



PRESS RELEASE

THE BOARD APPROVES THE HALF-YEAR FINANCIAL REPORT AS OF 30 JUNE 2021

THE COMPANY CONSOLIDATES ITS LIQUIDITY IN ORDER TO FINANCE NEW GROWTH OPPORTUNITIES IN THE US

Gallarate, 28 September 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 30 June 2021:

- **Total Revenues** were equal to 728 thousand Euro, an improvement of 40.9% compared to the figure of 30 June 2020 which was equal to 517 thousand Euro due to the attainment of approximately 357 thousand Euro in grants;
- **EBITDA** was equal to -25 thousand Euro, a strong improvement compared to the figure of 30 June 2020 of -522 thousand Euro due to the strong decrease in management costs (including personnel at -39.6%) and the attainment of the aforementioned grants
- **EBIT** was equal to - 693 thousand Euro, an improvement compared to the figure as of 30 June 2020 equal to - 1,086 thousand Euro despite allocations for risks equal to approximately 202 thousand Euro;
- **Net INCOME** of -714 thousand Euro (which does not include prepaid taxes);
- **Positive NFP (cash)** was equal to 1,715 thousand Euro , an improvement compared to the same figure as of 31 December 2020 and equal to 456 thousand Euro; this was mainly due to (i) the positive completion in June of a share capital increase with overall (gross) proceeds totaling 1,239 thousand Euro (ii) the attainment of Simest loans for a total of 1,115 thousand Euro of which 800 thousand Euro were disbursed in the half year (with a non-repayable component equal to 40%).

Main economic and operational results as of 30 June 2021:

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 as of 30 June 2021: 1,183,878 + +5.1% (equal to 1,126,844 as of 31.12.2020);
- Customer profiles in the first half of 2021: 26,597 -67.8 %% (equal to 82,619 in the first half of 2020);

- App downloads in the first half of 2021: 128,079 - 39.9% (equal to 213,284 in the first half of 2020);
- Total downloads of the app: 2,153,497 +6.3% (equal to 2,025,418 as of 31.12.2020);

Revenues from sales as of 30 June 2021 totaled 268 thousand Euro, a decrease compared to the figure of 30 June 2020 - equal to 385 thousand Euro - of 30.3%; this was due to the sharp decrease in international air traffic which in the first half of 2020 mainly affected the second half.

The geographical breakdown of the aforementioned sales exhibited excellent geographical diversification with Italy at 18.9% of sales, the rest of Europe at 72.5%, and finally America (8.1%) and Asia (0.5%).

EBITDA was equal to -25 thousand Euro, a strong improvement compared to the figure of 30 June 2020 of -522 thousand Euro; this was due to the sharp decrease in operating costs (including personnel at -39.6% and costs for services -19.9%) and the attainment of 357 thousand Euro in grants booked under Other Revenues.

EBIT and **Net Profit** were negative, respectively, for circa 693 thousand Euro and circa 714 thousand Euro; this was due to amortization/depreciation and provisions for a total of 668 thousand Euro (including amortization related to the IPO process for approximately 192 thousand Euro, software for a total of 201 thousand Euro, the Flio brand for 50 thousand Euro and other prudential allocations to provisions for risks totaling 202 thousand Euro).

The NFP (cash) was positive and equal to 1,715 thousand Euro, an improvement compared to the same figure as of 31 December 2020 which was equal to 456 thousand Euro; this was mainly due to (i) the positive completion in June of a share capital increase with overall (gross) proceeds totaling 1,239 thousand Euro (ii) the attainment of Simest loans for a total of 1,115 thousand Euro of which 800 thousand Euro were disbursed in the half year (with a non-repayable component equal to 40%). It should also be noted that an unsecured loan of 1,400 thousand Euro was received from Banca MPS with a counter-guarantee from MCC; as a result, the amount of cash and cash equivalents **as of 30 June was equal to 3,595 thousand Euro.**

Primary events in the first half of 2021

On 1 March 2021, a distribution agreement was 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 have a non-repayable component of 40%, while the remaining 60% will be repaid to the lender.

During the month of June 2021, the Issuer approved a Delegated Option Increase for a maximum of 1,196,245 new SosTravel ordinary shares, without par value and with regular dividend rights; they were offered as options to shareholders pursuant to Art. 2441, paragraph 1 of the Italian Civil Code with a ratio of 1 New Share for every 5 ordinary shares held, and at an underwriting price of Euro 1.00 (of which Euro 0.10 to be allocated to the share capital and Euro 0.90 to the share premium). The value of the Delegated Option Increase, fully underwritten and paid, was therefore equal to Euro 1,196,245.00, in addition to Euro 42,895 for the sale of the unexercised options, and therefore for a total of Euro 1,239,140.

