



PRESS RELEASE

**THE BOARD APPROVES THE HALF-YEARLY FINANCIAL REPORT AS OF 30 JUNE 2019:
TOTAL REVENUES WITH 45.4% INCREASE**

**USERS AND INSTALLATIONS REPORT STRONG GROWTH FOLLOWING THE DIGITAL
MARKETING CAMPAIGN IN THE SUMMER AS WELL AS THE ACQUISITION OF THE
COMPETITOR FLIO: DATA BASE CLOSE TO ONE MILLION AND MONTHLY USERS AT 175
THOUSAND**

Milan, 24 September 2019

Economic and financial results as of 30 June 2019:

- Total revenues of 1,562 thousand Euro, up 45.4% compared to 1,074 thousand Euro in the first half of 2018;
- **EBITDA** of 269 thousand Euro, slightly down with respect to the 338 thousand Euro of the first half of 2018; this was primarily due to the inclusion of new professional figures that are functional for future growth (Android and iOS programmers, marketing, graphics);
- **EBIT** of -163 thousand Euro, worse than the 279 thousand Euro of the first half of 2018; this was not only due to the reasons mentioned above but was also caused by depreciation/amortization of 192 thousand Euro, amortization of software for 168 thousand Euro and provisions for risks totaling 32 thousand Euro;
- **Net income** equal to -71 thousand Euro, worse than the +265 thousand Euro of the first half of 2018, due to the reasons explained above;
- **Positive adjusted NFP (cash)** of 2,281 thousand Euro (including receivables due from the tax authorities and currently being offset) as well as a decrease compared to the same figure as of 31 December 2018 equal to 3,267 thousand Euro due to the absorption of working capital

Primary economic and operating results as of 30 June 2019:

- DATA BASE OF CUSTOMERS: 517,284 against 271,456 as of 30 June 2018;
- "SAFE BAG-RELATED" LOST & FOUND CONCIERGE SOLD IN THE HALF-YEAR: 699,597 against 625,292 as of 30 June 2018;
- CUSTOMERS PROFILED IN THE HALF-YEAR: 160,317 against 141,187 as of 30 June 2018;
- DOWNLOADS OF THE APP IN THE HALF-YEAR: 31,564 against 17,094 as of 30 June 2018;



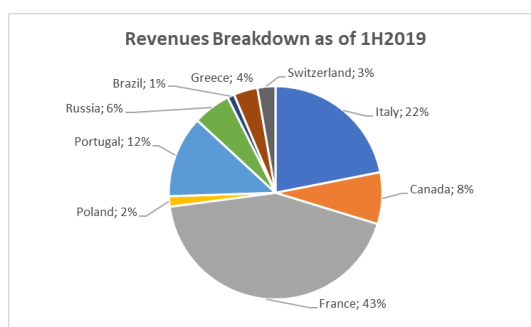
For the sake of completeness, the following operational indicators are also communicated as of 20 September 2019 (including customers acquired following the Flio acquisition):

- TOTAL DOWNLOADS OF THE APP: circa 1.4 million;
- DATA BASE OF CUSTOMERS: Approximately 940 thousand (of which 609,956 sostravel and 330,600 Flio);
- Monthly users (monthly users of the two APP's of sostravel and Flio): 175,000 (of which circa 35,000 sostravel and 140,000 Flio, against 3,950 as of 30 June 2018).

Total Revenues, for a total of 1,562 thousand Euro, mainly refers to Lost & found concierge services sold to the previous parent company and associated companies with the residual portion ascribable to sales made through the sostravel APP (approximately 2.5 thousand Euro). In addition, these include increases in own work capitalized for 290 thousand Euro and other revenues and income for 245 thousand Euro.

The services of the Lost & found concierge refer to baggage tracking activity for clients of the companies of the TraWell Co. S.p.A. Group who purchased the Safe Bag 24 service as well as assistance through call centers to customers of the companies of the TraWell 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 43% of sales, Italy in second place with 22% of sales, followed by Portugal (12%), Canada (8%), Russia (6%), Greece (4%), Switzerland (3%), Poland (2%) and finally Brazil (1%).



