

THE BOARD OF DIRECTORS OF SIRIO S.P.A APPROVED THE HALF-YEAR REPORT OF 30 JUNE 2020

**REVENUE OF JANUARY AND FEBRUARY HAS RECORDED AN AVERAGE + 20% COMPARED TO THE
SAME PERIOD OF THE PREVIOUS YEAR**

**FROM MARCH TO JUNE THE FORCED CLOSURES OF THE SALES POINTS, DUE TO THE COVID-19 HEALTH
CRISIS, HAVE HIGHLIGHT AN AVERAGE - 60% COMPARED TO THE SAME PERIOD OF THE PREVIOUS
YEAR**

**THANKS TO A PROGRESSIVE REOPENING OF SALES OUTLETS, TURNOVER LEVELS ARE FORECASTED BY
2020 AND THE GUIDELINES OF THE STRATEGIC PLAN AND THE 2022 TARGETS ARE CONFIRMED**

- **Total revenues:** € 24.8 million (€ 36.7 million)¹
- **EBITDA**²: € 3.2 million (€ 10.7 million)¹
- **Net debt:** € 120.1 million (€ 82.9 million)
- **Net debt excluding IFRS16:** € 26.1 million (€ 20.6 million)¹
- **Net debt including IFRS16:** € 120.1 million (€ 82.9 million)¹
- **95 stores open** compared to 90 stores at the end of 2019

Ravenna, 27 September 2020 - The Board of Directors of Sirio SpA (AIM: SIO), the leading Italian company in the management of commercial catering in the hospital sector, met today approved the Half-Year-Report at 30 June 2020.

Stefania Atzori, CEO of Sirio, commented: "The first semester ended during one of the most complex and painful years our generations have ever experienced. In the case of Sirio, then, the price to pay was very hard, considering that our sector of activity thrives on social contact, moments of aggregation and sharing: the necessary measures adopted to protect the health of Italians have inevitably impacted on the numbers of the first 6 months. To date, activities have slowly resumed at all points of sale, although with a still measured trend due to the health restrictions in place. Despite this, I am confident in the rebirth of our business, precisely because Italians have shown that we know how to respect the rules, that we know how to resist with pride and courage, that we want to imagine a gradual return to normality, sociality and sharing. And there is nothing more representative of a welcoming and stimulating environment like our bars and restaurants. And therefore, with all due caution, the Board, also on the basis of the slow but constant recovery in turnover in progress in all channels in which Sirio is present, wanted to confirm the guidelines of the Industrial Plan and the 2022 targets."

¹ Figures in brackets refer to financial statements as at June 30, 2019 for income statement figures and financial statements as at December 31, 2019 for balance sheet figures.

² EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortisation – i.e., Gross Operating Profit) is an alternative performance indicator not defined by Italian accounting standards but used by company management to monitor and evaluate the company's operating performance, as it is not influenced by volatility due to the effects of the different criteria for calculating taxable income, the amount and the characteristics of invested capital or the related depreciation/amortisation policies. Sirio defines this indicator as Profit/(Loss) for the period before amortisation/depreciation and write-downs of intangible assets and property, plant and equipment, financial income and expense and income taxes

COVID 19

Since the beginning of the COVID -19 pandemic in order to ensure compliance with all the measures aimed at its containment ordered by the public authorities, Sirio has put in place all the tools and devices in compliance with the same to protect its staff and its customers.

Due to the pandemic, Sirio suffers a significant reduction in the influx of consumers in all channels of presence and had to suffer, during the semester, closures of its premises.

In the face of the negative effects of the pandemic, the Company promptly implemented a series of actions, including the prompt use of the redundancy fund and the renegotiation with all landlords of rents and royalties, actions that will contribute, in particular in the second half of the year to contain the negative effects of COVID-19 on turnover and margins.

ECONOMIC AND BALANCE SHEET DATA AS OF JUNE 30, 2020

Revenues at 30 June 2020 amounted to € 24.8 million compared to € 36.7 million at 30 June 2019. In the first six months of 2020, sales, with particular effect starting from March, were negatively impacted by the progressive closure of most commercial outlets due to quarantine measures imposed by the Italian government in response to the spread of the COVID-19 pandemic. It should be noted that in the first two months of the half year 2020 the overall average trend across all channels had recorded an increase of about 20%.

Following the health crisis and the mandatory closures of a large number of Sirio PoS, a decrease in turnover of about 60% in the months from March to June 2020 was recorded.

