

PRESS RELEASE

THE BOARD OF DIRECTORS APPROVE THE DRAFT FINANCIAL STATEMENTS AS OF 31 DECEMBER 2018

TURNOVER AND EBITDA IN LINE WITH EXPECTATIONS

GROWTH IN USERS AND INSTALLATIONS

Economic/financial results as of 30 June 2018:

- **Revenues from Sales** equal to 2,481 thousand euro, an improvement compared with the figure of 31 December 2017 pro-forma equal to 1,747 thousand euro (thanks to the increase in sales on the Safe Bag-related perimeter) and substantially in line with the annual target of 2,487 thousand euro;
- **EBITDA** equal to 473 thousand euro, lower than the figure of 31 December 2017 pro-forma equal to 915 thousand euro (as a result of the scheduled inclusion of the organisational structure to promote growth), but with a slight improvement compared with the annual target of 436 thousand euro;
- **EBIT** equal to -97 thousand euro, lower than the figure as of 31 December 2017 pro-forma equal to 786 thousand euro and the annual target of 218 thousand euro, due not only to the elements impacting on the EBITDA, but also to the higher depreciation and amortisation costs relating to the listing of 162 thousand euro and amounts allocated to reimbursements of clients (prudential) of 178 thousand euro;
- **NET PROFIT** of € 17 thousand;
- **Positive Net Financial Position (NFP) (cash)** equal to 3,267 thousand euro, an improvement compared with the same figure of 31 December 2017 thanks to income coming from the listing;

Primary economic and operational results as of 31 December 2018:

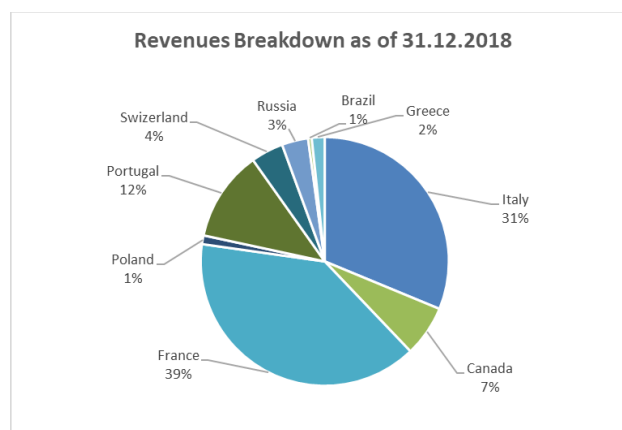
In addition to the economic-financial figures, the growth of the data base (on which ad hoc promotions will be activated) and of profiled clients and downloads of APPs, all parameters showing considerable growth, are significant for carrying out a comprehensive assessment.

- Data base of customers: 431.404 (equal to 271.456 as of 30.6.2018 therefore + 58,9%);
- Sold "SAFE BAG-RELATED" Lost & Found Concierge in the year 2018: 1,492,928;

- Customers profiled in the year 2018: 355.404 (equal to 141.187 as of 30.6.2018 therefore +151%);
- Download APP of the year 2018: 48.690 (equal to 17.094 as of 30.6.2018 therefore +185%);
- Total downloads of the App: 63,514.

Revenues from Sales, for a total of 2,481 thousand euro, refer mainly to Lost&found concierge services sold to the parent company and affiliates and, to a lesser extent, to sales carried out via the sostravel APP.

Lost&found concierge services concern the tracing of luggage belonging to clients of the Safe Bag Group companies who purchased the Safe Bag 24 service, and to assistance via call center to clients of the Safe Bag Group companies in gathering reports of lost, stolen and/or damaged luggage.



The geographical breakdown of the sales reported above includes excellent geographical diversification, with France in first place with 39% of sales, Italy in second place with 31% of sales, followed by Portugal (12%), Canada (7%), Switzerland (4%), Russia (3%), Greece (2%) and finally Brazil and Poland (1%).

EBITDA was equal to about € 473 thousand given an annual objective of € 436 thousand. Such a tendential improvement can be attributed to lower monetary costs compared with those forecast in the Plan.

EBIT and Net Profit are negative, respectively, by around -97 thousand euro and around -17 thousand euro mainly due to increased depreciation and amortisation costs connected to the IPO process (equal to around 162 thousand euro) and costs for allocations to reimbursements to clients (prudential) of 178 thousand euro.

Net financial position (NFP) is **positive (Cash)** equal to 3,267 thousand euro, an improvement compared with the same figure of 31 December 2017 thanks to income coming from the listing.

Main events of 2018

Activities in preparation for the IPO

During the first six months of 2018 the Company carried out all the activities in preparation and necessary for the listing of Shares and Warrants on the AIM Italia market.

As known, on 30 July 2018, the Company 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.

