

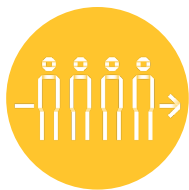
**HALF-YEAR REPORT FOR
SOSTRAVEL.COM S.P.A.
AS OF 30 JUNE 2018**

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SOSTRAVEL.COM S.P.A.

1 Letter to shareholders

Chairman and Chief Executive Officer

Dear shareholders,

reported below is information related to the situation of your Company and on operational trends as of 30 June 2018 and for the following period until the date of publication of this document. The first half of the 2018 financial year was characterized by preparatory activities for the listing of the Company at AIM Italia - managed by Borsa Italiana S.p.A. – and in light of the company's international growth and expansion plan. Your Company was admitted to the AIM market of Borsa Italiana on 30 July 2018 with a share price of 5.60 Euro and capitalization equal to € 33 million. On 1 August 2018, following the first day of trading, the IPO transaction was completed with the full underwriting of the share capital increase by the market and with a gross financial collection of € 5.2 million.

In the same period of time, the Company was also involved in the development and implementation of the SosTravel App, and in the negotiation and stipulation of certain contracts that are required for the effective exercising of its business.

The Company generated **revenues from sales** totaling € 1,075 thousand, essentially ascribable to:

- activities relative to the tracking of baggage of customers of Safe Bag Group companies who purchased the Safe Bag 24 service in case of loss and/or failed delivery of the baggage at destination airports;
- call center assistance for customers of the companies of the Safe Bag Group during the collection of reports of baggage loss, theft and/or damages.

The **EBITDA** of your Company was equal to circa € 338 thousand, an increase compared to that forecasted in the Industrial Plan due to higher revenues and lower costs in the reference period.

Net financial indebtedness (NFP) was positive (cash flows) and improving compared to the same figure as at 31 December 2017 that was equal to € 499,824. This reclassification includes the portion of the receivable due from the associated company Safe Bag USA and collected in July 2018 but obviously does not include the income from the IPO.

The Company has also obtained the status of INNOVATIVE SME from the Chamber of Commerce of Varese, which has recognized the company's extensive propensity towards technological innovation in the development of its business model.

By means of SosTravel.com, we aim to become the reference point for travelers in the world. In these days, the team of programmers and all of our staff are working to promote the launch and marketing of the first multiservice APP entirely dedicated to airport passengers

Enjoy the report, and thank you for your trust.

Rudolph Gentile



2 Company presentation



The Company was founded on 27 November 2017 and registered in the Registry of Companies on 7 December 2017 by the conferment - from Safe Bag - of the company branch named "Sostravel.com"; this operation involved the assets and the legal relationships that are instrumental to activities relative to "assistance to the traveler", particularly those relative to the tracking of lost baggage, the supply of airport information services, insurance services and other services to airport passengers.

The objective of the Company is to present itself on the market through an integrated digital platform (the Sostravel App) which will be launched and promoted on the main mobile stores (including Google Play and App Store) in the fourth quarter of 2018; it will serve as an "Aggregator" of a range of passenger assistance services throughout the journey, from departure to arrival at the destination airport.

Given that the Sostravel App will be launched on the market and promoted on the main mobile stores (including Google Play and App Store) within the fourth quarter of 2018, the services effectively rendered by the Company from the date of its founding and until the date of launch of the App largely coincide with those already implemented in the past by the parent.

In the near future, SosTravel.com will continue to invest in innovation and development with the aim of expanding and further consolidating its leadership in the sector.

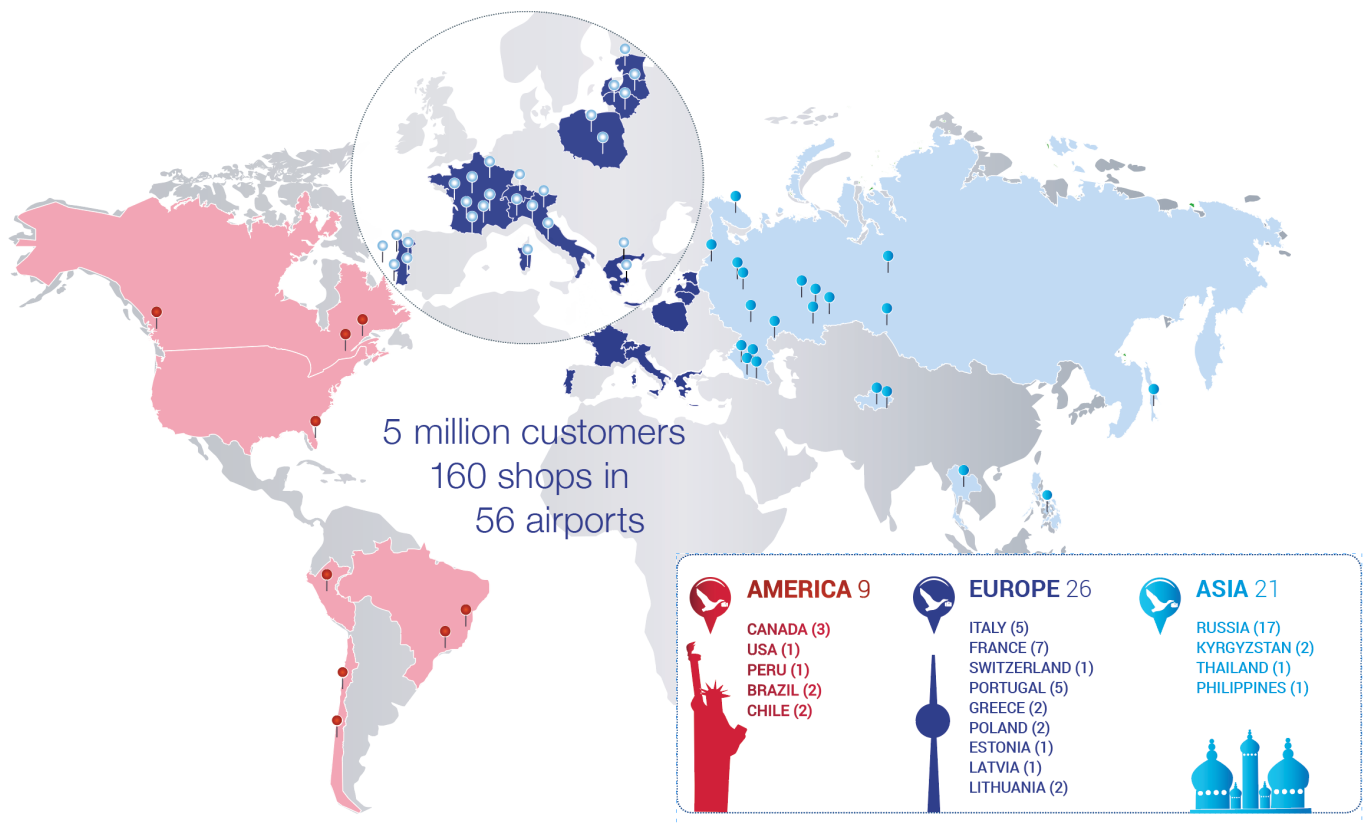


International oversight

With regard to the sale and distribution of its services, the Company can not only avail itself of the SosTravel App but also of the commercial network of the Safe Bag Group which has been operating in the market for wrapping, protection and tracking services for years. The latter is present, with different points of sale, in multiple international airports.

The graph below reports the geographical distribution of the Safe Bag Group and the location of the airports where, to date, SosTravel also markets its services.

AIRPORT NETWORK



Offered services

By means of Sostravel App, the Company will offer – during regular operations – the following services:

- **Flight Info:** this service will provide access to useful information regarding the flights of interest (flight status, gates, delays, cancellations, etc.). Information on individual flights will be made available following subscriptions; however, users who install the Sostravel App on their mobile devices for the first time will be able to use the Flight Info service twice for free.

- **Airport Info:** this service will (i) provide free access to various useful information related to the airports of interest (eg modalities for transfer from or to the infrastructure, maps, food, Wi-fi) and (ii) will allow for the purchase of certain services available there (eg parking, car rental services, access to VIP lounges, etc.).

- **SafeBag24 Lost & Found:** this service refers to Sostravel's commitment to tracking customer baggage in cases of loss and/or failed delivery at the destination airports. The service must be purchased before the departure of the flight and will be made available both on a "pay-per-use" basis (with reference, that is, to single journeys), or through a special subscription (which will allow users to use the service for all flights performed within a predefined time period).

Activation of the service and initiation of tracking operations will require sending the PIR to the Company, duly filled out and presented by the customers themselves to the Lost & Found offices of the destination airports. In detail, the service provides for: (i) the Company's commitment to tracing customer baggage within the period of 1 (one) day from receipt of the PIR; (ii) the Company's commitment - in the event of a failure to track the baggage within the aforementioned deadline - to the payment of a daily penalty for each day of delay up to a maximum stipulated amount; (iii) the Company's commitment - in the event of a failure to track the baggage after 21 (twenty-one) days from receipt of the PIR - to the payment of a penalty equal to the compensation paid by the airline for the loss of the baggage, and up to a maximum stipulated amount.

Finally, the service will provide customers with a dedicated call center, operating 24/7, which provides information to customers in relation to the status of the tracking process.

- **Lost Luggage PIR:** this service will be dedicated to passengers who sustain a loss and/or the failed return of their baggage at the destination airport and will aim to facilitate these passengers through the digitization of the relative obligations pertaining to the filling out and presentation of the PIR; the latter can take place either through interactive Totems located at (or near) the Lost & Found offices in the airports - and equipped with software capable of transmitting in real time the users' PIRs to the Company – or directly through the Sostravel App.

More specifically, the Totem and the Sostravel App will be equipped with a graphical interface that will allow users to fill out and forward the PIR to the relevant Lost & Found offices: either independently or with the aid of a dedicated operator who, if necessary, can be contacted through a video call.

