects, this contract is worth **818,000 Euro**.

September then saw the start of the pilot project with **Terminal San Giorgio - TSG (Gavio Group)** and **CarBox (Tarros Group)** for the “**Notarization**” of the Interchange. This project is developed in partnership with **LegaleSemplice.it** and is supported by **ASSITERMINAL**.

On September, 20<sup>th</sup> it was communicated that Circle Group was awarded with its subsidiary **Magellan Circle** as the winner of the tender to support **European Commission Representation in Portugal** for the provision of Events Management Services.

The total value of the contract is about **1.8 million Euro**; the contract will be concluded for a period of 12 months and is renewable 3 times to a maximum of 48 months.

Two further results, finally, need a special mention: the support to **Terminali Italia S.r.l.** - subsidiary of Rete Ferroviaria Italiana (FS Group) managing Italian freight terminals - to obtain **Temporary Storage Facility Certification** at **Marzaglia** (Modena) inland terminal; and supply of **Milos®** to **Metrocargo Italia** for its new reach stacker at **Borgo San Dalmazzo**



(Cuneo) inland terminal.

### **Business outlook**

In current scenario, which was complicated by the pandemic first and then by following economic rebound with consequent bubble on marine hires, shortage and strong rise of the cost of commodity, it is challenging to make market forecasts. That said, the Management, on the basis of the feedback from stakeholders, having considered the new services (*Federative Services*) launched to answer to the increasing need for digitalization in logistics, as well as new important assignments achieved by Connecting EU Business Unit, remains optimistic about the path of development undertaken and its evolution.

### **Meetings with financial community**

Circle will meet the financial community to present 1H2021 results on **October, 4<sup>th</sup> 2021** within a **web conference** organized by Integrae SIM.

On October, **21<sup>st</sup> and 22<sup>nd</sup>** the Company will take part to the 21<sup>st</sup> edition of **European Midcap Event** in **Paris**. This initiative is aimed at connecting small and medium-cap companies with a wide audience of European institutional investors oriented to mid caps.

Lastly, on **November, 4<sup>th</sup>** Circle will be among the 10 companies joining the **Finance Gala** organized by Integrae SIM in **Milan** with the participation of several institutional investors, financial advisors and retail investors.

### **Documentation**

The documents related will be made publicly available on the website [www.circletouch.eu](http://www.circletouch.eu) in the Investor Relations section as required by applicable laws.

*This press release is available at [www.circletouch.eu](http://www.circletouch.eu) in the Investor Relations section and at [www.linio.it](http://www.linio.it).*

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### **Attachments:**

- Consolidated Income Statement at June 30<sup>th</sup> 2021
- Consolidated Balance Sheet at June 30<sup>th</sup> 2021
- Consolidated Financial Statement at June 30<sup>th</sup> 2021
- Consolidated Net Financial Position at June 30<sup>th</sup> 2021

***CIRCLE Group** is the Group specialized in the analysis and development of **innovation and digitalization solutions for the port and intermodal logistics sectors** headed by **Circle S.p.A.**, Innovative SME listed on the AIM Italia market of Borsa Italiana since October 26<sup>th</sup>, 2018 (alphanumeric code: CIRC; ISIN code for ordinary shares: IT. 0005344996).*

*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** - Port Community System -, **Master SPED®** and **Master TRADE®** solutions - respectively dedicated to shipping and logistics, and to commerce and industry.*

*thanks to the recent joint venture agreement and purchase of Magellan Circle, Portuguese entity delivering advocacy services towards the European Institutions, Circle Connecting EU offers further services at European level, regarding the Iberian Peninsula, having strengthened its presence in Brussels and taken maximum advantages from opportunities linked to the Next Generation EU Recovery Fund. With **Circle Connecting EU**, Circle supports Public Entities and Companies by identifying their positioning at European level (**EU Branding**) and funding opportunities (**Project Anticipation**).*

*Moreover, thanks to the recent joint venture agreement and purchase of **Magellan Circle**, Portuguese entity delivering advocacy services towards the European Institutions, Circle Connecting EU offers further services at European level, having strengthened its presence in Brussels and taken maximum advantages from opportunities linked to the **Next Generation EU** Recovery Fund.*

