



PRESS RELEASE

THE BOARD APPROVES THE DRAFT FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

THE COMPANY HAS ATTAINED 1.1 MILLION EURO IN FINANCING FROM SIMEST FOR FOREIGN GROWTH

Gallarate, 29 March 2021. The Board of Directors of SosTravel.com S.p.A. (AIM Italia, ticker: SOS), a digital operator in the market for assistance services for air transport passengers, approved the economic and financial results as of 31 December 2020:

- **Total revenues** were equal to 916 thousand Euro, a decrease compared to the figure of 31 December 2019 totaling 3,174 thousand Euro; this was due to the Covid-19 pandemic as well as the significant decrease in 2020 passenger traffic in Italy (-76.8%: Assaeroporti estimate) and across the world (-66.6%: Aci - Airports Council International);
- **EBITDA**, equal to -855 thousand Euro, decreased compared to the figure of 31 December 2019 of -126 thousand Euro due to the Covid-19 pandemic;
- **EBIT**, equal to - 1,957 thousand Euro, decreased compared to the figure of 31 December 2019 of 1,206 thousand Euro; this was due to not only the factors that affect EBITDA but also as a result of amortization relative to listing, software development and Flio brand costs;
- **Net INCOME** of -1,993 thousand Euro (which does not include prepaid taxes);
- **Positive NFP (cash)** equal to 456 thousand Euro but down compared to the same figure as of 31 December 2019 which was equal to 1,222 thousand Euro; this was mainly due to (i) support for operating losses totaling approximately 920 thousand Euro (gross of positive changes in net working capital totaling 715 thousand Euro) (ii) investments for the completion of the new offices in via Marsala 34, Gallarate for 375 thousand Euro, and (iii) investments for the purchase of a shareholding in the American partner of Telemedicine Health Point Plus, Inc. for 84 thousand Euro.

Main economic and operational results as of 31 December 2020:

In addition to economic and financial data, the growth of the database of analyzed customers and the downloads of the two APPs (Flio and sostravel) are also relevant for the purposes of a complete assessment; this data is reported below (it includes - it should be reiterated - the acquisition of the Flio database).

- Customer database at the end of 2020 : 1,126,844 + 10.2% (equal to 1,022,412 as of 31.12.2019);

- Customers analyzed in the year 2020: 104,432 + 10.2% (equal to 82,619 as of 30.6.2020);
- Download of APPs in 2020 : 284,548 + +16.3% (equal to 213,284 as of 30.06.2020);
- Total downloads of the app: 2,025,418 +16.3% (equal to 1,740,870 as of 31.12.2019);

Revenues from sales as of 31 December 2020 amounted to 634 thousand Euro, a 72.0% decrease compared to the figure as of 31 December 2019 equal to 2,239 thousand Euro; this was due to the significant decrease in 2020 passenger traffic, whose sector data reported a decrease of 76.8% in Italy (Assaeroporti estimate) and of 66.6% in the world (Aci - Airports Council International estimate) with a peak in the second quarter of 2020 in which the decrease was 97.3% in Italy and 89.3% worldwide.

The geographical breakdown of the aforementioned sales exhibited excellent geographical diversification with Italy at 19.1% of sales, the rest of Europe at 67.4%, and finally Asia (4.0%) and America (9.5 %).

EBITDA was equal to -855 thousand Euro, a decrease compared to the figure of 31 December 2019 equal to -126 thousand Euro; this was due to the Covid-19 pandemic despite the strong cost containment which was implemented, for example, through the use of social safety nets (the cost of personnel was reduced by 40.2% compared to 2019).

EBIT and **Net Profit** were negative, respectively, for circa -1,957 thousand Euro and circa -1,993 thousand Euro; this was not only due to the factors affecting EBITDA and mentioned above but also due to amortization/depreciation, write-downs and provisions for a total of 1,102 thousand Euro (including amortization related to the IPO process for approximately 388 thousand Euro, software for a total of 407 thousand Euro, the Flio brand for 100 thousand Euro and other costs totaling 66 thousand Euro).

Net financial position (NFP) was positive and equal to 456 thousand Euro but down compared to the same figure as of 31 December 2019 which was equal to 1,222 thousand Euro; this was mainly due to (i) support for operating losses totaling approximately 920 thousand Euro (gross of positive changes in net working capital totaling 715 thousand Euro) (ii) investments for the completion of the new offices in via Marsala 34, Gallarate for 375 thousand Euro, and (iii) investments for the purchase of a shareholding in the American partner of Telemedicine Health Point Plus, Inc. for 84 thousand Euro.

