



*Sostravel S.p.A. Annual Report as
of 31 December 2021*

SOSTRAVEL.COM S.P.A. FINANCIAL

31 December

TABLE OF CONTENTS



SOSTRAVEL.COM S.P.A.

1 Company presentation	page 4
2 Shareholding structure	page 11
3 Company bodies	page 12
4 sostravel.com in Borsa AIM	page 13

REPORT ON OPERATIONS



5 Operational trends and business outlook for sostravel	page 16
6 Economic and financial performance of sostravel	
7 Other information	page 18
	page 23



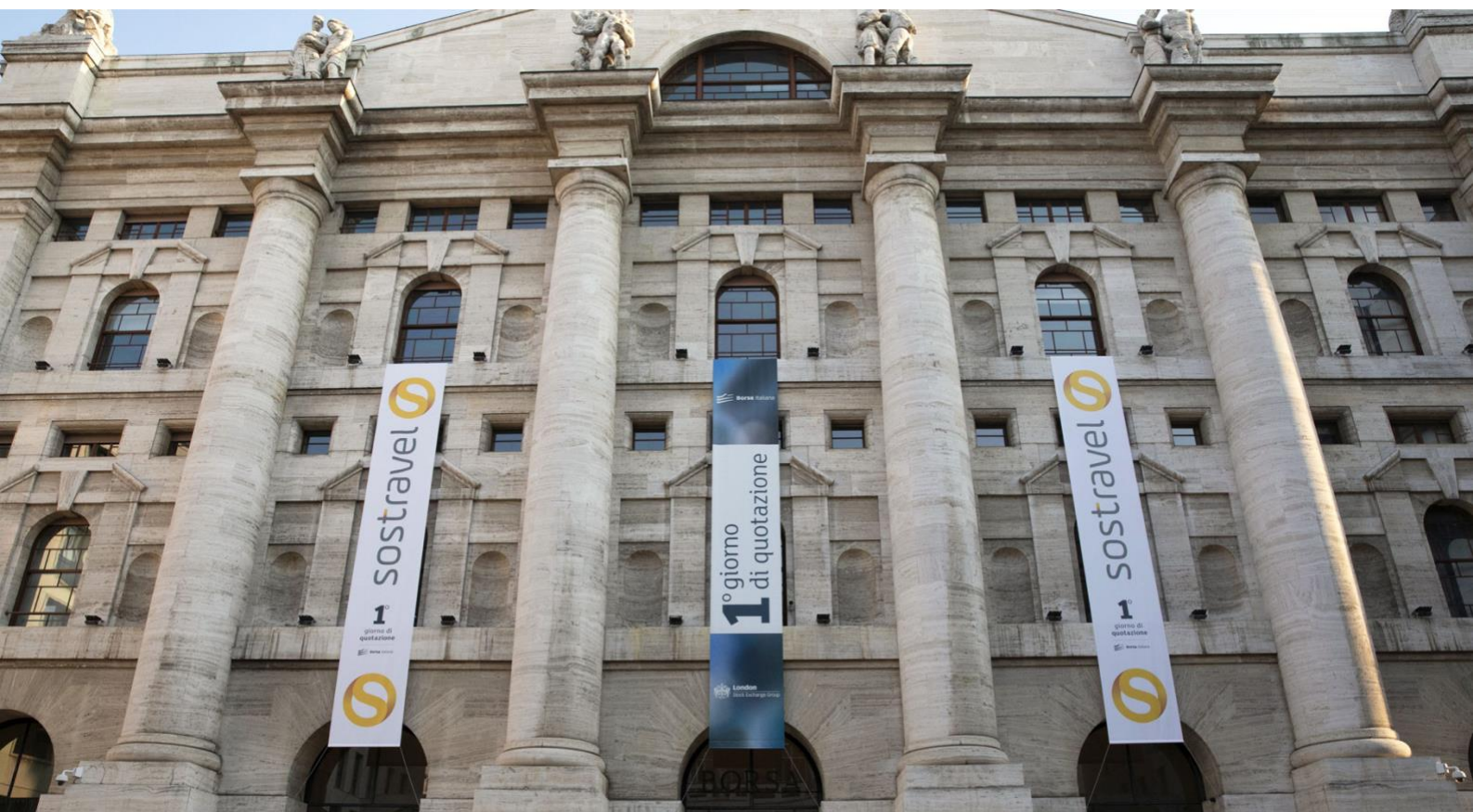
FINANCIAL STATEMENTS OF SOSTRAVEL.COM S.P.A. AS OF 31 DECEMBER 2021