The service will be supplied without charge, but assumes the existence of prior and relevant commercial agreements between the Company and the airlines and/or the airport handlers responsible for the Lost & Found offices assigned with receiving the PIR; as a result, the service will only be available where the Lost & Found offices in charge of receiving the PIR refer to parties (in fact, airlines and/or handlers) with whom the Issuer has stipulated the aforementioned commercial agreements.

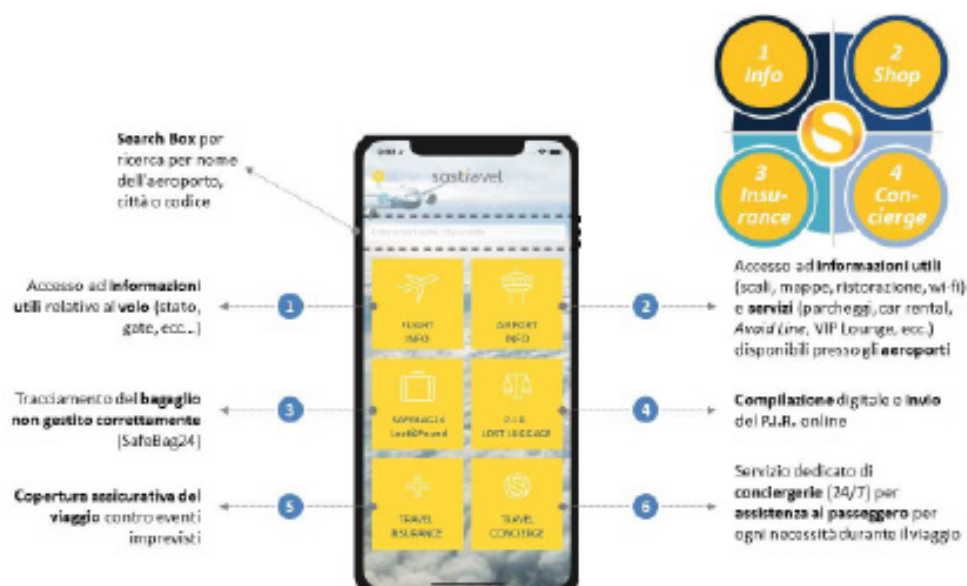


• **Travel Insurance:** this service will allow users to access - through the Sostravel App - the site of a primary insurance company authorized for the sale of multi-trip travel policies and to purchase, even through remote communication modalities, insurance products and coverage for the travels. With regard to the service in question, it should be noted that Sostravel will not in any way assume the role of agent, intermediary and/or party of the insurance contract; as a result, it will always and only be the insurance company that manages the pre-contractual disclosure obligations as well as fulfillments associated with the quantification and estimation of risk, the stipulation of the insurance contract, payment and collection of the premium, the issue of policy documents and, in general, the execution of the insurance contract.

• **Travel Concierge:** this service will allow users to contact a dedicated call center, operating 24/7, and obtain telephone assistance in eight different languages (Italian, English, American, French, Portuguese, German, Polish and Russian) for various needs or necessities linked to the trip, and including: booking flights, hotels, taxis, restaurants, the purchase of tickets for cultural events, information on destination cities, etc.; the service will be made following special subscriptions.

During the course of 2018, SosTravel.com has continued to invest in the development of its App whose graphical userface is reported below.

As of today's date, the Flight Info, Airport Info, SafeBag24 Lost & Found and Travel Insurance services have already been developed. The remaining services (PIR Lost Luggage and Travel Concierge) are in the process of further development, implementation and/or start-up.



Sales Channels

On Line Sales Channel

Sostravel proposes to offer airline passengers (mainly those belonging to the “X” and “Millennials” generations) access to an integrated digital platform (the Sostravel App) which is characterized by an innovative concept aimed at ensuring the possibility of using a variety of information and services linked to the trip.

Safe Bag-related sales channel

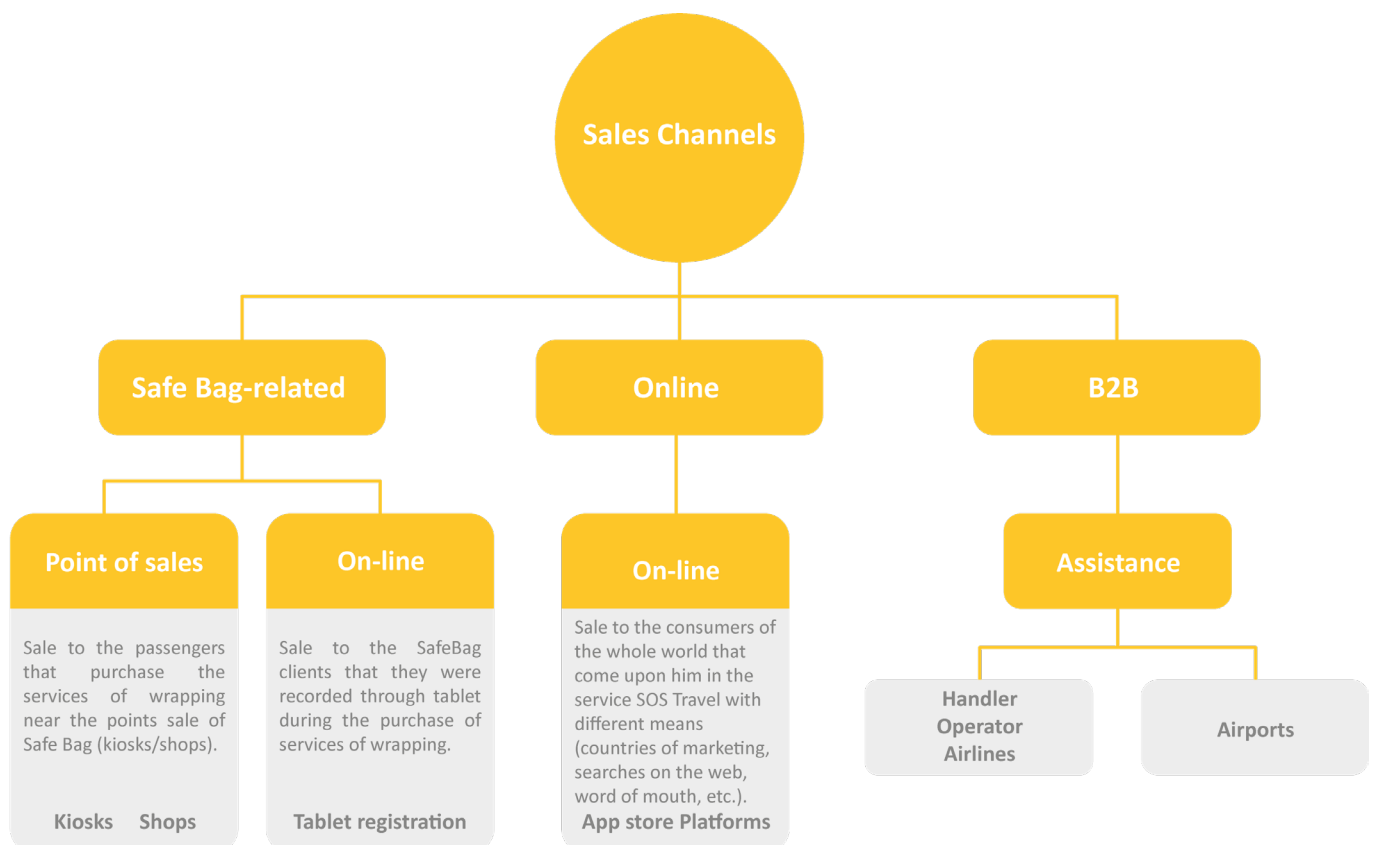
In addition to airline passengers, Sostravel also offers its commercial offer to the companies of the Safe Bag Group.

The offer to the companies of the Safe Bag Group is based on an agreement between SosTravel.com and Safe Bag and refers to the supply of the relative services: (i) the tracking of baggage of customers of Safe Bag Group companies that have purchased the Safe Bag Service 24 in cases of loss and /or failure to deliver this baggage; (ii) call center assistance offered to customers of Safe Bag Group companies during the collection of reports of loss, theft and/or damages to the baggage.

B2B Sales Channel

Finally, Sostravel provides its commercial offer to airlines and/or airport handlers (“B2B Customers”); the latter are proposed the supply of services concerning: (i) the digitization of activities relative to the filling out and forwarding of the PIR to the Lost & Found offices of B2B Customers and (ii) activities required for the tracking of lost baggage.

The offer aimed at B2B customers provides for, in particular, that the filling out and forwarding of the PIR -by users who sustained the loss of their baggage – be implemented through interactive totems positioned at (or near) the Lost & Found offices of B2B customers themselves or directly through the Sostravel App

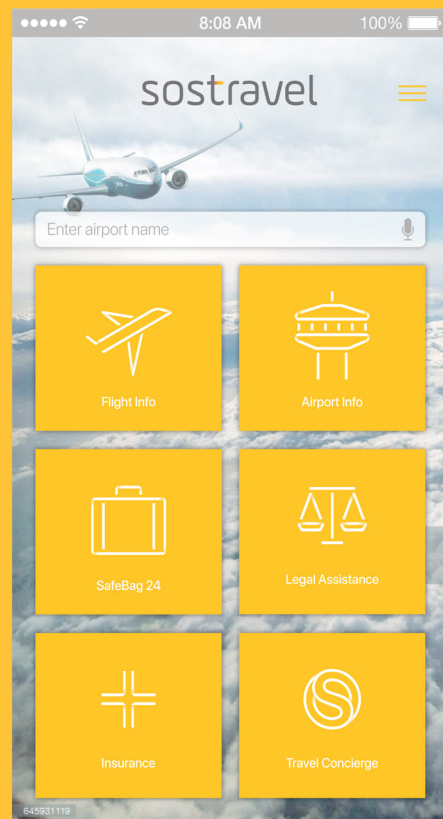
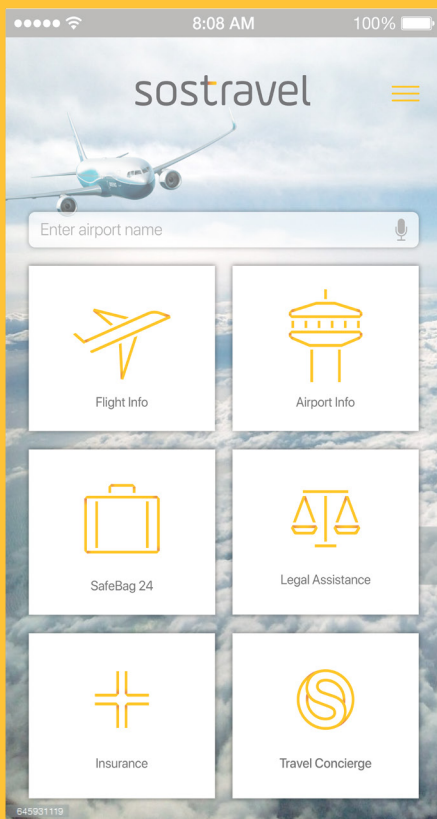


Communication and Marketing Personnel

SosTravel.com will invest - following the launch of the APP – significant amounts of resources in order to constantly improve its image and market share.