Primary events of 2020

On 4 March 2020, the Issuer communicated a strategic partnership agreement - stipulated jointly with TraWell Co S.p.A. (the "Partnership Agreement") - with the American company Secure Wrap of Miami Inc.; the latter is also specialized in the sector for baggage wrapping and protection and is part of a group (the "Secure Wrap Group") that is operational in 17 countries in North and South America with over 50 sales points. The Partnership Agreement with Secure



Wrap of Miami Inc. provides for the launch of operations for the promotion, distribution and sale - at its airport stores - of the active baggage tracking service ("Lost Luggage Concierge"). The agreement also stipulates that the promotion, distribution and sale of the Lost Luggage Concierge will be progressively extended to the entire scope of consolidation of the Secure Wrap Group. The tracking service of the Lost Luggage Concierge is implemented - in the interest and for the benefit of the customers of the Secure Wrap Group - by TraWell Co S.p.A.; the latter avails itself of the collaboration of Sostravel.com S.p.A. The Partnership Agreement has a duration of 5 (five) years and provides for a tacit renewal - for a period of further 5 (five) years - at the first expiration date. The Partnership Agreement also provides for the recognition - in favor of TraWell Co S.p.A. - of a fixed compensation for each service actually sold by the Secure Wrap Group companies. Relations between TraWell Co S.p.A. and Sostravel S.p.A. are instead regulated on the basis of the commercial agreements already in place between the two companies.

As of 28 September, the company approved the transfer of the registered office to the new and recently renovated offices in Gallarate, via Marsala.

On 2 November, an exclusive 5-year agreement was signed with the US telemedicine company Health Point Plus Inc.; it is active in the sector of remote health care services with telecommunication tools and will shortly be listed on a primary US stock exchange. The Dr. Travel service provides medical assistance to travelers who develop generic illnesses during their trip (about 1 in 3 travelers) and who, very often, are not covered by most health insurances (which essentially only manage serious pathologies - heart attack, stroke, fractures, etc. - about 4% of cases, leaving the remaining 96% uncovered). The Dr. Travel service can be used - by means of the Sostravel APP - directly from your smartphone, in multilingual format, and has a coverage of 14 days from the date of departure at a cost of Euro 10 for a single traveler and Euro 25 for a family (up to a maximum of 6 people). In order to strengthen the commercial relationship, Sostravel has completed - also in light of the upcoming IPO of Health Point Plus - an investment of a minority share of the latter's share capital by underwriting a portion of the share capital increase approved by Health Point Plus and valued at USD 100,000.

Primary events after 31 December 2020

On 1 March 2021, a distribution agreement was also signed for the sale of the "Dr. Travel" telemedicine service on the TraWell network. The TraWell Group operates, through approximately 160 sales points, in 52 airports and 16 countries. Pre-covid Sostravel generated about 2 million Euro in sales for the Lost & Found Concierge service alone within the TraWell network. This agreement is related to the spread of telemedicine services for travelers, in partnership with the American company Health Point Plus, Inc.

In March 2021, the Company obtained - from Simest - a resolution approving two separate loans, summarized below:

- Subsidized loan for the development of e-commerce in the United States for a total of 315 thousand Euro;
- Subsidized loan for the capitalization of exporting companies for a total of 800 thousand Euro.

Both loans, currently being disbursed, have a non-repayable component of 40%, while the remaining 60% will be repaid to the lender.

Business outlook following the Covid-19 emergency

The Company, due to its specific type of business operations, is significantly exposed to the critical factors related to the spread of infections and the regulatory measures adopted to contain the spread of the epidemic as well as the concerns of travelers in relation to the use of air transportation.

The pandemic - which is still in progress - and the regulatory measures mentioned above, however, have led to a massive decrease in air traffic and have ultimately resulted in the closure of almost all commercial sales points located inside airports and used for the sale of non-essential goods and/or services. In particular, and for that concerning the company, the main customer of Sostravel (TraWell Co S.p.A.) was, in fact, forced to gradually close - between 10 and 25 March - all its sales points; these were gradually reopened, but only in part, from the May 2020 onward. The final 2020 data show that the COVID-19 pandemic caused a strong decrease in passenger traffic during the year 2020, ranging from 76.8% in Italy (Assaeroporti estimate) and 66.6% across the world (Aci estimate - Airports Council International) with a peak in the second quarter of 2020 in which the decrease was equal to 97.3% in Italy and 89.3% in the world. Due to these factors and the estimates of the associations listed above, it is inevitable to expect weak volumes of airport traffic and revenues for 2021 as well: this will presumably be accompanied by a recovery from summer 2021. At present it is not possible to quantify the economic and financial effects for our Company that have arisen or that may arise as a consequence of the current situation. It is not even possible to estimate the effects on the value of asset items recorded in the balance sheet given that there is still a great deal of uncertainty about the impact of the pandemic; this is also due to delays in progress of the vaccination campaign. Nevertheless, the directors believe they can approve these financial statements with a view to business continuity due to the current financial solidity of the company, its organizational and managerial capacity and the actions that the directors are taking to prevent the occurrence of situations that may have negative effects in the short to medium term.

The Company's management is obviously working to adopt all measures to preserve the company's economic and financial solidity and, from this perspective, is working in order to:

- expand its offer of non-cyclical services (eg. telemedicine);
- contain costs in the current phase, including those relating to employees, through the Company's access to available "social safety nets";



- increase the available sources of financing, including third party capital as well as bank and/or subsidized finance (Sace-Simest).

Shareholders' meeting

Sostravel reports that the Shareholders' Meeting will be held on 28 April 2021 on first call and on 29 April 2021 on second call.