*Lastly, Circle leads **Log@Sea**, network of enterprises to enhance its evolved solutions for Gate Automation of ports and intermodal hubs.*

### **For further information**

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## Consolidated Income Statement at June, 30<sup>th</sup> 2021

Conto Economico Consolidato €/000	30.06.2021	30.06.2020	Variazione
Ricavi delle vendite e delle prestazioni	3.164	2.214	950
Incrementi per lavori interni	240	393	(153)
Altri ricavi e proventi	776	585	191
<b>Valore della produzione</b>	<b>4.180</b>	<b>3.192</b>	<b>988</b>
Costi della produzione	177	210	(33)
Costi per servizi e godimento beni di terzi	1.463	846	617
Costo del personale	1.738	1.710	28
variazione delle rimanenze	23	(19)	42
Accantonamenti su rischi	0	0	0
Oneri diversi di gestione	42	44	(2)
<b>EBITDA</b>	<b>737</b>	<b>401</b>	<b>336</b>
Ammortamenti e svalutazioni	439	327	112
<b>EBIT</b>	<b>298</b>	<b>74</b>	<b>224</b>
Proventi e oneri finanziari netti	74	(5)	79
<b>Risultato prima delle imposte</b>	<b>372</b>	<b>69</b>	<b>303</b>
Imposte esercizio	51	25	(19)
<b>Risultato netto</b>	<b>321</b>	<b>44</b>	<b>277</b>
<b>Risultato Netto di competenza del Gruppo</b>	<b>238</b>	<b>3</b>	<b>235</b>
<b>Risultato Netto di competenza di Terzi</b>	<b>83</b>	<b>41</b>	<b>42</b>





## Consolidated Balance Sheet at June 30<sup>th</sup> 2021

Stato patrimoniale Consolidato €/000	31.12.2020	30.06.2021	Variazione
Immobilizzazioni immateriali	2.659	3.104	444
Immobilizzazioni materiali	206	177	- 28
Immobilizzazioni finanziarie	5	0	- 5
<b>Totale Immobilizzazioni</b>	<b>2.870</b>	<b>3.282</b>	<b>411</b>
Crediti verso clienti	2.239	2.841	602
Rimanenze	69	46	- 23
Anticipi da clienti	- 210	- 184	25
Debiti verso fornitori	- 1.137	- 1.372	- 235
<b>Capitale Circolante Operativo (CCO)</b>	<b>961</b>	<b>1.330</b>	<b>368</b>
Altre attività correnti	2.064	2.573	508
Altre passività correnti	- 1.173	- 1.544	- 371
Ratei e risconti netti	- 129	- 329	- 200
<b>Capitale Circolante Netto</b>	<b>1.724</b>	<b>2.029</b>	<b>306</b>
Fondi	- 40	- 40	-
TFR	- 740	- 780	- 40
<b>Capitale Investito Netto</b>	<b>3.813</b>	<b>4.491</b>	<b>677</b>
<b>Posizione Finanziaria Netta</b>	<b>- 617</b>	<b>- 2.296</b>	<b>- 1.679</b>
<b>Patrimonio Netto</b>	<b>4.430</b>	<b>6.786</b>	<b>2.356</b>