Significant resources will be invested in digital marketing campaigns with the aim of increasing the web presence of the application in addition to the launch of advertising campaigns focused on airports located in selected target countries.

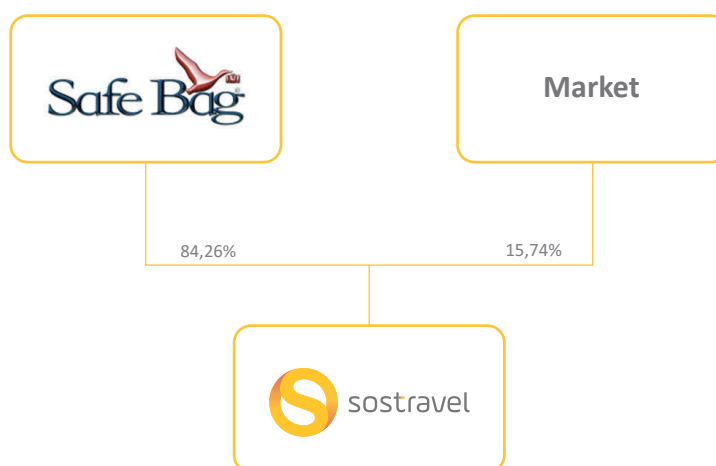
During the course of the first half-year, the Company was able to restructure itself with the hiring of new employees as well as a CFO, thereby bringing total personnel to seven employees.



3 Shareholding structure

As of 30 June 2018, the share capital of SosTravel.com was wholly owned by Safe Bag, which is in turn controlled by RG Holding. The majority of the share capital of the latter company is owned by Rudolph Gentile.

Following the IPO, the shareholding structure was as follows:



SosTravel.com Spa is listed in the AIM Italia - London Stock Exchange as of 1 August 2018.



4 Company bodies




BOARD OF DIRECTORS

CEO- Chairman	Rudolph Gentile
Executive director	Simone Gamba
Director	Nicola De Biase
Director	Roberto Mosca
Director	Luca Galea
Independent director	Edoardo Zarghetta


BOARD OF STATUTORY AUDITORS

Chairman	Alessandro Pancieri
Standing Auditors	Paolo Natalini / Davide Balducci
Alternative Auditors	Cosimo Pergola / Andrea De Nigris

AUDITING COMPANY

Auditing company	 Audirevi
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NOMAD

Nominated Advisor	 BANCA FINNAT Banca Finnat S.p.A.
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5 SosTravel.com in the AIM market

SosTravel.com was listed on the Milan Stock Exchange, Piazza Affari, on 1 August 2018 within the AIM Italia segment.

AIM Italia is the “Borsa Italiana” stock market dedicated to SMEs and which allows access to stock markets through a simplified listing process; it currently includes about one fifth of the companies listed on the Stock Exchange.

On 30 July 2018, SosTravel.com S.p.A. was admitted to the AIM market of Borsa Italiana with a share price of 5.60 Euro. On 1 August 2018, following the first day of trading, the IPO transaction was completed with the full underwriting of the share capital increase by the market and with a gross financial collection of 5,230,400 Euro.

The offer was made through a placement of shares aimed at: (i) qualified Italian investors, as defined and identified in Article 34-ter of Regulation 11971/1999, (ii) foreign institutional investors (excluding Australia, Canada, Japan and the United States of America); and/or (iii) other categories of investors, provided that the placement is implemented in such manner that allows the Company to benefit from an exemption from the public offering obligations pursuant to Article 100 of the Consolidated Financial Act and Article 34-ter of Regulation 11971/1999 (“Private Placement”).

As a result of the Private Placement, a total of 934,000 shares deriving from a share capital increase approved by the Company’s shareholders’ meeting were underwritten. Warrants in the ratio of one warrant per share were assigned free of charge to the shares underwritten during the Private Placement. In addition, a bonus share of 1:10 is envisaged for those who have underwritten during the Private Placement before the start date of trading and who hold the shares for at least twelve months from that date.

The shareholders’ meeting also approved the issue of 500,000 warrants for members of the Board of Directors and/or Company management.

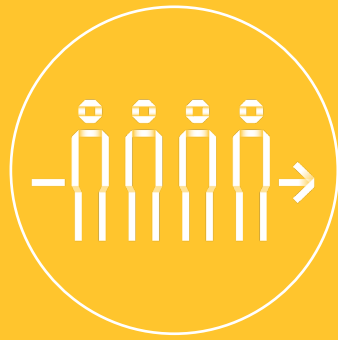
These warrants will be assigned by the Board of Directors on a date subsequent to the start date of trading. In this regard, it should be noted that 150,000 Warrants will be assigned discretionally by means of a resolution of the Board of Directors. The remaining 350,000 warrants will instead be assigned subject to a prior resolution of the Board of Directors and to the occurrence of certain future conditions. In particular, the aforementioned remaining 350,000 warrants will be assigned (always in favor of members of the Board of Directors and/or the management of the Company) on the condition that the unitary price of the Issuer’s shares and warrants reaches a cumulative value of at least 100% higher than the offer price of the shares during the Private Placement.

Total revenues deriving from the Private Placement, gross of commissions and expenses incurred as part of the Private Placement, amount to 5,230,400 Euro. Following the Private Placement, the Market holds 15.74% of the Company’s share capital with an IPO capitalization of approximately 33 million Euro. Following the potential conversion of the SosTravel 2018 - 2021 Warrants - including those that will be assigned to members of the Board of Directors and/or the management of the Company - the total placement could reach a range of 14.1 - 15.9 million Euro (depending on the strike price related to the conversions), with the market at 32.14% (not including the allocation of bonus shares to beneficiaries).

On the start date of trading of the shares and warrants on AIM Italia, the Issuer’s share capital was equal to Euro 593,400 and will be represented by 5,934,000 shares.

SosTravel was assisted in the operation by Banca Finnat Euramerica acting as Nomad and Global Coordinator as well as by Studio GBX acting as legal advisor, Ambromobiliare acting as financial advisor, PwC acting as strategic advisor and Audirevi acting as the auditing company. The Nctm law firm acted as legal advisor to the Nomad and Global Coordinator. Following the admission to trading, Banca Finnat Euramerica will act as Nomad, Specialist and will ensure continuous analyst coverage service.





REPORT ON OPERATIONS

6 Operational trends and business outlook for SosTravel

The objective of the Company is to present itself on the market - through an integrated digital platform (the Sostravel App) which will be launched and promoted on primary mobile stores (including Google Play and App Store) by the fourth quarter of 2018 - as an “aggregator” of a range of passenger assistance services throughout the journey, from departure to arrival at the destination airport.

In addition to assistance for airline travelers – and in accordance with a commercial agreement undersigned with Safe Bag on 15 December 2017 and partially amended on 25 June 2018 - the Company will also supply its services to the companies of the Safe Bag Group. In particular, and on behalf of the latter, Sostravel implements the following activities: (i) tracking baggage of Safe Bag Group customers who have purchased the Safe Bag 24 Service in cases of loss and/or failure to deliver the baggage at destination airports; (ii) assistance through a call center to customers of the Safe Bag Group companies during the collection of reports of loss, theft and/or damages to baggage.

Finally, the Company is developing an additional business focused on the supply of assistance services in favor of airlines and handling companies in order to assist and support the “Lost & Found” offices of the latter when collecting reports of lost baggage and during tracking activities (“B2B segment”).

From its founding date until today, the Company implemented all preparatory and necessary activities for listing the Shares and Warrants on the AIM Italia market.

In the same period of time, the Company was also involved in the development and implementation of the Sostravel App, and in the negotiation and stipulation of certain contracts that are required for the effective exercising of its business. Of the latter, the following in particular should be noted:

- Agreements stipulated with suppliers of certain services that will be provided and/or proposed through the Sostravel App (including, for example, insurance services and those that guarantee access to useful information regarding flight status, airport infrastructures and the services available in the latter);
- An agreement with the parent company Safe Bag for the regulation of services relative to (i) the tracking of baggage of customers of Safe Bag Group companies who have purchased the Safe Bag 24 service in case of loss and/or failure to deliver this baggage at the destination airports; (ii) call center assistance for customers of Safe Bag Group companies during the collection of reports of loss, theft and/or damages to baggage;
- An agreement with one of the primary Italian independent handlers (operating in the airports of Rome Fiumicino, Rome Ciampino, Bologna, Catania and Naples) for the regulation and implementation of a “digital” assistance service during the collection of reports of loss of baggage and any related tracking activities.