8 FINANCIAL STATEMENTS	page 28
9 Explanatory notes	page 34



SOSTRAVEL.COM

1 Company presentation



The Company was founded on 27 November 2017 and registered in the Registry of Companies on 7 December 2017 by the conferment - from TraWell (previously Safe Bag) - of the company branch named "sostravel.com"; this operation involved the assets and the legal relationships that are instrumental to activities relative to "assistance to the traveler", particularly those relative to the tracking of lost baggage, the supply of airport information services, insurance services and other services to airport passengers.

The objective of the Company is to present itself on the market - through an integrated digital platform (the sostravel App) which has been launched and promoted on primary mobile stores (including Google Play and App Store) on 15 December 2018 as an "aggregator" of a range of passenger assistance services throughout the journey, from departure to arrival at the destination

airport.

In the near future, sostravel.com will continue to invest in innovation and development with the aim of expanding and further consolidating its leadership in the sector.

International operations

With regard to the sale and distribution of its services, the Company can not only avail itself of the sostravel App but also of the commercial network of the TraWell Co Group (previously Safe Bag) which has been operating in the market for wrapping, protection and tracking services for years. The latter is present, with different points of sale, in multiple international airports.

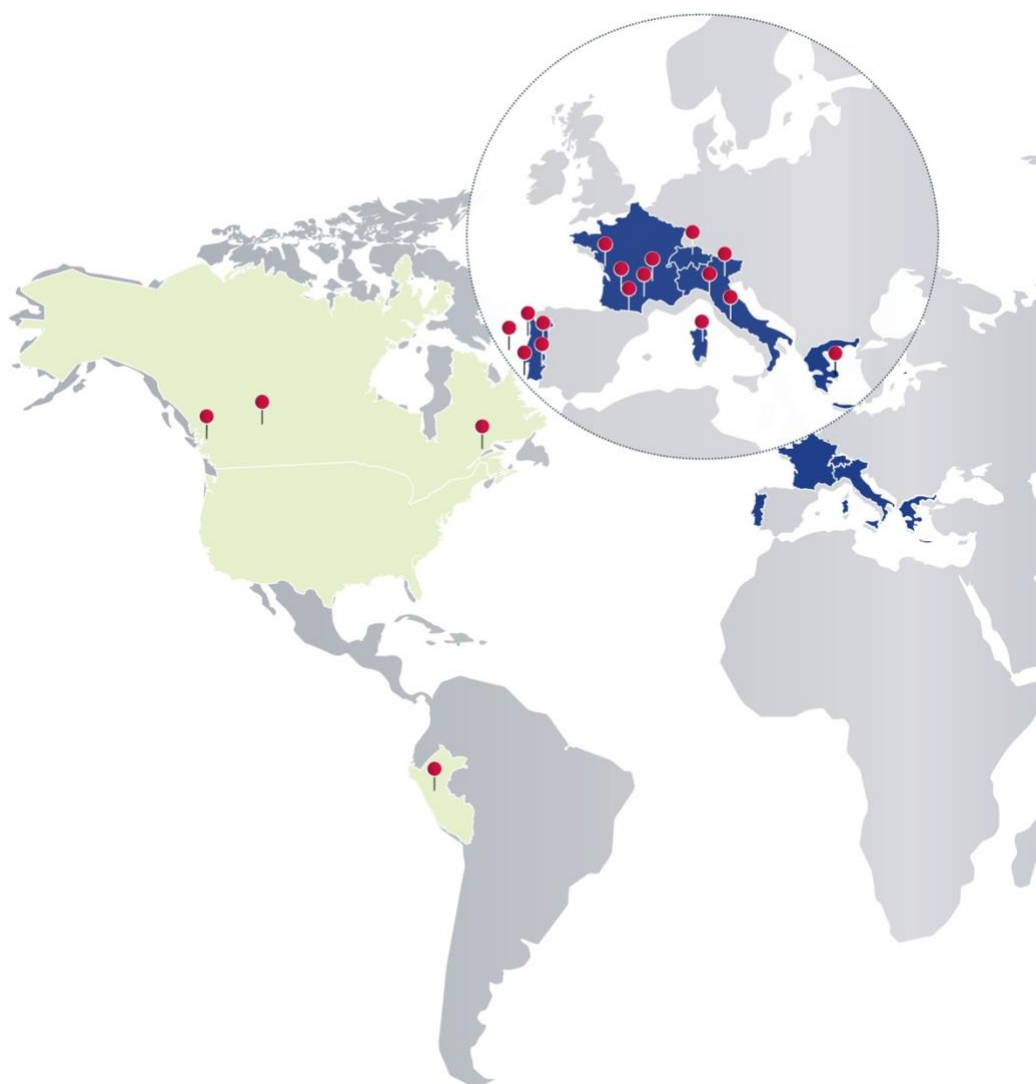
The graph below illustrates the location of the airports where Sostravel markets its services as of the date of this report.