The issue price of the New Shares was determined by taking into account - amongst other items - the market conditions and the trends in the price of the Company's shares, as recorded in the multilateral trading system AIM Italia, organized and managed by Borsa Italiana SpA ("AIM"), as well as by considering market practices for similar transactions and the Company's economic and financial performance. The price incorporated a discount of approximately (i) 6.98% compared to the reference price of the Company's shares recorded as of 1 June 2021 (equal to Euro 1.075); (ii) 11.63% compared to the average of the reference prices of the Company's shares recorded in the last month (equal to approximately Euro 1.1316); and (iii) 11.59% compared to the average of the reference prices of the Company's shares recorded in the last three months (equal to circa Euro 1.1311).

Within the same operation, the Issuer determined the number of Warrants to be combined free of charge with the New Shares resulting from the Delegated Option Increase, resolving in favor of the issue of a **maximum of 11,962,450 Warrants** which are combined free of charge in the ratio of 10 Warrants for each New Share that is underwritten. In addition, the Board of Directors of the Issuer set **the exercise price of the Warrants at Euro 1.20**.

The Warrants provide each holder with the right to underwrite the conversion shares of SosTravel with the ratio of one conversion share for each Warrant presented for exercising.

The Warrants may be exercised in the period between 1 September 2021 and 16 December 2024. The Warrants have been assigned the ISIN code IT0005446718.

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 same regulatory measures mentioned above, however, have led to a massive decrease in air traffic, particularly long-haul flights. 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. During 2021 there was a gradual recovery in short and medium-haul air traffic but not yet in long-haul traffic,; the latter represents the Company's target customers. 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 all of 2021 as well: this will presumably be accompanied by a recovery as of 2022.

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

- expand its offer of anti-cyclical services, such as telemedicine for travelers, now available - due to the agreement with the American company Health Point Plus Inc. - directly through its APP. To this end, refer to the press releases of 2 November 2020 as well as the past 1 and 8 March;
- 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 own and third party capital as well as bank and/or subsidized finance (Sace-Simest).

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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".

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Financial statements as of 30 June 2021

Income statement

Valori in euro	30-giu-21	30-giu-20
Ricavi	267.983	384.716
Variazioni per lavori interni	0	0
Atri ricavi	460.300	132.178
Totale Ricavi	728.283	516.894
Costo per materie prime	-377	0
Costo per servizi	-512.621	-640.181
Costo per godimento beni di terzi	-27.448	-61.481
Costi del personale	-167.268	-277.045
Variazioni delle rimanenze	0	0
Altri costi	-45.290	-59.892
EBITDA	-24.721	-521.705
Ammortamenti	-466.316	-487.045
Svalutazioni	0	-12.334
Accantonamenti	-202.164	-64.938
EBIT	-693.201	-1.086.022
Proventi ed oneri finanziari (netti)	-65.854	1.139
Rivalutazioni/Svalut. attività finanziarie	0	0
Utile(perdita) prima delle imposte	-759.055	-1.084.883
Imposte	44.609	0
Risultato netto	-714.446	-1.084.883

Balance sheet

Valori in euro	30-giu-21	31-dic-20
Immobilizzazioni immateriali	956.782	1.406.366
Immobilizzazioni materiali	887.372	905.229
Immobilizzazioni finanziarie	101.172	84.379
(A) Capitale immobilizzato netto	1.945.326	2.395.974
Rimanenze		
Crediti commerciali	618.270	537.779
Altre attività	569.622	962.186
Debiti commerciali	-338.684	-457.247
Altre passività	-249.932	-304.794
(B) Capitale circolante gestionale	599.276	737.924
(C) Totale fondi	-242.291	-97.383
(D) = (A) + (B) + (C) Capitale investito netto	2.302.311	3.036.514
Disponibilità liquide	3.595.395	456.498
Passività finanziarie	-1.880.000	0
(E) Debiti/Crediti Finanziari Netti	1.715.395	456.498
(F) Patrimonio netto	4.017.706	3.493.012
(G) = (F) – (E) Fonti	2.302.311	3.036.514

Net Financial Position

Valori in euro	30-giu-21	31-dic-20
A Cassa	64	-
B Altre disponibilità liquide	3.595.331	456.498
C Altre Attività finanziarie correnti	-	-
D Liquidità (A+B+C+)	3.595.395	456.498
E Debiti finanziari correnti	-	-
F Parte corrente dell'indebitamento non corrente	-	-
G Indebitamento finanziario corrente (E+F)	-	-
H Indebitamento finanziario corrente netto (G-D)	(3.595.395)	(456.498)
I Debiti finanziari non correnti	1.880.000	-
J Strumenti di debito	-	-
K Debiti commerciali e altri debiti non correnti	-	-
L Indebitamento finanziario non corrente (I+J+K)	1.880.000	-
M Indebitamento finanziario netto (H+L)	(1.715.395)	(456.498)

Ai sensi della Comunicazione Consob del 28 luglio 2006 ed in conformità con gli orientamenti ESMA in materia di obblighi di informativa ai sensi del regolamento sul prospetto informativo applicabili a partire dal 5 maggio 2021.

The half-year report as of 30 June 2021 is subject to a limited audit by the auditing company Audirevi S.p.A.