Given that the Sostravel App will be launched on the market and promoted in primary mobile stores (including Google Play and App Store) within the fourth quarter of 2018, the services effectively rendered by the Company as of the date of its founding and until today largely coincide with those already carried out in the past by the parent company.

These services primarily refer to the following:

- The tracking of baggage of customers of companies of the Safe Bag Group who have purchased the Safe Bag 24 service in case of loss and/or failure to deliver this baggage to the destination airports



- Call center assistance for customers of companies of the Safe Bag Group during the collection of reports of loss, theft and/or damages to baggage.

During the month of June 2018 - and due to the growth of Safe Bag S.p.A. - the commercial agreements were replicated with the new companies of the group, in particular with the **company Russa and Estone**.

This immediately generated a growth in volumes with consequent increase in the company's profitability.

During the first half of the year, the Company was able to restructure itself with the entry of new employees and a CFO, thereby bringing the workforce to a total of seven employees.

The Company, given that it had its own organizational structure, decided to cancel the service agreement with Safe Bag SpA as of 30 June; in addition, the commercial agreement with the Group was revised, eliminating the fees for customer procurement. and for the licensing of the Safe Bag 24 brand, effective as of 1 January 2018.

Corporate and shareholding changes

- On 13 February 2018, the Shareholders' Meeting appointed Mr. Simone Gamba as a member of the Board of Directors.
- On 26 April 2018, the extraordinary shareholders' meeting deliberated (i) to anticipate the closing of the first financial year from 31/12/2018 to 31/12/2017; (ii) in favor of the assignment of the mandate of regulatory auditor for the 2017-2019 financial year to the company Audirevi S.p.A;
- On 19 June 2018, the extraordinary shareholders' meeting deliberated:

a) In the ordinary part; approval of the project for admission to trading of shares on the multilateral trading facility of AIM Italia; integration of the Board of Directors through the appointment of the director Luca Galea and the independent director Edoardo Zargetta;

b) In the extraordinary part; splitting of the Company's shares in the ratio of 10 shares for every one share that is held, dematerialisation and elimination of the nominal value of the shares and consequent amendments to the current Articles of Association; increase in share capital, payable, in divisible form, with exclusion of options right pursuant to Art. 2441, fifth paragraph, of the Italian Civil Code, and for the purposes of the listing operation, subdivided into two installments, of which the first to cover the listing operation and the second reserved for the issue of bonus shares; issue of a maximum of 2,772,728 warrants and the relative share capital increase; approval of the warrant regulations; approval of a new text of the Articles of Association, with effectiveness subject to admission to trading on AIM Italia.

- On 25 June 2018, the Board of Directors approved: (i) the company's 2018-2019 industrial plan; the project for admission of the Company's shares and warrants to trading on AIM Italia; (ii) the documentation to be distributed to investors; (iii) internal procedures; amendment of existing contracts with the parent company Safe Bag SpA; (iv) verification that the Company was not subject to management and coordination on the part of Safe Bag SpA and/or its direct parent company RG Holding Srl; (v) approval of the memorandum on the management control system.

- On 16 July 2018, the Board of Directors approved; (i) the definition of the price range for the shares subject to the placement which was instrumental to admission to listing on AIM Italia; (ii) amendments and/or supplements to the warrant regulations; (iii) the proposal to establish the legal reserve and distribution of a part of the share premium reserve.

- On 17 July 2018, the extraordinary shareholders' meeting deliberated in favor of the following:

a) For the ordinary part: (i) establishment of the legal reserve and distribution of part of the share premium reserve; (ii) early collection of the financing disbursed to the associated company Safe Bag USA; distribution, in compliance with the provisions of Art. 2431 of the Italian Civil Code, in favor of the sole shareholder Safe Bag SpA of a part of the share premium reserve.

b) For the extraordinary part: (i) modification of the resolution to increase the share capital approved on 19 June 2018; (ii) approval of the warrant regulations in the text proposed by the Board of Directors.

- On 24 July 2018, the Board of Directors approved all the documentation relative to the listing of the Company and established the Investor Relations department in addition to appointing its manager.

2018-2019 Industrial Plan

Of all corporate events, the approval of the new 2018-2019 Industrial Plan – contained within the Admission Report - on the part of the Board of Directors in June 2018 deserves specific attention.

During the period considered by the Industrial Plan, growth in revenues will be sustained by the progressive increase in the customer base which the Company intends to pursue through specific actions, including: commercial expansion, investments in web marketing, digital advertising and the stipulation of agreements with specialized sector operators.

The growth strategy will be oriented towards the development of three sales channels, in particular:

1) The “Safe Bag-related” sales channel, ie an offer - in favor of companies of the Safe Bag Group - for the exercise of activities relative to: (i) the tracking of baggage of customers of the Safe Bag Group who purchased the Safe Bag Service 24 in cases of loss and/or failure to deliver baggage at destination airports; (ii) assistance through a call center to customers of Safe Bag Group companies during the collection of reports of loss, theft and/or damage to luggage;

2) The “Online” sales channel, ie the promotion and direct sale of services through the SosTravel App. Users - regardless of their country / geographical area - will be able to access the Company’s platform and purchase the services through this offer;

3) The “B2B” sales channel, ie an offer - in favor of specialized operators (in particular, airlines and handlers), and on the basis of specific commercial agreements - of services concerning the collection of reports of loss of baggage and activities pertaining to their tracking.

2017-2019 economic/financial forecast

(Revenues)	2017	2018	2019
Value of Production	1.723	2.487	4.385
Revenues	1.861	2.609	4.478
EBITDA	915	426	1.248
EDITDA Margin (%)	49,20%	16,70%	27,90%
EBIT	786	218	821

The Industrial Plan forecasts an increase in revenues from circa € 1.9 million in 2017 to around € 4.5 million in 2019. This growth will be driven by sales generated through the Safe Bag-related channel which - during the course of 2019 - is expected to generate approximately € 2.9 million in revenues, a significant increase compared to the € 1.7 million achieved in 2017. An additional boost to sales growth will also be generated by the other two sales channels: online, for which sales of € 0.9 million are forecasted in 2019; B2B, for which sales of € 0.6 million are forecasted for 2019.

The Industrial Plan forecasts an increase in EBITDA from € 0.9 million in 2017 to € 1.2 million in 2019, driven mainly by the increase in customers due to a significant increase in airline passengers at airports where the Group Safe Bag is operational. In addition, during 2018, a decrease in EBITDA was primarily attributable to the higher costs sustained in order to restructure the Company and render it independent (personnel, Board of Directors, attorneys, Board of Statutory Auditors).

The Industrial Plan was drafted on a “pre-money” basis (not taking into account any income deriving from the raising of capital derived from admission of the Company’s shares and warrants to trading on AIM Italia).

Primary events after 30 June 2018

On 16 July 2018, the Company presented Borsa Italiana with the pre-admission notice pursuant to Article 2 of the AIM Italia Issuers’ Regulations, requesting the admission of its Shares and Warrants to trading on AIM Italia.

The Company completed the procedure on 25 July 2018 by sending an application for admission and this Admission Document to Borsa Italiana.

Admission of the Issuer’s Shares and Warrants on AIM Italia was granted on 30 July 2018.

The start of trading took place on 1 August 2018.

With reference to the receivable due from the affiliated company Safe Bag USA, for a total of USD 1,299,870 (booked for Euro 1,051,338) – previously due to Safe Bag from the company Safe Bag USA and transferred to SosTravel in the context of the conferment implemented at the time of founding of the Issuer- it should be noted that, on 16 July 2018, in the context and in execution of a reserve distribution resolution, the Issuer re-transferred without recourse a portion of the receivable due from the company Safe Bag USA to the parent company Safe Bag for an amount corresponding to USD 621,670. The remaining part, equal to USD 678,200 (in addition to the average interest accrued), was instead extinguished through the prepayment of the relative amount by Safe Bag USA itself.

It should be noted, as a result, that - as of today’s date - SosTravel no longer retains any receivables due from the affiliated company Safe Bag USA.



7 Economic and financial results of SosTravel

Economic/financial results as of 30 June 2018:

REVENUES equal to € 1,075 thousand Euro given an annual objective of € 2,609 thousand;

EBITDA of € 338 thousand given an annual objective of € 436 thousand;

EBIT of € 279 thousand given an annual objective of € 218 thousand;

NET PROFIT of € 266 thousand;

Positive NFP of € 499 thousand, an **increase** compared to 31 December 2017;

Primary economic and operational results as of 30 June 2018:

DATA BASE OF CUSTOMERS: 271.456;

SOLD "SAFE BAG-RELATED" LOST & FOUND CONCIERGE IN THE HALF-YEAR: 625.292;

CUSTOMERS PROFILED IN THE HALF-YEAR: 141.187;

DOWNLOADS OF THE APP IN THE HALF-YEAR: 17.094;

TOTAL DOWNLOADS OF THE APP: 31.613

Total revenues, equal to € 1,075 thousand, primarily refer to:

- **Lost&found concierge services sold to the parent company: Euro 252,845;**
- **Lost&found concierge services sold to affiliated companies: Euro 702,148;**
- **APP services: Euro 2,936;**
- **APT tracing services: Euro 12,185.**

These services refer to the tracking of baggage of customers of Safe Bag Group companies who purchased the Safe Bag 24 service – in the case of loss and/or failure to deliver this baggage at destination airports –

in the case of loss and/or failure to deliver this baggage at destination airports – as well as assistance through call centers to customers of the companies of the Safe Bag Group during the collection of reports of loss, theft and/or damage to baggage.



The geographical breakdown of the sales reported above includes excellent geographical diversification, with France in first place with 45% of sales, Italy in second place with 26% of sales, followed by Portugal (14%), Canada (8%), Switzerland (6%) and finally Poland (1%).

L'EBITDA was equal to circa € 338 thousand given an annual objective of € 436 thousand. This trend improvement is ascribable to higher revenues and lower costs compared to that assumed in the Plan.