Following the gradual reopening of all PoS, although gradually linked not only to the specific channel (the airport sector has certainly suffered the most from the context) but also to social distancing measures, the trend in average turnover is rising to around minus 30% and with a forecast of further recovery towards normality by the end of the year.

EBITDA is € 3.2 million (€ 10.7 million at 30 June 2019). The decrease compared to the previous year is essentially due to the significant reduction in revenues, against which it was not possible to correspond to a parallel reduction of part of the related costs. The decrease is also justified by an increase in operating costs which went from € 3.4 million at 30 June 2019 to € 4.4 million at 30 June 2020. In particular, costs for maintenance, cleaning and surveillance, utilities and communication services, in proportion to the growth of the points of sale of all the different lines of business of the Company.

EBIT is negative for € 8.6 million (positive for € 3.7 million at 30 June 2019), following amortization of € 11.8 million essentially linked to the application of the IFRS 16 accounting standard compared to € 7, 0 million at 30 June 2019.

The result for the period closes with a loss of € 7.3 million (profit of € 1.0 million at 30 June 2019).

Fixed asset amounted to € 133.4 million (€ 102.7 million) with an increase mainly linked to the item Rights of Use which amounted to € 98.3 million (€ 66.5 million) resulting from the application IFRS 16.

Net working capital is negative for € 9.5 million (negative for € 3.3 million). The negative change of approximately € 6.2 million is due to the increase in trade payables for € 4.6 million, the increase in other current liabilities for approximately € 1.5 million and finally to the decrease in inventories for approximately € 0,9 million. The negative effect on the NWC described above is partially offset by the increase in other current assets for approximately € 0.8 million.

Net financial debt is € 120.1 million. The increase in net financial debt of € 37.2 million recorded compared to 31 December 2019 is largely attributable to the higher financial liabilities deriving from the application of the IFRS 16.

Net financial debt excluding the effect of IFRS 16 is € 26.1 million compared to € 20.6 million.

Shareholders' equity amounted to € 2.9 million against € 12.6 million at 31 December 2019 with a decrease mainly due to the 2019-2020 operating results.

BUSINESS

To consolidate and accelerate the growth path over the years, Sirio has conducted a profound diversification of its business. At the end of December 2019, the company's core business still remains the management of catering in public hospital companies, albeit with an important contribution from the other business lines developed in adjacent sectors as envisaged in the Company's growth strategy. Below is a brief description of the main sectors in which Sirio is active, whose stores opened at 30 June 2020 amounted to 95.

HOSPITAL

Within the hospital facilities, Sirio offers a modular catering service that allows a wide, flexible offer (from snack bars with the administration of coffee, as well as small fast food to a more structured offer with hot gourmet gastronomy) and close to the needs of each type of customer also through the management of vending machines (automatic vending machines for food, drinks, etc.). On 30 June 2020 amounted to 71.

MOTORWAY

Sirio operates in motorway and road catering dealing with the management of service and rest areas, with significant presence especially on the A22 Modena-Brennero motorway, proposing an innovative concept of parking that is expressed in the attention to the customer, in the quality of the offer and products and in the store concept. At 30 June 2020, the number of sales points opened in the motorway channel amounted to 7.

AIRPORT

Sirio, with the "La Ghiotta" brand, manages 4 points of sale within the Marconi airport of Bologna: a snack bar cafeteria in the Land Side area, the other coffee bar with restaurant in the Extra-Schengen area. In 2019, 3 tenders were won at the airport, 2 of which for the Genoa - Sestri "Cristoforo Colombo" international airport (with two sales points) and 1 at the Naples - Capodichino International Airport, the fifth Italian airport in terms of annual passenger flows. At 30 June 2020, the number of open stores was 6.

RAILWAY

During the first six months of 2020, Sirio, again with a view to greater diversification of the business, entered strongly in the catering sector in railway stations, winning three tenders for very important concessions. In February, the management of a sales point with its own brand of food sushi Zako at the Genova Brignole station. In March, the tender for the management of a sales point in the Turin Porta Nuova station was awarded with the "Sbuccio" Format. Last in order of time, the significant award, as part of the redevelopment of the Milan Porta Garibaldi Station, which involves the opening and management of 14 points of sale within the food court of the railway junction with known and appreciated Brands.

BURGER KING

Sirio has been selected by Burger King Europe GmbH (BKE) - Swiss company based in Zurich - as Partner, becoming Franchisee, for the development of an ambitious expansion plan for the "BK" system in Italy. The project started in 2012 and saw the inauguration. At 30 June 2020, the number of open stores was 6.