AMERICA

Canada (3)
Peru (1)

EUROPE

Italy (4)
France (5)
Switzerland (1)
Portugal (5)
Greece (6)



Services

By means of the Sostravel App, the Company offers the services listed below.

Flight Info: this service provides access to useful information regarding flights of interest (flight status, gates, delays, cancellations, etc.). Information on individual flights is made available free of charge.

Airport Info: this service (i) provides free access to various useful information related to the airports of interest (eg. modalities for transfer from or to the infrastructure, maps, food, Wi-Fi) and (ii) allows for the purchase of certain services available there (eg. parking, car rental services, access to VIP lounges, etc.).

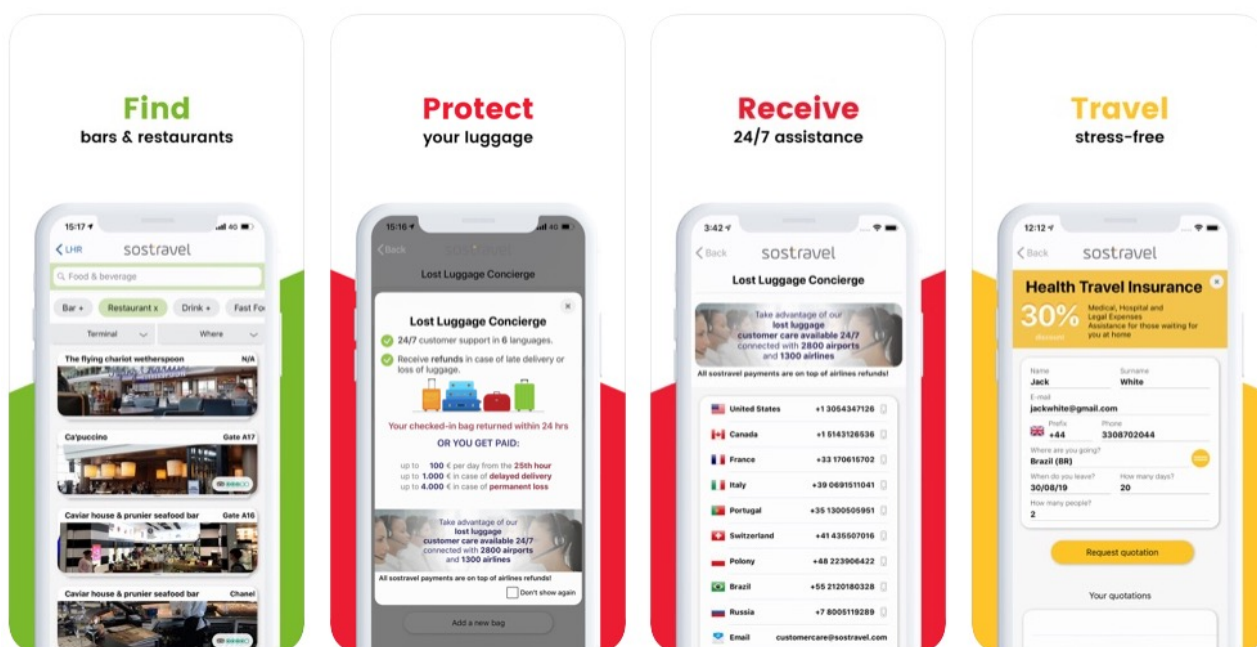
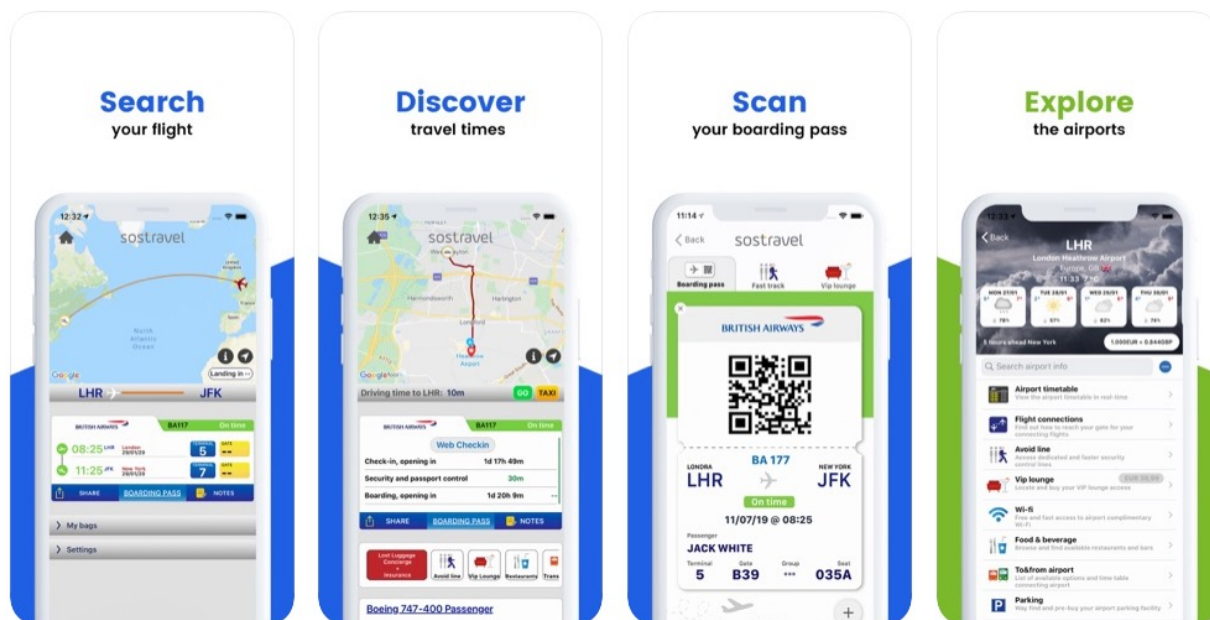
Lost & Found Concierge: this service refers to Sostravel's commitment to tracking customer baggage in cases of loss and/or failed delivery at the destination airports. The service can be purchased before the departure of the flight and is made available either on a pay-per-use basis (with reference, in other words, to individual journeys) or through special subscriptions (which allow users to use the service for all flights performed within a predefined time period).

Telemedicine: The Company has developed a business line focused on the supply of telemedicine services for travelers, directly from its APP and in partnership with the American company Health Point Plus, Inc. The Dr. Travel service will be used - by means of the Sostravel APP - directly from your smartphone, in multilingual format, and will have 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).

Travel insurance: this service allows users to access - through the Sostravel App - the website of a leading insurance company authorized to sell multi-risk travel insurance policies and to purchase, also through remote communication modalities, products and insurance coverage related to the trip.

Development of Technological Products

During the course of 2020, sostravel.com has continued to invest in the development of its App whose graphical userinterface is shown below.