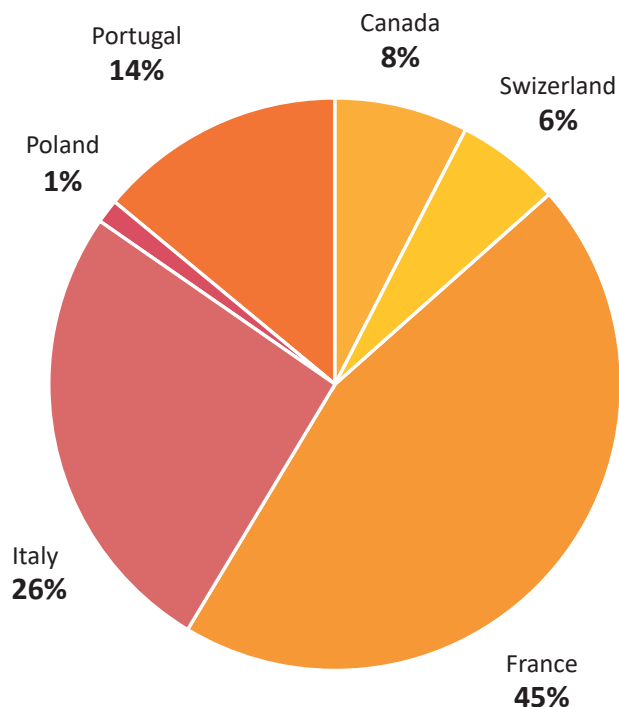
L'EBIT and Net Profit

are positive, respectively, for circa € 279 thousand and for circa € 266 thousand, with a trend of improvement for the same reasons that have an impact on EBITDA.

Net financial indebtedness (NFP) is positive (cash flow) and improving, compared to the same figure as of 31 December 2017, and was equal to € 499,824. This reclassification includes a portion of the receivable due from the affiliate Safe Bag USA and which was already collected but obviously does not include the income from the IPO (equal to € 5,230,400 gross).

The table below reports the main profitability ratios but only for the current year given that they can not be compared with the same period of the previous year:

Revenues Breakdown as of 1H2018



INDICI ECONOMICI

30-giu-18

ROE-RETURN ON EQUITY	11%
ROI-RETURN ON INVESTMENT	12%
ROA-RETURN ON ASSETS	7%

Financial statements as of 30 June 2018

Economic situation

Euro	30-06-18
Revenues	970.113
Change for inside jobs	103.873
Change in inventories	0
Other revenues	827
Total Revenues	1.074.813
Product costs	534.369
Personnel costs	179.095
Other cost	22.871
EBITDA	338.478
Amortization	12.866
Write-downs	0
Allocations	46.312
EBIT	279.300
Exchange rate gains and losses (net)	64.184
Revaluations/Write-downs of financial assets	0
Profit (loss) before taxes	343.484
Taxes	(77.948)
Net Profit	265.536



Balance sheet

Euro	30-06-18	31-12-17
Intangible fixed assets	2.139.627	1.259.267
Tangible fixed assets	7.403	3.396
Financial fixed assets	1.051.338	1.089.797
(A) Share capital net intangibile	3.189.368	2.352.460
Inventories	0	0
Commercial receivables	596.685	228.492
Other activities	34.002	40.447
Commercial payables	(-1.440.642)	(-433.123)
Other Liabilities	0	0
(B) Managerial circulating capital	-809.955	-164.184
(C) Total provisions	-72.459	-115.393
(D)=(A)+(B)+(C) Capital net invested	2.315.955	2.072.883
Liquid funds	22.465	0
Financial liabilities	0	0
(E) Payables/Receivables net financial	22.465	0
(F) Shareholders' equity	2.338.420	2.072.883
(G)=(F)-(E) Sources	2.315.955	2.072.833

Net Financial Position

Euro	30-06-18	31-12-17
A Cash	-	-
B Other cash and cash equivalents	22.465	-
C Securities held for trading	-	-
D Liquidity (A+B+C)	22.465	-
E Current financial receivables	560.000	26.757
F Current bank payables	-	-
G Current part of non-current debt	-	-
H Other current financial debts	82.641	70.909
I Current financial indebtedness (F+G+H)	82.641	70.909
J Net current financial indebtedness (I-E-D)	(499.824)	44.152
K Non-current bank payables	-	-
L Bonds issued	-	-
M Other non-current payables	-	-
N Non-current financial indebtedness (K+L+M)	-	-
O Net financial indebtedness (J+N)	(499.824)	44.152

Nota: net financial debt, as reclassified above, includes the part of the receivable due from the associated company Safe Bag USA and which was previously collected in July 2018.

8 Other information

This section provides miscellaneous information that is consistent with the provisions of Article 2428.

Operational risks and uncertainties

The Company is careful in identifying and monitoring risks typical of its operations, with the dual objective of providing managers with appropriate tools for adequate management and maximizing the protection of corporate assets.

- Risk related to the lack of operational history of the new services that will be launched, with the exception of activities for tracking lost baggage which were already carried out in the past by the parent company Safe Bag S.p.A.;
- Risks related to the operation of the SosTravel App, such as failures in the operation of the software, programming errors, lack of interaction or compatibility between the mobile application and the devices on which it is installed and/or with any platforms, data centers and operating systems (IOS, Android, etc.) of third parties, including the related updates over which Sostravel does not retain any control;
- Risks associated with customer retention, ie the ability to retain acquired users and prevent them from ceasing to use or cancel the App;
- Risks associated with acts of computer piracy;
- Risks related to the competitiveness of the market in which the Company operates and the entry of new competitors to the market;
- Risks connected to the seasonal nature of sales of services.

Primary non-financial indicators

Pursuant to the second paragraph of the Art. 2428 of the Italian Civil Code, it is hereby certified that - given the specific activity that is carried out and for a more effective understanding of the company's situation, its performance and the result of operations - the reporting of non-financial indicators is not considered relevant.

Workplace environment and safety

It is hereby certified that the company has not implemented specific environmental impact policies given that they are not necessary in relation to its operations and considering the exclusively commercial sector in which it operates.

The disposal of waste and any packaging waste is carried out in full compliance with specific regulations.

In this regard, the company has never been sanctioned for environmental accidents or damages. With regard to regulations concerning the protection of privacy as well as workplace health and safety, all the required obligations have been promptly fulfilled or are being completed.

Personnel management

During the course of the year, our company made investments in personnel safety in compliance with Legislative Decree 81/08; in fact, all employees have been trained in the sectors of worker and employee safety.



R&D

Pursuant to and for the purposes of that reported in point 1 of the third paragraph of Art. 2428 of the Italian Civil Code, we hereby certify that the company constantly conducts research and development activities in order to expand the offered services and improve the current functionalities of the SosTravel App.

The costs sustained for these activities have been partially capitalized and partly expensed directly.

Relations with subsidiaries, associates, parent companies and companies subject to control of parent companies

With regard to the provisions of paragraph 2 of the third paragraph of Art. 2428 of the Italian Civil Code, it should be noted that the company retains relations with the parent company Safe Bag S.p.A. and all companies belonging to the Safe Bag group. Relations established with the companies of the group are contractual and stipulated in compliance with substantive and procedural correctness as well as at normal market conditions. In particular, there is a commercial contract for active baggage tracking and a call center service.

Business outlook

In accordance with and for the purposes of the provisions of paragraph 6) of the third paragraph of Art. 2428 of the Italian Civil Code, it should be noted that, in accordance with management policies, the planned investment and growth initiatives continue. In particular, the online implementation of the new features of the App are confirmed.

In the second part of 2018, the process of listing within AIM Italia was completed. Reference is made to the section of relevant facts for more details regarding both the listing process and the distribution of reserves in July 2018.

The international expansion of Safe Bag SpA is producing excellent revenue results, even for SosTravel SpA, given that the active baggage tracking agreement was replicated for the new companies of the Safe Bag SpA Group.

As regards to the economic trend, and based on the results of the first half-year, the company expects to be able to confirm the positive result even in 2018. Based on the detailed analysis that was conducted and described in the previous paragraph, there is reasonable certainty that the expected results may be higher than forecasted.

It is believed that the company's ability to operate under business continuity conditions is adequately managed. The trend of the first months of the current year confirms the validity of the commercial decisions that were made.

The administrative body believes that the resources available to the company can reasonably allow the continuation of operations in the future. Based on this assessment, the assumption of a going concern was adopted during the preparation of financial statement data.

Use of relevant financial instruments for assessing the financial situation and economic result of the year

Pursuant to and by effect of the provisions of paragraph 6-bis) of the third paragraph of Art. 2428 of the Italian Civil Code, it is hereby certified that the company has not applied any specific financial risk management policies given that it is considered irrelevant in reference to our company operations.

Secondary offices

In compliance with the provisions of Art. 2428 of the Italian Civil Code, we hereby certify that the company does not have secondary offices.