## Consolidated Financial Statement at June 30<sup>th</sup> 2021

CRICLE SPA - CONSOLIDATO SEMESTRALE 2021		
<u>Rendiconto finanziario</u>		
	30/06/2021	30/06/2020
<b>A. Flussi finanziari derivanti dall'attività operativa</b>		
Utile dell'esercizio Gruppo	238.212	2.435
Utile dell'esercizio Terzi	83.073	41.006
Imposte sul reddito	51.233	25.146
Interessi Passivi/(Interessi Attivi)	(74.298)	5.195
(Dividendi)	0	0
(Plusvalenze)/minusvalenze derivanti dalla cessione di attività	0	0
<b>1. Utile (perdita) dell'esercizio prima delle imposte sul reddito, interessi, dividendi e plus/minusvalenze da cessione</b>	<b>298.220</b>	<b>73.782</b>
<i>Rettifiche per elementi non monetari che non hanno avuto contropartita nel Capitale Circolante Netto</i>		
Ammortamento immobilizzazioni materiali	45.199	46.598
Ammortamento immobilizzazioni immateriali	349.960	279.924
Accantonamenti a Fondi	94.888	86.435
Svalutazioni per perdite durevoli di valore	0	0
Rettifiche di valore di attività e passività finanziarie di strumenti finanziari derivanti che non comportano movimentazioni monetarie		0
Altre rettifiche per elementi non monetari	0	0
<b>2. Flusso finanziario prima delle variazioni del cnn</b>	<b>788.267</b>	<b>486.738</b>
<i>Variazione del capitale circolante netto</i>		
Diminuzione (aumento) rimanenze	23.162	(18.934)
Diminuzione (aumento) crediti commerciali	(527.108)	367.668
Aumento (diminuzione) debiti commerciali	210.875	(228.691)
Decremento/(Incremento) ratei e risconti attivi	(54.686)	7.767
(Decremento)/incremento ratei e risconti passivi	254.515	237.936
Altre variazioni del ccn	78.604	(411.796)
<b>3. Flusso finanziario dopo la variazione del ccn</b>	<b>773.629</b>	<b>440.689</b>
<i>altre rettifiche</i>		
Interessi incassati/(pagati)	(12.656)	961
Imposte sul reddito pagate	(62.645)	307.058
Dividendi incassati	0	0
(Utilizzo fondi)	(54.942)	(17.067)
<b>Flusso finanziario dell'attività operativa (A)</b>	<b>643.386</b>	<b>731.641</b>
<b>B. Flussi finanziari derivanti dall'attività d'investimento</b>		
<b>Attività di investimento</b>		
Investimenti netti in immobilizzazioni materiali	(16.845)	(4.398)

Investimenti netti in immobilizzazioni immateriali	(794.387)	(469.924)
Investimenti netti in immobilizzazioni finanziarie	4.700	0
Attività finanziarie non immobilizzate	0	246
(Acquisizione)/ cessione di società controllate al netto delle disponibilità liquide	0	0
<b>Flusso finanziario dell'attività di investimento (B)</b>	<b>(806.532)</b>	<b>(474.075)</b>
<b>C. Flussi finanziari derivanti dall'attività di finanziamento</b>		
<i>Mezzi di terzi</i>		
Incremento/(decremento) debiti a breve verso banche	563.494	(310.623)
Accensione (rimborso) finanziamenti	0	0
<i>Mezzi propri</i>		
Aumento/Diminuzione capitale e riserve del gruppo	1.902.817	(27.967)
Aumento/Diminuzione capitale e riserve di terzi	132.314	0
Dividendi (e acconti su dividendi) pagati	0	0
<b>Flusso finanziario dell'attività di finanziamento (C )</b>	<b>2.598.625</b>	<b>(338.589)</b>
<b>Variazione nella liquidità = (a+b+c)</b>	<b>2.435.479</b>	<b>(81.024)</b>
<u>Liquidità netta a inizio esercizio</u>	886.058	999.217
<i>Variazione nella liquidità</i>	2.435.479	(81.022)
<u>Liquidità netta a fine esercizio</u>	3.321.537	918.195

## Consolidated Net Financial Position at June, 30<sup>th</sup> 2021

<b>Posizione Finanziaria Netta Consolidata €/000</b>	<b>31.12.2020</b>	<b>30.06.2021</b>	<b>Variazione</b>
Disponibilità liquide	- 886	- 3.284	- 2.398
Titoli detenuti per la negoziazione	- 0	- 0	-
<b>Liquidità</b>	<b>- 886</b>	<b>- 3.285</b>	<b>- 2.398</b>
Debiti bancari correnti	270	989	719
Altri debiti finanziari correnti			
<b>Indebitamento finanziario corrente</b>	<b>270</b>	<b>989</b>	<b>719</b>
Indebitamento finanziario corrente netto	- 617	- 2.296	- 1.679
Indebitamento finanziario non corrente			
<b>Indebitamento finanziario netto</b>	<b>- 617</b>	<b>- 2.296</b>	<b>- 1.679</b>

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