The documentation relating to the items of the agenda and the draft financial statements as of 31 December 2020, drawn up according to Italian accounting principles and subject to auditing by the company Audirevi S.p.A., will be made available to the public as well as on the website of sostravel.com S.p.A. (www.sostravel.com) in the 'Investor Relations' section, in compliance with the legal deadlines pursuant to Art. 2429 of the Italian Civil Code.

"2020 was a year of great changes and, although hit hard by the pandemic, we have had the courage to invest and build the Dr. Travel telemedicine service, which is unique" - said Rudolph Gentile, Chairman and CEO of Sostravel - "In addition - continues Gentile - we aim to integrate our services through the creation of innovative insurance products. We aim to be resilient and look to the future positively given that there is no doubt that traffic is already picking up and our customers are about to return to travelling. And we want to be ready to assist them in the best possible way".

* * *

Sostravel, founded in 2017 by Rudolph Gentile, is a company operating in the market of passenger assistance services. The Company operates under the "Sostravel" and "Flio" trademark, and through the Sostravel App proposes itself as "aggregator" of a range of air passenger assistance services during the whole journey, from departure to arrival at the destination airport, with the aim of becoming an important reference point" for passengers "before, during and after their journey".

For further information:

SosTravel.com S.p.A.
Investor Relations
Nicola De Biase
investor.relations@sostravel.com
www.sostravel.com
Tel: +39 0331 1587117
Fax: +39 0331 1582452

Nomad
Banca Finnat S.p.A.
Alberto Verna
a.verna@finnat.it
Palazzo Altieri Piazza del Gesù, 49
00186 Rome, Italy
Tel: +39 06 69933219
Fax: +39 06 69933236



Specialist & Analyst Coverage

Banca Finnat S.p.a.

Lorenzo Scimia

l.scimia@finnat.it

Tel. +39 06 69933 446

Spriano Communication & Partners

Cristina Tronconi, Matteo Russo

Mob. 346 0477901

ctronconi@sprianocommunication.com

mrusso@sprianocommunication.com

www.sprianocommunication.com

Financial statements as of 31 December 2020

Income statement

Valori in euro	31-dic-20	31-dic-19
Ricavi	633.512	2.238.911
Variazioni per lavori interni		600.577
Atri ricavi	282.033	334.758
Totale Ricavi	915.545	3.174.246
Costi per materie prime	-98	-37.234
Costi per servizi	-1.092.018	-2.326.413
Costi per godimento beni di terzi	-121.548	-178.566
Costi del personale	-434.029	-725.969
Variazioni delle rimanenze		
Altri costi	-122.852	-31.762
EBITDA	-854.999	-125.698
Ammortamenti	-991.773	- 974.844
Svalutazioni	-45.395	- 12.334
Accantonamenti	-64.660	- 93.088
EBIT	-1.956.827	-1.205.964
Proventi ed oneri finanziari (netti)	-36.347	-8.443
Rivalutazioni/Svalut. attività finanziarie		
Utile(perdita) prima delle imposte	-1.993.174	-1.214.408
Imposte		-50.803
Risultato netto	-1.993.174	-1.265.211

Balance sheet

Valori in euro	31-dic-20	31-dic-19
Immobilizzazioni immateriali	1.406.366	2.367.251
Immobilizzazioni materiali	905.229	560.951
Immobilizzazioni finanziarie	84.379	0
(A) Capitale immobilizzato netto	2.395.974	2.928.202
Rimanenze		
Crediti commerciali	537.779	2.379.259
Altre attività	962.186	970.318
Debiti commerciali	-457.247	-1.298.380
Altre passività	-304.794	-598.226
(B) Capitale circolante gestionale	737.924	1.452.971
(C) Totale fondi	-97.383	-117.016
(D) = (A) + (B) + (C) Capitale investito netto	3.036.514	4.264.157
Disponibilità liquide	456.498	1.222.028
Passività finanziarie		0
(E) Debiti/Crediti Finanziari Netti	456.498	1.222.028
(F) Patrimonio netto	3.493.012	5.486.185
(G) = (F) – (E) Fonti	3.036.514	4.264.157

Net Financial Position

Valori in euro	31-dic-20	31-dic-19
A Cassa		-
B Altre disponibilità liquide	456.498	1.222.028
C Titoli detenuti per la negoziazione		
D Liquidità (A+B+C+)	456.498	1.222.028
E Crediti finanziari correnti		0
F Debiti bancari correnti		
G Parte corrente dell'indebitamento non corrente		
H Altri debiti finanziari correnti		
I Indebitamento finanziario corrente (F+G+H)		0
J Indebitamento finanziario corrente netto (I-E-D)	-456.498	-1.222.028
K Debiti bancari non correnti		
L Obbligazioni emesse Altri debiti non correnti		
M Altri debiti non correnti		
N Indebitamento finanziario non corrente (K+L+M)	0	0
O Indebitamento finanziario netto (cassa) (J+N)	-456.498	-1.222.028



It should be noted that the aforementioned data is currently subject to auditing.