**SOSTRAVEL.COM
FINANCIAL STATEMENTS
AS OF 30 JUNE 2018**

9 Financial statements

Half-yearly financial statements of SosTravel.com S.p.A.

as of 30 June 2018

Share capital Euro 593,400

BALANCE SHEET

	30-06-18	31-12-17
Balance sheet		
Assets		
B) Fixed assets		
I-Intangible fixed assets		
1) start-up and expansion costs	208.529	59.057
2) development costs	1.147.160	1.039.426
3) industrial patent and intellectual property rights	0	0
4) authorizations, licenses, trademarks and similar rights	0	0
5) goodwill	0	0
6) assets under construction and advances	783.938	160.784
7) Other	0	0
Total intangible fixed assets	2.139.627	1.259.267
II - Tangible fixed assets		
1) land and buildings	0	0
2) plants and machinery	0	0
3) industrial and commercial equipment	0	0
4) other assets	7.403	3.396
5) assets under construction and advances	0	0
Total tangible fixed assets	7.403	3.396
III - Financial fixed assets		
1) Equity investments in		
Total equity investments	0	0
2) receivables		
a) From subsidiaries		
Total receivables due from subsidiaries	0	0

b) From associated companies		
Total receivables due from associated companies	0	0
c) From parent companies		
Total receivables due from parent companies	0	0
d) From companies subject to the control of parent companies		
Due within next year	1.051.338	
Due after next year		1.089.797
Total receiv. due from companies subject to the control of parent companies	1.051.338	1.089.797
d-bis) from others		
Total receivables due from others	0	0
Total receivables	1.051.338	1.089.797
Total financial fixed assets	1.051.338	1.089.797
Total fixed assets (B)	3.198.368	2.352.460
C) Current assets		
I - Inventories		
Total inventories	0	0
Tangible fixed assets allocated for sale	0	0
II - Receivables		
1) Due from customers		
Due within next year	2.633	2.510
Total receivables due from customers	2.633	2.510
2) Due from subsidiaries		
Total receivables from subsidiaries	0	0
3) associated companies		
Due within next year	390.227	0
Total receivables due from associated companies	390.227	0
4) Due from parent companies		
Due within next year	103.720	181.530
Total receivables due from parent companies	103.720	181.530
5) From companies subject to the control of parent companies		
Total receiv. due from companies subject to the control of parent companies	0	0

5-bis) Tax receivables		
Due within next year	61.861	8.383
Total Tax receivables	61.861	8.383
5-ter) Prepaid taxes	38.244	36.069
5-quater) Due from others		
Total receivables due from others	0	0
Total receivables	596.685	228.492
III - Financial assets which are not fixed assets		
Total financial assets which are not fixed assets	0	0
IV - Liquid funds		
1) Bank and postal deposits	22.465	0
Total liquid funds	22.465	0
Total current assets (C)	619.150	40.447
D) Accruals and deferrals	34.002	228.492
Total assets	3.851.520	2.621.399
Liabilities		
A) Shareholders' equity		
I - Share capital	500.000	500.000
Reserves, distinctly specified		
Legal reserve	3.644	0
Miscellaneous other reserves	1.500.000	1.500.000
Total reserves	1.503.644	1.500.000
VIII - Profit (loss) carried forward	69.239	0
IX - Profit (loss) of the year	265.536	72.883
Total shareholders' equity	2.338.419	2.072.883
B) Provisions for risks and charges		
4) other	68.231	115.393
Total provisions for risks and charges	68.231	115.393
C) Employee termination indemnities	4.228	0
D) Payables		
1) Bonds		
Total bonds	0	0

2) Convertible bonds		
Total convertible bonds	0	0
3) Payables due to shareholders for financing		
Total payables due to shareholders for financing	0	0
4) Payables due to banks		
Total payables due to banks	0	0
5) Payables due to providers of finance		
Total payables due to providers of finance	0	0
6) Advances		
Total advances	0	0
7) Payables due to suppliers		
Due within next year	845.678	32.450
Total payables due to suppliers	845.678	32.450
8) Payables represented by credit instruments		
Total payables represented by credit instruments	0	0
9) Payables due to subsidiaries		
Total payables due to subsidiaries	0	0
10) Payables due to associated companies		
Total payables due to associated companies	0	0
11) Payables due to parent companies		
Due within next year	410.580	369.623
Total payables due to parent companies	410.580	369.623
11-bis) Payables due to companies subject to control by parent companies		
Total payables due to companies subject to control by parent companies	0	0
12) Tax payables		
Due within next year	115.643	31.022
Total tax payables	115.643	31.022
13) Payables due to social security institutions		
Due within next year	19.064	0
Total payables due to social security institutions	19.064	0
14) Other payables		

Due within next year	49.677	0
Total other payables	49.677	0
Total payables	1.440.642	433.095
E) Accruals and deferrals	0	28
Total liabilities	3.851.520	2.621.399

Income statement

	30-06-18	30-06-17
Income statement		
A) Total revenues		
1) Revenues from sales and services	970.113	0
4) Own work capitalized	103.873	0
5) Other revenues and proceeds		
Other	827	0
Total other revenues and proceeds	827	0
Total revenues	1.074.813	0
B) Cost of production		
6) for raw and ancillary materials, consumables and goods	12.583	0
7) for services	521.786	0
8) for use of third party assets	12.099	0
9) for personnel		
a) salaries and wages	131.105	0
b) social security charges	39.136	0
c) termination indemnities	7.437	0
e) other costs	1.417	0
Total personnel costs	179.095	0
10) amortization/depreciation and write-downs		
a) Amortization of intangible fixed assets	11.762	0
b) Depreciation of tangible fixed assets	1.104	0
Total amortization/depreciation and write-downs	12.866	0
11) Change in inventories of raw and ancillary materials, consumables and goods		
12) Allocations for risks	46.312	0

14) Other operating charges	10.772	0
Total cost of production	795.513	0
Difference between total revenues and cost of production (A - B)	279.300	0
C) Financial proceeds and charges		
15) Proceeds from equity investments		
Total proceeds from equity investments	0	0
16) Other financial proceeds		
a) From receivables booked under fixed assets		
Total financial proceeds from receivables booked under fixed assets	0	0
d) Proceeds other than the above		
From companies subject to the control of parent companies	49.105	0
Total proceeds other than the above	49.105	0
Total other financial proceeds	49.105	0
17) Interest and other financial charges		
Total interest and other financial charges	0	0
17-bis) Exchange rate gains and losses	15.079	0
Total financial proceeds and charges (15 + 16 - 17 + - 17-bis)	64.184	0
D) Value adjustments of financial assets and liabilities		
18) Revaluations		
Total revaluations	0	0
19) Write-downs		
Total write-downs	0	0
Total adjustments of financial assets and liabilities (18 - 19)	0	0
Result before taxes (A - B + - C + - D)	343.484	0
20) Income taxes of the year: current, deferred and prepaid		
Current taxes	77.948	0
Taxes relative to previous years	0	0
Deferred and prepaid taxes	0	0
Total income taxes of the year: current, deferred and prepaid	77.948	0
21) Profit (loss) of the year	265.536	0



Cashflow statement

	30-06-18	31-12-17
Cashflow statement, indirect method		
A) Cash flows from operating activities (indirect method)		
Profit (loss) of the year	265.536	72.883
Income taxes	77.948	(9.716)
Payable / (receivable) interest	(64.184)	10.204
1) Profit (loss) of the year before income taxes, interest, dividends and capital gains/losses from disposals	279.300	73.371
Adjustments to non-monetary items which do not have an offsetting item in net working capital (NWC)		
Allocations to funds	53.749	15.567
Amortization/depreciation of fixed assets	12.866	938
Total adjustments to non-monetary items which do not have an offsetting item in net working capital	66.615	16.505
2) Cash flows before changes in net working capital	345.915	89.876
Changes in NWC		
Decrease/(Increase) in receivables due from customers	(123)	2.370
Increase/(decrease) in payables due to suppliers	813.228	8.967
Decrease/(Increase) in accrued income and deferred charges	6.445	(40.447)
Increase/(Decrease) in accrued liabilities and deferred income	(28)	28
Other decreases/(Other increases) in net working capital	(309.907)	171.624
Total changes in NWC	509.615	142.542
3) Cash flow after changes in net working capital	855.530	232.418
Other changes		
(Use of funds)	18.710	0
Total other adjustments	18.710	0
Cash flows from operating activities (A)	874.240	232.418
B) Cash flows from investment activities		
Tangible fixed assets		
(Investments)	(5.111)	(3.454)
Intangible fixed assets		
(Investments)	(885.122)	(239.168)

Financial fixed assets		
(Investments)	38.459	10.204
Cash flows from investment activities (B)	(851.774)	(232.418)
Increase/(Decrease) in liquid funds (A ± B ± C)	22.465	0
Liquid funds at year end	22.465	0
Total liquid funds at year end	22.465	0



10 Explanatory notes to the half-yearly financial statements as of 30 June 2018

Introduction

The half-yearly financial statements as of 30 June 2018, constituted by the balance sheet, the income statement, the cash flow statement and the explanatory notes are prepared in line with the financial statement formats required by current legislation, supplemented by the accounting principles of the OIC ("Organismo Italiano di Contabilità", Italian Accounting Body) applicable to the preparation of an interim report (OIC 30). The Company has drafted the half-yearly financial statements by using the same principles adopted for the financial statements as of 31 December 2017. The financial statements closed on 30 June 2018 were drawn up in Euro units. A comparison with the 2017 income statement was not feasible given that the Company was incorporated on 27 November 2017. The company is a start-up that was founded at the end of 2017 from the transfer of the company branch operated by the single shareholder of the time Safe Bag period S.p.A..

SosTravel.com S.p.A. provides the market with certain online services that were previously offered by Safe Bag in addition to a series of new passenger assistance services provided through a special digital platform that is accessible both via mobile devices and through the web.

The Company operates in the tourism sector, offering services to travelers which include, amongst other items, assistance in the search for mishandled baggage, baggage protection, detailed information on departure and arrival airports, weather at destination, information on booking and transfers from/to airports of departure and arrival, wayfinding and the marketing of services on the web and through mobile devices. The main activities that were implemented concern the management and technological development of the website and the app through which the aforesaid services are provided in addition to the planning of marketing and commercial initiatives aimed at increasing the number of users.

The company is part of the Safe Bag group which is one of the primary European and global operators in airport baggage protection and tracking services. The company is wholly owned by the single shareholder, Safe Bag S.p.A.. It should be noted that this party does not exercise management and coordination activities - pursuant to and by effect of Art. 2497 et sequitur of the Italian Civil Code - on Sos Travel which carries out its commercial activity in full managerial autonomy.

