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Public disclosure of inside information according to Article 17 para. 1 of the Regulation (EU) No 596/2014 on market abuse (Market Abuse Regulation)

**SMG European Recovery SPAC SE and Sircle Hospitality Group Ltd. executed Letter of Intent concerning potential Business Combination**

**Luxembourg, December 20, 2023** – SMG European Recovery SPAC SE (the “Company”), a Luxembourg special purpose acquisition company, has entered into a non-binding letter of intent (“LoI”) with Sircle Hospitality Group Ltd., Larnaka, Cyprus (“Sircle”), concerning a business combination between the Company and Sircle through which the combined entity would become publicly traded on the Frankfurt Stock Exchange (General Standard). Sircle owns and operates hospitality assets across several European countries.

As currently contemplated, the transaction would involve the existing shareholders of Sircle transferring 100% of the outstanding equity and equity equivalents of Sircle to the Company in exchange for new shares in the Company. The combined entity would be listed on the Frankfurt Stock Exchange (General Standard) and would have a shareholder base comprised of (i) Sircle’s existing shareholders and (ii) the Company’s shareholders.

The Company and Sircle continue to be in mutually exclusive negotiations with the aim of entering into a binding business combination agreement in due course. However, there is no guarantee that a final binding agreement will be reached.

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