Corporate and financial activities

- 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 bring forward closure of the first corporate year from 31/12/2018 to 31/12/2017; (ii) to appoint Audirevi S.p.A. to audit the company accounts for the financial year 2017-2019;
- 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 Zarghetta;
 - 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 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 the 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.
- On 30 September 2018 the sostravel mobile App was soft-launched.
- On 15 December 2018 the sostravel APP was launched onto the market and the main mobile stores including Google Play and App Store.

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 focused on the development of three sales channels, and precisely:

- 1) The "Safe Bag-related" sales channel, i.e. the offer to companies belonging to the Safe Bag Group for services relating to (i) tracing the luggage of clients of the Safe Bag Group who purchased the Safe Bag 24 Service in cases of lost and/or failure to redeliver luggage at destination airports and (ii) assistance via call center to clients of the Safe Bag Group in gathering reports of lost, stolen and/or damaged luggage;
- 2) the "Online" sales channel, i.e. 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, i.e. 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.

2018-2019 economic/financial forecast

(in thousands of Euro)	2018	2019
Revenues from sales	2,487	4,385
Total revenues	2,609	4,478
EBITDA	436	1,248
EBITDA Margin (%)	16.70%	27.90%
EBIT	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. A further boost to sales will also be given by the other two sales channels: Online, for which sales in 2019 have been forecast equal to Euro 0.9 million; B2B, for which sales equal to Euro 0.6 million have been forecast in 2019.

The Industrial Plan forecasts an increase in EBITDA from € 0.4 million in 2018 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.



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).

Operating activities on product, structure and sales network

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.

During 2018 the Company underwent a reorganisation with the recruitment of new employees: 4 new programmers, one administrative Manager, one Customer Care Manager and one Marketing Managing bringing the work force to a total of 10 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.

Primary events after 31 December 2018

On 14 January 2019, the Board of Directors of the Company deliberated to purchase two properties located in Gallarate to be used as offices in anticipation of the growth of Sostravel.

- On 14 February 2019, the purchase of a first property was completed.
- On 14 March 2019, the purchase of a second property was completed.

The company is expected to transfer its registered offices and business to the new offices during the summer break.



Business outlook

Note that, in line with management policies, the already scheduled investment and development ventures continue. In particular, during the first months of 2019, new functions were relaunched to improve the user experience and to simplify use of the APP as well as on-going research into automation of business processes.

The international expansion of Safe Bag S.p.A. is producing excellent revenue results, even for Sostravel S.p.A., given that the active baggage tracking agreement was replicated for the new companies of the Safe Bag S.p.A. Group. (Wrapping Service, Pack & Fly e Care 4 Bag in primis).

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.

Shareholders' Meeting

Sostravel announces that the Shareholders' Meeting will be held on 29 April 2019 in first call and on 30 April 2019 in second call. Documentation concerning the points on the agenda and the draft financial statements as of 31 December 2018, drafted in compliance with Italian accounting standards and subject to auditing by the company Audirevi S.p.A., will be made available to the public on the internet site of sostravel.com S.p.A. (www.sostravel.com) in the 'Investor Relations' section within the deadlines established by law for the purposes of art.2429 of the Civil Code.

Milan, 27 March 2019

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Sostravel, founded in 2017 by Rudolph Gentile, is a company operating in the market of passenger assistance services. The Company operates under the "Sostravel" 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".



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Financial statements as of 31 December 2018

Income statement

Figures in Euro

	December, 31 2018	December, 31 2017
Revenues	2.481.273	154.772
Variations for internal works	0	0
Variations in inventories	0	0
Other Revenues	14.695	2.273
Total revenues	2.495.968	157.045
Costs of goods	(1.568.121)	(66.570)
Personnel costs	(420.724)	0
Other costs	(33.374)	(599)
EBITDA	473.750	89.876
Amortisation and Depreciation	(392.783)	(938)
Allocations	(178.165)	(15.567)
EBIT	(97.178)	88.938
Financial income and expenses (net)	66.733	(10.204)
EBT	(30.465)	78.734
Taxes	12.538	9.716
Net profit	(17.297)	69.018

Balance sheet

Figures in Euro

	December, 31 2018	December, 31 2017
Intangible fixed assets	2.428.378	1.259.267
Tangible Fixed Assets	13.078	3.396
Financial Assets	0	1.089.797
(A) Net fixed assets	2.441.456	2.352.460
Inventories		0
Trade receivables	1.870.787	228.492
Other assets	74.337	40.447
Trade payables	(536.680)	(402.073)
Other liabilities	(188.021)	(31.050)
(B) Operating working capital	1.220.423	(164.184)
(C) Total Funds	(178.165)	(115.393)
(D) = (A) + (B) + (C) Net invested capital	3.483.714	2.072.883
Cash and cash equivalents	3.267.683	0
Financial Liabilities	0	0
(E) Net financial payables / receivables	3.267.683	0
(F) Shareholders' equity	6.751.397	2.072.883
(G) = (F) - (E) Sources	3.483.714	2.072.883

Note that the legal audit has not been carried out on these figures.