



PRESS RELEASE

THE BOARD APPROVES THE HALF-YEAR FINANCIAL REPORT AS OF 30 JUNE 2020

AND DELIBERATES IN FAVOR OF THE TRANSFER OF THE REGISTERED OFFICE TO THE NEW OFFICES IN GALLARATE

Gallarate, 28 September 2020. The Board of Directors of SosTravel.com S.p.A. (AIM Italia, ticker: SOS), digital operator in the market for assistance services for air transport passengers, today approved the economic-financial results as of 30 June 2020.

The data reported below was clearly affected by the Covid-19 pandemic which - in the first half of 2020 - led to a decrease in passenger traffic of 69.9% in Italy (Assaeroporti estimate) and 60% globally (estimate by Aci - Airports Council International), with a peak in the second quarter of 2020 reporting a decline was 97.3% in Italy and 89.3% in the world.

- **Total revenues** were equal to 516 thousand Euro, a decrease - with respect to the figure of 30 June 2019 which was equal to 1,562 thousand Euro - of 66.9%. Revenues from sales as of 30 June 2020 amounted to 385 thousand Euro, down by 62.5% with respect to the figure of 30 June 2019 which was equal to 1,026 thousand Euro. This percentage is slightly better than the figure for the decrease in passenger traffic in Italy published by Assaeroporti;
- **EBITDA**, equal to -522 thousand Euro, decreased compared to the figure of 30 June 2019 of 270 thousand Euro due to the sharp decrease in sales volumes;
- **EBIT**, equal to - 1,086 thousand Euro, decreased compared to the figure of 30 June 2019 of -163 thousand Euro due to not only the factors that affect EBITDA but also as a result of: (i) higher amortization linked to the Flio brand; (ii) investments in the APP and (iii) higher write-downs and provisions;
- **Net PROFIT** equal to -1,085 thousand Euro (does not include prepaid taxes which were instead present in June 2019), a decrease compared to the figure as of 30 June 2019 which was equal to - 70 thousand Euro;
- **Positive NFP (cash)** was equal to 901 thousand Euro but down compared to the same figure as of 31 December 2019 and equal to 1,222 thousand Euro; this was mainly due to (i) operational support and (ii) investments relative to the renovation of new offices.

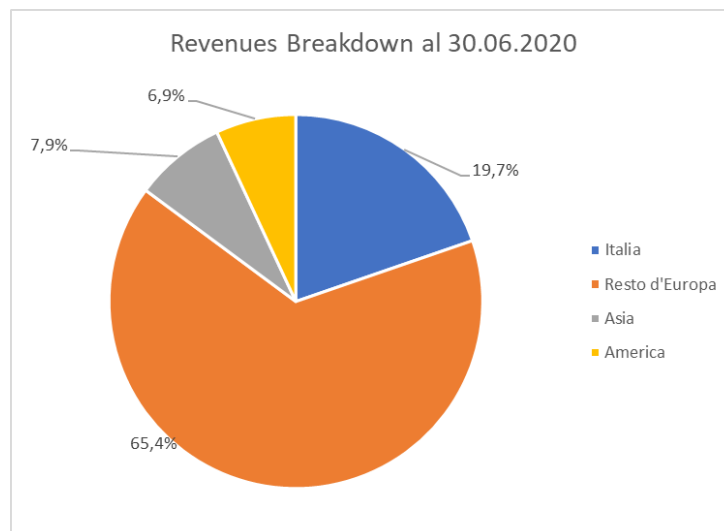
Main economic and operational results as of 30 June 2020:

In addition to the economic-financial data, the growth of the database of profiled customers and the downloads of the two APPs (Flio and Sostravel) -reported below - are also relevant for a complete assessment.

- Customer database as of 30.06.2020: 1,105,031 + 8% (equal to 1,022,412 as of 31.12.2019);
- Profiled customers as of 30 June 2020: 82,619 + -48% (equal to 160,317 as of 30.6.2019);
- Download of APP's of 1st half of 2020: 213,284 +576% (equal to 31,564 as of 30.06.2019);
- Total APP downloads as of 30.06.2020: 1,954,154 +12% (equal to 1,740,870 as of 31.12.2019);
- Monthly Active users in 1st half of 2020 (average): 80,000 +129% (equal to 35,000 as of 30.06.2019);

Revenues from sales as of 30 June 2020 amounted to 385 thousand Euro, a decrease compared to the figure of 30 June 2019 equal to 1,026 thousand Euro of 62.5% (but an improvement compared to the decrease in Italian traffic communicated by Assaeroporti and equal to 69.9%).

The breakdown of



geographical the

aforementioned sales exhibited excellent geographical diversification with Italy at 19.7% of sales, the rest of Europe at 65.4%, and finally Asia (7.9%) and America (6.9 %).



EBITDA was equal to approximately -522 thousand Euro, down compared to the figure of 30 June 2019 which was equal to 269 thousand Euro; this was due to the decrease in volumes. In the first half of 2020, the company used "covid" redundancy payments for a total of 1,859 hours.