General preparation principles

The valuation of financial statement items was implemented by taking into account the principle of prudence and with a view to a going concern as well as by taking into account the economic function of the asset and liability item in question. The accruals principle was also applied and, as a result, the effect of transactions and other events was booked and recorded to the financial year to which these transactions and events refer, and not to the year in which the relative cash flows occurred (inflows and outflows).

Intangible fixed assets

Intangible assets refer to the creation, software and expenses incurred for the launch of the SafeBag24 product. These refer to costs capitalized on the assumption that they are deemed to produce future economic benefits.

Intangible fixed assets are initially booked at their purchase or internal production cost, including directly ascribable accessory costs. The original cost is systematically amortized each year, in accordance with the residual possibility of use.

Fixed assets which, at the end of the financial year, have a permanently lower value than the book value are recorded at this lower value and the difference is booked to the income statement as a write-down. If, in subsequent financial years, the conditions for the write-down no longer apply, the original value - adjusted solely for the amortization - is reinstated.



The item “Start-up and expansion costs” includes the creation costs and expenses incurred for the launch of the SafeBag24 product.

The item “Development costs” includes proprietary software; the increase in the year is due to the implementation of software required for the services offered to customers whose cost was incurred both internally and externally during the first half of 2018.

The Company sustained expenses in R&D and innovation that were equal to at least 3% of the greater value between revenues and cost of production.

Costs relative to the listing of the Company have been capitalized under the item assets under construction. Intangible fixed assets mainly refer to investments implemented for the purposes of developing and increasing the functionality of the software, and both for web and mobile services.

	Start-up & expansions costs	Development costs	Industrial patent and intellectual property rights	Auth., licenses, trademarks and similar rights	Goodwill	Int. Fixed assets under construction & advances	Other intangible fixed assets	Total intangible fixed assets
Value at year start								
Cost	59.877	1.040.235				160.784		1.260.896
Amortization (provisions for amortization)	820	808						880
Book value	59.057	1.039.426	0	0	0	160.784	0	1.259.267
Changes during the year								
Increases for acquisitions	160.784	108.183				783.938		1.052.905
Amort. Of the year	11.313	449						11.762
Other changes						-160.784		-160.784
Total changes	149.471	107.734	0	0	0	623.154	0	880.359
Value at year end								
Cost	220.662	1.148.418				783.938		2.153.018
Amortization (provisions for amortization)	12.133	1.258						13.391
Book value	208.529	1.147.160	0	0	0	783.938	0	2.139.627

Amortization rates

- Founding costs: 20%
- Software: 33.33%

Tangible fixed assets

Tangible fixed assets consist of office machinery and electronic telephone systems.

Tangible fixed assets are originally booked at their cost of purchase or production.

The purchase cost includes directly ascribable accessory charges.

Tangible fixed assets are booked at their purchase cost. The depreciation quotas are booked in the income statement in a systematic and on a straight-line basis by using rates considered representative of the residual possibility of utilization of the assets.

Fixed assets which, at the end of the financial year, are permanently of a lower value than the book value are reduced to this lower value and the difference is booked within the income statement as a write-down. If the reasons for the impairment adjustment no longer exist, the original value is reinstated.

The increase in tangible fixed assets during the year refers to the purchase of office machinery for Euro 4,027 as well as telephone systems for Euro 1,084.

Tangible fixed assets consist of durable assets used for a period exceeding one year.

	Land and buildings	Plants and machinery	Industrial and commercial equipment	Other tangible fixed assets	Tangible assets in progress and advances	Total tangible fixed assets
Value at the start of the year						
Cost				3.454		3.454
Depreciation (provisions for depreciation)				58		58
Book value	0	0	0	3.396	0	3.396
Changes during the year						
Increases for acquisitions				5.111		5.111
Depreciation for the year				1.104		1.104
Total change	0	0	0	4.007	0	4.007
Value at year end						
Cost				8.565		8.565
Depreciation (provisions for depreciation)				0	1.162	1.162
Book value	0	0	0	7.403	0	7.403

Depreciation rates

- electronic office machinery: 20%
- electronic telephone systems: 20%

Financial fixed assets

Financial fixed assets are valued on the basis of the cost sustained by the company.

These are financial receivables due from companies of the Safe Bag group for which there are no conditions applicable for the relative write-down.

The company does not hold equity investments in other companies or entities.

Movements of equity investments, other securities and non-current financial derivative assets

The company does not hold equity investments or securities.

Changes and maturities of non-current receivables

The value booked under financial fixed assets refers to the receivable from the company Safe Bag USA LLC transferred from Safe Bag SpA at the time of the original contribution made at the time of founding of the company. This financial receivable will be booked for accrued interest and its repayments. The loan is repayable in 36 monthly installments at an interest rate of 8%.

Movements during the year 2018 consist of the payments of installments falling due as well as the financing plan.

This receivable on the date of approval of these financial statements has been extinguished, as described in detail in the Report on Operations and to which reference is made.

	Value at start of year	Value at start of year	Value at year end	Quota expiring within the year	Quota expiring after the year
Non-current receivables due from subsidiaries			0		
Non-current receivables due from associated companies			0		
Non-current receivables due from parent companies			0		
Non-current receivables due from companies subject to control of parent companies	1.089.797	38.458	1.051.339	1.051.339	0
Non-current receivables due from others			0		
Total non-current receivables	1.089.797	38.458	1.051.339	1.051.339	0

Current assets

Current assets of Euro 619,150 as of 30 June 2018 consisted of Euro 596,685 for receivables and Euro 22,465 for liquid funds.

Receivables booked under current assets

In the financial statements for the year ended 30/06/2018, receivables are entered in sub-class C.II of the assets of the Balance Sheet for a total amount of Euro 619,150

The receivables booked in the financial statements are due.

Receivables originating from revenues from the sale of goods or the supply of services were booked on an accruals basis given that the production process of the goods or services was completed. The receivables are subdivided as follows:

- receivables from customers totaling Euro 2,633;
- receivables from associated companies totaling Euro 390,227 and of a commercial nature;
- receivables from the parent company totaling Euro 103,720 and of a commercial nature;
- tax receivables totaling Euro 61,861;
- receivables for prepaid taxes totaling Euro 38,244.

Prepaid taxes refer to timing differences deriving from the deferred deductibility of negative income items recorded in the financial statements on an accruals basis.

All trade receivables have particularly short maturities and therefore do not include any financial component.

	Value at start of year	Changes during the year	Value at year end	Quota expiring within the year
Receivables booked under current assets due from customers	2.510	123	2.633	2.633
Receivables booked under current assets due from subsidiaries	-			
Receivables booked under current assets due from associated companies	-	390.227	390.227	390.227
Receivables booked under current assets due from parent companies	181.530	-77.810	103.720	103.720
Receivables booked under current assets due from companies subject to control by parent companies	-			
Tax receivables booked under current assets	8.383	53.478	61.861	61.861
Prepaid tax assets booked under current assets	36.069	2.155	38.224	
Receivables booked under current assets due from others	-			
Total receivables booked under current assets	228.492	368.173	596.665	558.441

Liquid funds

As of 30 June 2018, the amount of liquid funds amounted to Euro 22,465.

Accrued income and deferred charges

This item only contains deferred charges deriving from costs incurred in the first half of the year and whose accrual is partly in the subsequent half-year or years.

	Value at start of year	Change during the year	Value at year end
Accrued income	0	2	2
Deferred charges	40.447	6.447	34.000
Total accrued income and deferred charges	40.447	6.445	34.002

The changes are due to ordinary operational activities. Deferred charges are mainly relative to:

A Lounge Key advance for Euro 34,000.00;
An insurance policy for Euro 4,166.37;
Telcavoip services for Euro 2,280.00.

Explanatory notes: liabilities and shareholders' equity

Liability items are classified according to their origin. Valuation criteria of each item of liabilities comply with those provided for by Art. 2426 of the Italian Civil Code as well as national accounting standards.

The mandatory specifications provided for by Art. 2427 of the Italian Civil Code as well as of the regulations of the Civil Code itself and the accounting principles follow the order of financial statement items outlined in Article 2424 of the Italian Civil Code.

Shareholders' equity

Shareholders' equity - which amounted to Euro 2,338,419 as of 30 June 2018- includes:

- share capital of Euro 500,000 represented by 5,000,000 shares with a nominal value of Euro 0.1;
- reserve pursuant to Art. 2430 of the Italian Civil Code, Euro 3,644;
- conferment reserve of Euro 1,500,000;
- Profits carried forward of Euro 69,239;
- Net income of the year of Euro 265,536.

Following the underwriting of the share capital increase for the purposes of stock exchange listing, the share capital - which as of 30.06.2018 was equal to Euro 500,000.00 - as of today's date was equal to Euro 593,400.00.

The value of shareholders' equity is illustrated below:

	Value at start of year	Other increases	Result of the year	Value at year end
Share capital	500.000			500.000
Legal reserve		3.644		3.644
Other reserves				
Misc. other reserves	1.500.000			1.500.000
Total other reserves	1.500.000			1.500.000
Profit (loss) carried forward		69.239		69.239
Profit (loss) for the year	72.883	-72.883	265.536	265.536
Total shareholders' equity	2.072.883	-	265.536	2.338.419

Provisions for risks and charges

Provisions for risks and charges have been allocated to cover liabilities whose existence is considered certain or probable, and for which, as of 30 June 2018, the amount or date of contingency cannot be determined.

The establishment of the provisions was implemented on the basis of the principles of prudence and accruals while complying with the provisions of accounting principles OIC 31 and carefully avoiding the establishment of provisions for risks without economic justification.

More specifically, a single allocation of provisions for accident risk was made for Euro 68,231. Provisions for risks and charges are established for a value that is suitable for hedging the activity of tracking lost baggage and for the quota of risk of the company.

	Other provisions	Total provisions for risks and charges
Value at the start of the year	115.393	115.393
Changes during the year		
Allocation during the year	46.312	46.312
Utilization during the year	93.474	93.474
Total changes	47.162	47.162
Value at year end	68.231	68.231

Employee termination indemnities

The amount represents the actual debt of the company as of 30 June 2018 with respect to employees on that date, net of advances paid.

