



## PRESS RELEASE

CIRCLE: defined the acquisition of 51% of CARGO START, Innovative Start-up with a turnover of about € 0.67million in 2021 (+82.5% on 2020) specialized in the air cargo sector

For CIRCLE this operation opens new opportunities in air freight and extends the range of solutions developed for the Supply Chain market

*Milan, 21<sup>st</sup> December 2022*

**CIRCLE Group** (“**CIRCLE**” or “**The Group**”) - specialized in the analysis and development of innovative digitization solutions for port and intermodal logistics and in international consultancy with focus on Green Deal and energy transition headed by **Circle S.p.A. quotata sul mercato Euronext Growth Milan** managed by Borsa Italiana - has defined today the acquisition of 51% of **CARGO START S.r.l.** (“**CARGO START**” or “**Target Company**”), Innovative Start-up providing innovative technological products and services for operators of the air cargo field.

*“We are excited about the new opportunities arising from this operation, thanks to which CIRCLE can strengthen its offer in the rapidly expanding air freight segment. With CARGO START we have started since 2021 a profitable partnership, that we have decided together to consolidate further through this operation, having regard to its strategic value for 2024 Connect 4 Agile Growth path. CIRCLE shares with CARGO START, which will maintain its operational autonomy, the vision of an increasingly usable, integrated, efficient, safe, and sustainable Supply Chain, thanks to technology and process improvement, and the mission to ensure to operators a complete and constant visibility of the flows of goods” said **Luca Abatello, President & CEO at CIRCLE Group.***

CARGO START is an Innovative Start-up established in 2020 by a team of professionals operating in the air cargo sector since the early 2000s.

Based in Rome, the Company specializes in innovative, high-value-added digital solutions for operators in the air cargo supply chain, and, more specifically, freight forwarders, ground handling companies and air carriers.

CARGO START’s flagship product is **StarTracking®**, an airport-to-airport tracking solution with real-time status updates which has already been integrated, after the commercial partnership between the two companies launched last April, with CIRCLE proprietary products **MILOS®**



## Global Supply Chain Visibility, Master SPED® and Master TRADE®.

In 2021 CARGO START recorded **Value of Production** of approx. € 0.67 million, with an increase of 86% compared to 31 December 2020, an **EBITDA** of approx. € 0.1 million with an **EBITDA Margin** of 14%, a **Net Profit** of approx. € 21 thousand and a **Net Financial Debt** *cash positive* for about € 18 thousand.

The agreement signed on 21 December 2022 (the **Agreement**) provides that, subject to the fulfilment of certain suspensive conditions, CIRCLE perfects an investment transaction in CARGO START for a total amount of € 500,000.00 (five hundred thousand) through the subscription by CIRCLE of a paid share capital increase, reserved for it, for nominal € 20,850.00 (twenty thousand eight hundred and fifty) and with a surcharge of € 479,150.00 (four hundred and seventy-seven thousand and one hundred and fifty).

At the outcome of the subscription of the Capital Increase by CIRCLE, the share capital of CARGO START will be equal to a total amount of € 40,850.00, with a participation, by CIRCLE, equal to 51% (the **Majority Shareholding**) and the remaining 49% in head to the current associates of CARGO START.

In the event that the details still under discussion between the parties about governance issues and about any incentives for minority shareholders linked to the results of CARGO START to be reached until 31 December 2025 are not defined by May 2023, the Agreement provides for appropriate mechanisms of regulation of the relations between the shareholders with regard to the Majority Shareholding also to protect the investment of CIRCLE.

The Agreement also provides for mechanisms to safeguard and enhance the organizational structure of the start-up and the maintenance of current positions and roles of Pierpaolo Platania, Director, and Emanuele Vurchio, General Manager.

**Pierpaolo Platania, Director at CARGO START** states: *"We have enthusiastically welcomed the opportunity to join CIRCLE Group, convinced that it will enable us to strengthen our competitive positioning as a technology provider in the international air cargo sector and to create value for our customers, as well as for the shareholders of the Group".*

**Emanuele Vurchio, General Manager at CARGO START** added: *"We are sure that the synergy between CARGO START, and CIRCLE Group will strengthen our contribution to the process of digital transformation of the multimodal logistics. Maintaining the uniqueness of our historic*



*vocation for air cargo, we will work together with CIRCLE to realize our common vision of increasingly integrated and collaborative logistics. CARGO START will continue to operate independently, sharing with CIRCLE its excellence, relationships, and technological tools, in a logic of reciprocity and full collaboration".*

The acquisition of 51% of CARGO START will allow CIRCLE to further speed up its growth for external lines as already declared during IPO and consistent with the strategic roadmap 2024 Connect 4 Agile Growth.

This acquisition will enable CIRCLE to expand the range of solutions aimed at Supply Chain to air freight, a rapidly growing sector, thanks to the even deeper integration between **MILOS® Global Supply Chain Visibility, Master SPED® and Master TRADE® and StarTracking® by CARGO START.**

The operation is not significant pursuant to art. 12 of the Euronext Growth Milan Issuers Regulation.

\*\*\*

*CIRCLE was advised for this operation by LCA Studio Legale and Studio Palma Dottori Commercialisti Associati.*

\*\*\*

*This press release is available at [www.circlegroup.eu](http://www.circlegroup.eu) in the Investor Relations section and [www.1info.it](http://www.1info.it).*

\*\*\*

**CIRCLE Group** is the Group specialized in the analysis and development of **innovation and digitalization solutions for the port and intermodal logistics sectors and in international consultancy with a focus on the Green Deal and energy transition topics** headed by **Circle S.p.A.**, Innovative SME listed on the Euronext Growth Milan market of Borsa Italiana since October 26<sup>th</sup>, 2018 (alphanumeric code: CIRC; ISIN code for ordinary shares: IT. 0005344996).

Besides Circle, the Group comprises software houses **Info.era** and **Progetto Adele**, purchased respectively at the end of 2017 and in July 2019, as well as consulting companies **Circle Connecting EU** and **Magellan Circle**.

Synergies between Circle, Info.era and Progetto Adele have allowed the Group to expand the portfolio of solutions it offers in the fields of IoT, optimization, 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 – the Port Community System **Sinfomar**, **Master SPED®** and **Master TRADE®** solutions – respectively dedicated to shipping and logistics and to commerce and industry.

Conceived to make migration of customers to a digital business model, **Federative services** provide in cloud and pay-per-use mode, more efficient, complete Circle's services for the Supply Chain.

With **Circle Connecting EU**, Circle supports Public Entities and Companies, by identifying their positioning at a European level (**Strategic Communication and Advocacy**) and funding opportunities (**EU Funding Accelerator**).

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

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

#### For more information

##### Circle S.p.A.

Registered office Via Giovanni Battista Pergolesi 26, 20124 Milan  
Operational headquarters Piazza Borgo Pila 40 (Torre A interno 46), 16129 Genoa  
Nicoletta Garzoni, *Media & Investor Relations Manager*  
Mail: [press@circletouch.eu](mailto:press@circletouch.eu) – [ir@circletouch.eu](mailto:ir@circletouch.eu)  
Mobile: +39 339 2367218

##### Euronext Growth Advisor: **Integrae SIM S.p.A.**

Piazza Castello 24, 20121 Milan  
Mail: [info@integraesim.it](mailto:info@integraesim.it)  
Phone: +39 02 96 84 68 64