CITY

In 2018 Sirio started its activity in the new business sector to develop quality catering in the city center by obtaining the management of a historic restaurant in the center of Imola: Opera Dulcis, and was awarded the concession for the management of a second restaurant. "Bacchilega" always in the center of Imola. In addition, the first "Sirio Cafè" branded bar / corners adjacent to the Burger King managed by Sirio were launched in this business unit to expand the offer offered to customers. In 2019 Sirio started its business with the opening of the first Sushi Bar under the banner of the Zako brand. Finally, again during the year, Sirio signed 2 framework agreements for commercial development with important national and international food brands: PAUL - well-known French boulangerie brand - and Cioccolatitaliani for development in the Shopping Center channel, specifically opening the first two stores already open at the Curno Shopping Center in Curno (Bergamo) and the Leone Shopping Center in Lonato. At 30 June 2020, the number of open stores was 5.

MAIN SIGNIFICANT EVENTS OCCURRED DURING THE FIRST SEMESTER 2020

February 18, 2020 - Sirio has signed two company branch lease contracts for the opening of 2 stores with the new ZAKO - SUSHI EXPERIENCE format respectively with: IGD SIIQ at the Punta di Ferro shopping center, and with Grandi Stazioni Retail at the Genova Brignole station.

March 16, 2020 - The concession for the management of the bar and restaurant service at the Fatebenefratelli and Ophthalmic Hospital of the ASST Fatebenefratelli Sacco in Milan for 5 years was provisionally awarded.

March 30, 2020 - Awarded the tender for the management of a commercial space located in the Turin Porta Nuova railway station, by signing a contract with and Grandi Stazioni Retail SpA - contracting company - for the duration of 5 years, which provides for the management of a PoS - Kiosk in the New Fof Hall - with the Format Sbuccio, for the use of which it has signed a commercial agreement with Fresco Senso.

April 21, 2020 - Appointment of Nominated Adviser to Alantra which will take over from Banca Mediolanum from April 28.

May 11, 2020 - The role of Specialist Operator has been conferred on Integrae SIM S.p.A., following the cancellation of the contract to Banca Akros S.p.A.

June 24, 2020 - Awarded the tender for the management of two food areas at the railway stations of Milan Porta Garibaldi and Turin Porta Susa, by signing a contract with Altagares srl - a company of the French group Alteaarea Cogedim - for the duration of 10 years, which provides for the management of 14 PoS, of which 11 in Milan Porta Garibaldi and 3 in Turin Porta Susa. The project in the commercial spaces provides a varied gastronomic offer that is divided into 11 different brands: Alice Pizza, Paul, Tigellona, Rovagnati, Acai Sisters, Pizzeria Italiana Espresso, Burger King, Ammu, Casa Infante, Spacco and Paul le Cafe.

MAIN SIGNIFICANT EVENTS OCCURRING AFTER THE FIRST SEMESTER 2020

July 2, 2020 - Andrea Medaglia appointed as the new CFO

July 31, 2020 - Opened at the Le Gru Shopping Center in Grugliasco (TO), with the 1st PoS of Carrefour.

August 14, 2020 - Resignation of the director Gianluigi Costanzo

September 9, 2020 - The concession for the management of the bar and restaurant service at the Gynecological Obstetrics Sant'Anna Hospital in Turin for 4 years was awarded.

OUTLOOK

The second half of 2020, following the recent events that have reported significant negative impacts in almost all of the country's production sectors, in a global economic scenario characterized by marked uncertainty, will in all likelihood be another semester of transition for Sirio.

Moreover, all the measures implemented by the company, including the prompt use of the redundancy fund, and the renegotiation of rents and royalties with all landlords, will help to contain the negative effects of the pandemic on turnover and margins.

Management reaffirms its belief in the goodness of the guidelines and targets of the 2020-2026 post COVID-19 Industrial Plan which provides, in addition to restructuring and cost containment work, an important growth of the business and a return to a margin above the sector average, in line with the first six months of 2019.

The main 2022 targets are confirmed to be:

- total revenues in a range between €120-130 million;
- margins of around 10-11% (EBITDA);
- opening of over 40 new points of sale.

Taking into account the current socio-economic situation characterized by a marked level of uncertainty due to the pandemic and prospectively assessing the equity, financial and economic effects in a reasonable time horizon, the administrative body believes that the Company is able to cope to its obligations and in any case to operate as a going concern in the second half of 2020.