EBIT and **Net Profit** were negative, respectively, for circa -1,086 thousand Euro and circa -1,085 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 564 thousand Euro (including amortization related to the IPO process for approximately 193 thousand Euro and software for a total of 201 thousand Euro).

Net financial debt (NFP) was positive (Cash) and equal to 901 thousand Euro but down compared to the same figure of 31 December 2019 which was equal to 1,222 thousand Euro; this was mainly due to (i) operational support and (ii) investments relative to the renovation of the new offices.

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 will be implemented - in the interest and for the benefit of the customers of the Secure Wrap Group - by TraWell Co S.p.A.; the latter will avail 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. will instead be regulated on the basis of the commercial agreements already in place between the two companies.

On 14 September 2020, SosTravel.com S.p.a. and Health Point Plus Inc. signed a letter of intent with which they undertake to negotiate and stipulate - by 30 September 2020 (except for potential extensions which are strictly necessary for the formalization of the agreement) - a



two-year commercial agreement based on which, and starting from the already existing service, they will create an online first aid medical assistance product dedicated to the traveler through the network of physicians offered by Health Point Plus. In order to strengthen the commercial relationship, it is also expected that SosTravel will make - 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.

As of today's date, the company approved the transfer of the registered office to the new and recently renovated offices in Gallarate, via Marsala.

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 spa) was, in fact, forced to gradually close - between the past 10 and 25 March - all its sales points; these were gradually reopened, but only in part, from the past May onward.

Given the above, it is inevitable to expect a decrease in revenues in 2020, accompanied, however, by the hope for a recovery in 2021 and with the understanding that the business is, as is known, particularly subject to seasonality and that its peak periods are, traditionally, those of the summer months (June-September) and the month of December.

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 all available "social safety nets";
- increase the available sources of financing, including third party capital as well as bank and/or subsidized finance.

"We are an innovative start-up that was hit hard by covid-19 - says **Rudolph Gentile, Chairman and CEO of Sostravel** - but given that we are, in fact, a start-up we have a level of agility as well as a creative and innovative organizational structure that is capable of seizing the opportunities of this new social context" . "I am convinced - continues **Mr. Gentile** - that the new online medical services that we will launch - hopefully by the end of the year - will compensate for the



decrease in core revenues and will project the company towards new interesting opportunities".

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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:

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 Roma, Italia
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

Financial statements as of 30 June 2020

Income statement

Valori in euro	30-giu-20	30-giu-19
Ricavi	384.716	1.026.458
Variazioni per lavori interni		290.354
Atri ricavi	132.178	245.436
Totale Ricavi	516.894	1.562.248
Costi per materie prime		-26.200
Costi per servizi	-640.181	-895.671
Costi per godimento beni di terzi	-61.481	-38.059
Costi del personale	-277.045	-360.739
Variazioni delle rimanenze		44.020
Altri costi	-59.892	-15.851
EBITDA	-521.705	269.748
Ammortamenti	-487.045	-400.559
Svalutazioni	-12.334	0
Accantonamenti	-64.938	-32.424
EBIT	-1.086.022	-163.235
Proventi ed oneri finanziari (netti)	1.139	-230
Rivalutazioni/Svalut. attività finanziarie	0	0
Utile(perdita) prima delle imposte	-1.084.883	-163.466
Imposte		-92.725
Risultato netto	-1.084.883	-70.741

Balance sheet

Net Financial Position

Valori in euro	30-giu-20	31-dic-19
Immobilizzazioni immateriali	1.890.403	2.367.251
Immobilizzazioni materiali	847.148	560.951
Immobilizzazioni finanziarie	0	0
(A) Capitale immobilizzato netto	2.737.551	2.928.202
Rimanenze		
Crediti commerciali	837.580	2.379.259
Altre attività	997.328	970.318
Debiti commerciali	-554.150	-1.298.380
Altre passività	-421.033	-598.226
(B) Capitale circolante gestionale	859.725	1.452.971
(C) Totale fondi	-97.018	-117.016
(D) = (A) + (B) + (C) Capitale investito netto	3.500.258	4.264.157
Disponibilità liquide	901.045	1.222.028
Passività finanziarie	0	0
(E) Debiti/Crediti Finanziari Netti	901.045	1.222.028
(F) Patrimonio netto	4.401.303	5.486.185
(G) = (F) – (E) Fonti	3.500.258	4.264.157

Valori in euro	30-giu-20	31-dic-19
A Cassa	-	-
B Altre disponibilità liquide	901.045	1.222.028
C Titoli detenuti per la negoziazione	-	-
D Liquidità (A+B+C+)	901.045	1.222.028
E Crediti finanziari correnti	0	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	0
J Indebitamento finanziario corrente netto (I-E-D)	-901.045	-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)	-901.045	-1.222.028

The half-year report as of 30 June 2020 was subject to a limited audit by the auditing company Audirevi S.p.A.