EBITDA of 269 thousand Euro, slightly down with respect to the 338 thousand Euro of the first half of 2018; this was primarily due to the inclusion of four new professional figures that are functional for future growth (Android and iOS programmers, marketing, graphics).

EBIT and Net Profit are negative, respectively, by -163 thousand Euro and -71 thousand Euro, worse than the +279 thousand Euro and +265 thousand Euro in the first half of 2018; this was not only due to the reasons shown above but also caused by amortization relating to the listing for 192 thousand Euro, amortization of software for 168 thousand Euro and provisions for risks for 32 thousand Euro.



Adjusted NFP (cash) was positive for 2,281 thousand Euro (including receivables due from the tax authorities and currently being offset) and decreasing compared to the same figure of 31 December 2018 equal to 3,267 thousand Euro.

Primary events of the first half of 2019

On 14 January 2019, the company's Board of Directors deliberated to purchase two properties located in Gallarate to be used for office use in anticipation of the company's growth.

- 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 registered office and the operations of the Company will be transferred to the new offices by upcoming December.

On 18 April 2019 the Company signed a two-year agreement with the company Conti Travel, a leading company in business travel in Italy, for the promotion of its own APP and the services it contains (Lost & Found concierge, Flight Info, Airport Info and Travel Insurance).

This agreement, without exclusive rights or minimum guaranteed obligations for the parties, provides for the transfer of part of the proceeds to Conti Travel for the sale of the aforementioned services.

During the first half of the year the company focused on three main activities:

- Continuous development of the APP sostravel on which 10 updates were made during the half year of reference;
- Preparation of marketing and digital marketing campaigns launched during the summer months from June to August (mainly "Milanese Imbruttito" and "Huawei", the latter currently in progress);
- Negotiation with the competitor Flio for the purchase of its main assets, completed on the past 16 July.

Primary events after 30 June 2019

On 16 July, the Company signed an agreement to take over the main assets of the competitor Flio Gmbh. In this case, the agreement provides for the purchase of the "Flio" brand, the www.flio.com website (which manages around 1 million visitors a year), the accounts relative to the App Store and Android Store and the database with over 1.2 million downloads, 140,000 active users per month, as well as a selection of commercial and content contracts for the airport traveler. The agreement provides for a fixed component, paid following the occurrence of certain conditions precedent after the closing and equal to Euro 300,000 as well as a variable component equal to 30% of sales generated even in cross-selling on the incremental sostravel services in the Flio APP; this will be effective until 2021.



On 19 July, the Company signed a commercial and co-marketing agreement with Huawei, the world leader in the telecommunications market and the second largest smartphone vendor in the world. Sostravel.com and Huawei will develop content and will mutually promote their own brands; in particular, Huawei will promote the sostravel APP in its distribution channels (over 50 million users), while Sostravel.com will promote the Huawei brand in the corners where it operates. The stipulated commercial agreement has a total economic value of Euro 152,500, of which Euro 30,000 paid in cash by Sostravel.com to Huawei by way of investment in advertising and the remaining part, equal to Euro 122,500, paid in kind through a mutual exchange of visibility.

On 12 August, the Company notified the market of the change in certain significant shareholders. In fact, and following the distribution of the dividend in kind of the previous parent company TraWell co S.p.A., the company and the firm RG Holding S.r.l., a company controlled by Mr. Rudolph Gentile, announced that they hold 41.36% and 11.13% respectively, which - following the dilution for the assignment of the Bonus Shares will equal 41.03% and 11.04%.

The condensed financial statements as of 30 June 019, drafted in accordance with Italian accounting standards and subject to limited auditing by the company Audirevi SpA, will be made available to the public within the deadlines and in the manner provided for in the regulations adopted by listed companies; it will also be published on the website of SosTravel.com SpA (www.sostravel.com) within the 'Investor Relations' section.

"The path of growth and development of our sostravel platform continues and, after the acquisition of the competitor Flio, it becomes de facto the first database of information on airports in the world - declares **Rudolph Gentile, Chairman and CEO of Sostravel** -.

In 9 months we have exceeded one million unique customers and we expect to accelerate growth by considering further acquisitions. "

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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" 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:

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