DEPOSIT OF THE DOCUMENTATION

Copy of the draft Financial Statements at 30 June 2020 will be made available to the public at the registered office in Ravenna, as well as through publication on the institutional website <https://siriospa.it/en/investor-relations/#financial-statements-and-periodic-reports> and on the authorized storage mechanism "eMarket STORAGE" available at <https://www.emarketstorage.com/>, managed by SPAFID Connect SpA, based in Foro Buonaparte, n. 10, Milan.

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Economic, Balance Sheet, Financial Tables as at 30 June 2020 attached

INCOME STATEMENT

<i>(in Euro)</i>	30/06/2020	(*)	30/06/2019	(*)
Ricavi caratteristici	21.752.345		36.372.374	
Altri proventi operativi	3.001.430		369.223	
<i>Totale ricavi e proventi</i>	24.753.775	100,00%	36.741.597	100,00%
Costo delle materie prime, sussidiarie e merci	-8.370.309	-33,81%	-11.619.321	-31,62%
Costo del personale	-8.131.505	-32,85%	-9.679.678	-26,35%
Costi per affitti, royalty e ut. marchi	-624.334	-2,52%	-1.361.630	-3,71%
Altri costi operativi	-4.425.250	-17,88%	-3.389.664	-9,23%
<i>EBITDA</i>	3.202.377	12,94%	10.691.304	29,10%
Ammortamenti e svalutazioni	-11.782.206	-47,60%	-7.007.442	-19,07%
Risultato operativo (EBIT)	-8.579.829	-34,66%	3.683.862	10,03%
Proventi (Oneri) finanziari	-1.154.036	-4,66%	-2.544.733	-6,93%
Risultato ante imposte	-9.733.865	-39,32%	1.139.129	3,10%
Imposte sul reddito	2.438.790	9,85%	-167.146	-0,45%
Risultato dell'esercizio	-7.295.075	-29,47%	971.983	2,65%

(*) Incidenza percentuale calcolata rispetto alla voce "Totale ricavi e proventi"

BALANCE SHEET

<i>(in Euro)</i>	30/06/2020	31/12/2019
Attività immateriali e avviamento	24.184.987	25.063.962
Diritto d'uso	98.319.699	66.496.678
Partecipazioni	10.000	10.000
Immobili, impianti e macchinari	10.871.667	11.121.662
A) Capitale immobilizzato	133.386.353	102.692.302
Rimanenze	3.271.035	4.136.251
Crediti commerciali	6.956.337	7.091.372
Altri crediti correnti	4.537.075	3.719.271
Debiti commerciali	-18.302.745	-13.744.512
Altri debiti correnti	-5.948.819	-4.485.681
B) Capitale di esercizio	-9.487.117	-3.283.299
Capitale investito (A+B)	123.899.236	99.409.003
C) Altre attività e passività non correnti non finanz.	-883.073	-3.880.602
D) Capitale investito netto (A+B+C)	123.016.163	95.528.401
E) Patrimonio netto	-2.945.390	-12.626.644
Debiti finanziari a medio-lungo termine	-98.741.234	-68.531.240
Crediti finanziari a medio-lungo termine	0	0
F) Posizione finanziaria a medio lungo termine	-98.741.234	-68.531.240
Debiti fin. a breve termine e passività IFRS 16 correnti	-23.399.514	-22.696.235
Disponibilità e crediti finanziari a breve termine	2.069.975	8.325.718
G) Posizione finanziaria netta a breve termine	-21.329.539	-14.370.517
Posizione finanziaria netta (F+G)	-120.070.773	-82.901.757
H) Totale passività e patrimonio netto (E+F+G)	-123.016.163	-95.528.401

NET FINANCIAL POSITION

<i>(in Euro)</i>	30/06/2020	31/12/2019
A - Liquidità	-2.069.975	-8.325.718
B- Crediti finanziari correnti	0	0
C - Debiti bancari	5.224.798	7.485.590
D - Passività IFRS 16 a breve	17.286.788	14.334.573
E - Altre passività finanziarie correnti	887.928	876.072
F - Indebitamento finanziario corrente (C+D+E)	23.399.514	22.696.235
G - Indebitamento finanziario corrente netto (F+B+A)	21.329.539	14.370.517
H - Passività IFRS 16 a medio/lungo termine	79.467.050	50.757.768
I - Altre passività finanziarie non correnti	19.274.184	17.773.472
L - Indebitamento finanziario non corrente (H+I)	98.741.234	68.531.240
M - Indebitamento finanziario netto (G+L)	120.070.773	82.901.757
<i>di cui con terzi</i>	<i>120.070.773</i>	<i>82.901.757</i>