

Prior to publication, the information contained within this announcement was deemed by the Company to constitute inside information as stipulated under the UK Market Abuse Regulation. With the publication of this announcement, this information is now considered to be in the public domain.

7 December 2023

Software Circle plc
("Software Circle" or "the Company" or the "Group")

Further update regarding the sale of Works Manchester Limited

Software Circle plc (AIM:SFT) announces the following update regarding the sale of Works Manchester Limited ("Works Manchester"), which was first announced on 19 May 2022.

Works Manchester has informed the Company that it has filed a notice of intention to appoint administrators.

As announced on 1 June 2023, the Company had not received the first instalment of deferred consideration from Rymack Sign Solutions Limited ("Rymack"), which was due on 31 May 2023 in respect of the purchase of Works Manchester. Furthermore, as announced in the Company's interim results on 27 November 2023, due to the reduced confidence of receiving payment of any deferred consideration from Rymack, the carrying value of the £2.81m due under the sale and purchase agreement has been reduced to £0.35m. The Company is in the process of taking steps to recover the sums due and will update the market again in due course.

The Nettl Systems management team have been making arrangements with alternative suppliers so that continuity of supply is in place for products available through the Nettl Systems platform to minimise any impact on the Nettl partner network. Migration of product supply has begun and will be completed in the coming days.

As announced on 15 September 2023, the Group raised £23.4m to continue its acquisition strategy and drive long term shareholder value. The Group's focus remains steadfastly on this. We are currently in exclusive discussions with acquisition targets with a collective turnover of approximately £3.6m and an adjusted EBITDA of £1.2m. These are progressing through the due diligence process. Software Circle will continue to update the market as its acquisition strategy progresses.

For further information:

Software Circle plc
Gavin Cockerill (CEO)

07968 510 662

Allenby Capital Limited (Nominated Adviser and Broker)
David Hart / Piers Shimwell (Corporate Finance)
Stefano Aquilino / Joscelin Pinnington (Sales and Corporate Broking)

0203 328 5656

Notes to editors:

Software Circle plc is a UK based acquirer of vertical market software businesses. Our aim is to help founders find the right exit strategy, without fuss or drama. Continuing operations in an independent, decentralised way. Keeping the entrepreneurial spirit and culture that exists in the businesses we acquire. Providing a permanent home for their teams, management talent and culture.

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@seg.com or visit www.ms.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

UPDBIBDDSGGDGXL