	Employee termination indemnities
Value at the start of the year	0
Changes during the year	
Allocation during the year	4.228
Utilization during the year	0
Other changes	0
Total changes	0
Value at year end	4.228



Payables

Total payables amounted to Euro 1,440,642 as of 30 June 2018.

The composition of payables is summarized as follows:

- payables to suppliers equal to Euro -845,678, mainly ascribable to invoices to be received for listing costs of Euro 737,998;
- payables to parent companies equal to Euro -410.580, of which Euro 327,939 of commercial nature and Euro 82,641 of financial nature;
- tax payables equal to Euro -115,643, mainly ascribable to IRPEF of employees for Euro 11,235 and taxes for Euro 104,301;
- payables due to social security institutions for Euro -19,064;
- other payables of Euro 49,677 which refer to salaries to be paid out, holidays, paid leave, additional bonuses accrued at the end of the six-month period.

There were no payables with maturities after 12 months.

	Value at start of the year	Change during the year	Value at year end	Quota expiring within the year
Bonds	0	0	0	0
Convertible bonds	0	0	0	0
Payables to shareholders for loans	0	0	0	0
Payables to banks	0	0	0	0
Payables to other financial institutions	0	0	0	0
Advances	0	0	0	0
Payables to suppliers	32.450	813.228	845.678	845.678
Payables represented by credit instruments	0	0	0	0
Payables to subsidiaries	0	0	0	0
Payables to associated companies	0	0	0	0
Payables to parent companies	369.623	40.957	410.580	410.580
Payables to companies subject to the control of the parent companies	0	0	0	0
Tax payables	31.022	84.621	115.643	115.643
Payables to pension and social security institutions	0	19.064	19.064	19.064
Other payables	0	49.677	49.677	49.677
Total payables	433.095	1.007.547	1.440.642	1.440.642

Accrued liabilities and deferred income

Accrued liabilities and deferred income are booked on an accruals basis.

There were no accrued liabilities within the half-yearly financial statements.

Total revenues

Total revenues amounted to Euro 1,074.813,

This item is broken down as follows:

- sales revenues of Euro 15,121;
- revenues from services to the parent company of Euro 252,844;
- revenues from services to associated companies of Euro 702,148
- revenues from own work capitalized refer to the cost of personnel employed in the development and implementation of the new functionalities of the SoStravel app for Euro 103,873;
- other revenues of Euro 827,

Breakdown of revenues from sales and services by category of activity

. Revenues from sales and services refer to:

- sales through the APP totaling Euro 2,936;
- APT tracking service for Euro 12,185;
- Tracking services provided to the parent company for Euro 252,845;
- Tracking services provided to associates for Euro 702,148.

Activity category	Value of current year
Sales	2.936
Service agreements	967.177
Own work capitalized	103.873
Other revenues and proceeds	827
Total	1.074.813

The increase in own work capitalized is due to the capitalization of IT personnel employed in the development of the new functionalities of the SosTravel App.

Cost of production

Costs and charges are booked on an accruals basis, in accordance with the principle of correlation with revenues, and recorded in the respective items in accordance with accounting principle OIC 12.

Class B costs and charges in the Income Statement, classified by nature, were reported net of returns, commercial discounts, rebates and premiums while financial discounts were booked under item C.16 given that these are financial proceeds

Costs for raw and ancillary materials, consumables and goods also include accessory purchase costs (transportation, insurance, loading and unloading, etc.) if the supplier has included them in the purchase price of the materials and goods. If not, they are booked under service costs (item B.7).

It should be noted that non-recoverable VAT was included in the purchase cost of the assets. Items B.6, B.7 and B8 include not only the costs of certain amount resulting from invoices received from suppliers but also those of estimated amount that was not yet documented and for which specific assessments have been implemented.

It should be noted that – given that the criterion for classifying costs “by nature” prevails - provisions for risks and charges have been booked under the items of the operational activity to which the transaction refers and which differ from items B.12 and B.13.

Overall, the costs of production for the period ended 30 June 2018, net of returns, commercial discounts and rebates, amounted to Euro 795,513, broken down as follows:

- costs for the purchase of raw materials such as cards for sale, and totaling Euro 12,583;
- service costs of Euro 521,786 which include volume premiums with the parent company for Euro 250,174,
- connection costs and Flightstats for Euro 22,412, reimbursement costs for baggage loss totaling Euro 39,282, insurance costs totaling Euro 16,667, call center costs totaling Euro 53,783, connection costs for Aviation services totaling Euro 24,000, costs for text messages sent totaling Euro 18,845;
- consulting costs totaling Euro 95,634 which include administrative consultancy and personnel research;
- costs for the use of third party assets totaling Euro 12,000 and which include rents of the parent company’s offices.

- personnel costs totaling Euro 179.095;
- depreciation totaling Euro 12,866;
- allocation to provisions for risks totaling Euro 46,312 to cover liabilities whose existence is considered certain or probable;
- Other operating costs totaling Euro 10,772.

Financial proceeds and charges

Class C of the Income Statement includes all the positive and negative components of the economic result for the year related to the financial activity of the company; it is characterized by operations that generate proceeds, charges, capital gains and losses from disposals and relative to securities, equity investments, bank accounts, receivables booked under fixed assets and financing of any kind, both receivable and payable, and exchange rate gains and losses.

Financial proceeds and charges have been booked on an accruals basis. In particular, receivable interest accrued on the loan for € 49,105 and exchange rate gains on the loan for € 15,079 were recognized during the year.

Financial proceeds consist of interest receivable which accrued on the financial receivable due from companies belonging to the group - quantified at market values – as well as from exchange rate gains generated by the receivable in USD.

Taxes

Income taxes for the year represent the sum of current and deferred taxes.

Current taxes are based on the taxable result for the year. Taxable income differs from the result reported in the income statement because it excludes positive and negative items that will be taxable or deductible in other financial years and also excludes items that will never be taxable or deductible.

The liability for current taxes is calculated by using the rates in force or those effectively in force on the date of the financial statements or if known, those that will be in force at the moment of realization of the asset or payment of the liability.

Prepaid and deferred taxes are taxes that are expected to be paid or recovered on the timing differences between the book value of the assets and liabilities in the financial statements and the corresponding fiscal value used in the calculation of taxable income, booked according to the global liability allocation method. Deferred tax liabilities are generally recognized for all taxable timing differences, while deferred tax assets are recognized to the extent that it is probable that there will be future taxable income that allows the use of deductible timing differences. These assets and liabilities are not recognized if the timing differences derive from goodwill or from the initial booking (not in business combinations) of other assets or liabilities in transactions that have no influence on the accounting result or on taxable income. The tax benefit deriving from carrying forward tax losses is booked when and to the extent it is considered probable that there will be availability of future taxable income against which such losses may be utilized.

The book value of deferred tax assets is reviewed on the date of the financial statements and decreased to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the assets to be recovered.

Deferred taxes are directly booked to the income statement, with the exception of those relating to items recognized directly under shareholders' equity; in this case the relative deferred taxes are also booked under shareholders' equity.

Number of employees

The company – during the course of the first half of 2018 – employed seven employees.

	Executives	Mid-level manages	Office employees	Total employees
Average number	0	2	5	7

Compensation due to members of company bodies

Compensation paid to the Board of Directors and to the Board of Statutory Auditors did not change with respect to that deliberated by the shareholders' meeting of 13 February 2018.

	Directors	Auditors
Compensation	0	36.500

By means of resolution of the shareholders' meeting of 13 February 2018, it was deliberated that the Directors will implement their mandates without compensation until a new resolution is approved; the amount of remuneration due to the Board of Statutory Auditors – equal to Euro 36,500 per year – was also approved.

For the half-yearly financial statements as of 30 June 2018, the remuneration of the Board of Statutory Auditors was estimated at Euro 18,250 as a pro-rata quota.

Compensation due to the auditing company

Compensation due to the auditing company for the audit of the half-yearly financial statements totaled Euro 3,500.

Information on operations with related parties

During the first half of 2018, commercial transactions were implemented with the parent company Safe Bag SpA as well as with other companies of the group. These transactions, carried out as part of ordinary operations, were completed at normal market conditions for that concerning, in particular, prices as well as payment terms and modalities. All transactions carried out during relations with a related party have been performed in the interest of the company.

The primary contracts regulating relations with the related party are summarized below:

- a service agreement relative to the management of human resources; the agreement provides for an annual fee of Euro 3,500 per employee as well as a fee of Euro 3,500 per month for administrative and treasury services; this agreement has been canceled with effect as of 01/07/2018;
- an office lease agreement which provides for a fee of 2,000.00 for 10 work stations;
- a commercial agreement in which the company is an active party for: (i) the Call Center, which provides for a fee of Euro 1,000.00 per month; (i) active baggage tracking for a fee of Euro 1.50 for each customer of Safe Bag SpA who purchases the Safe Bag 24 service; it is not a party to the (i) volume award of Euro 0.40 for each customer who buys the service at the sales points of Safe Bag group companies.



With reference to the aforementioned contracts,
the following balances as of 30/06/2018 with
related parties are reported below:

	COSTS	REVENUES	RECEIVABLES	PAYABLES
Safe Bag S.p.A.	295.074	252.845	103.322	410.580
Safe Bag U.S.A. LLC		49.104	1.051.338	
FSB SERVICE SARL		424.622	225.315	
FLYSAFE UNIPESOAL LDA		131.420	67.844	
SAFE BAG SAGL		54.267	36.150	
SAFE BAG CANADA INC.		71.204	41.292	
SAFE BAG POLSKA SP. Z.O.O.		9.579	8.570	
LLC "Upakovka SERVICE"		11.057	11.057	
TOTALS	295.074	1.004.096	1.544.888	410.580

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