To date, the Flight Tracking, Airport Info, Lost Luggage Concierge, Dr. Travel (telemedicine) and Insurance services are fully developed and active.

Sales channels

Online sales channels

Sostravel aims to offer airline passengers (mainly those belonging to the "X" and "Millennials" generations) access to an integrated digital platform (the sostravel App) which is characterized by an innovative concept aimed at ensuring the possibility of using a variety of information and services linked to the trip.

TraWell-related sales channel

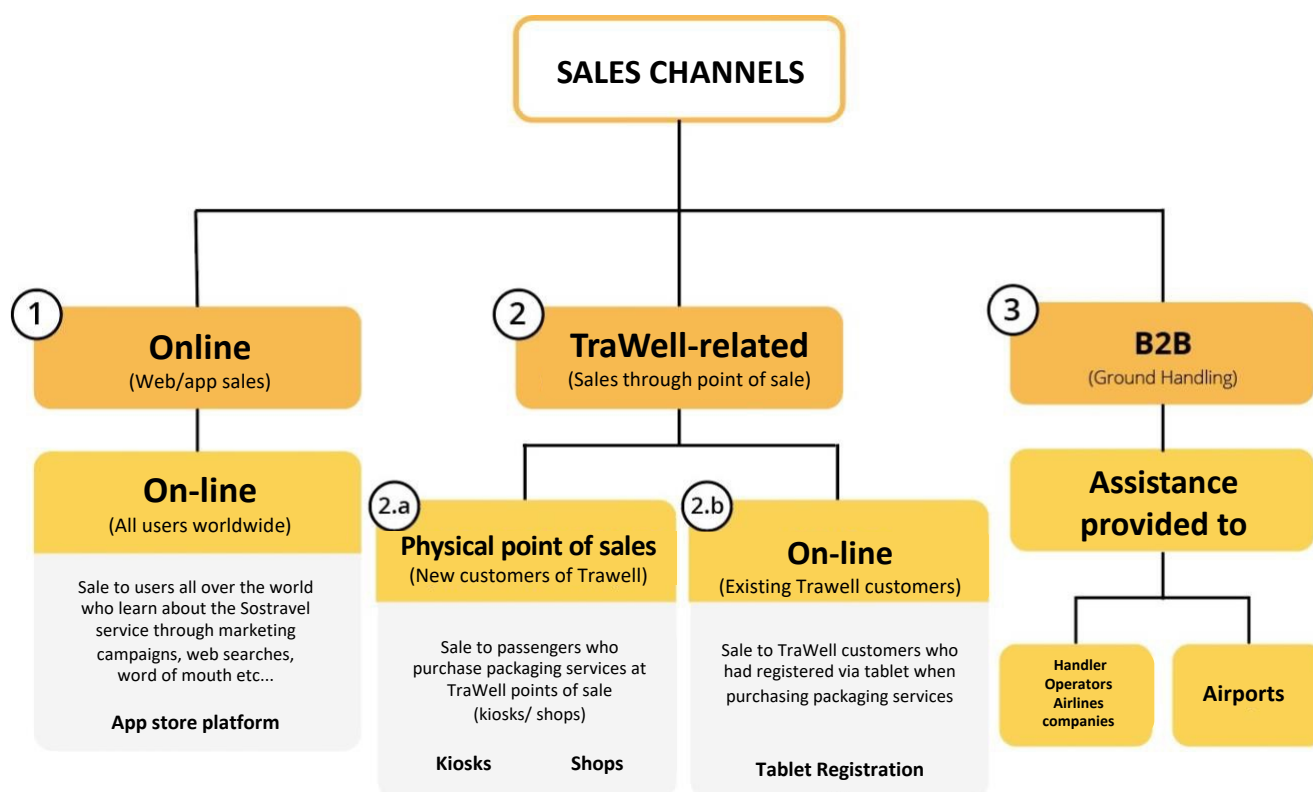
In addition to airline passengers, sostravel also offers its commercial offer to the companies of the TraWell Co. Group. The offer to the companies of the TraWell Co. Group is based on an agreement between sostravel.com and the group and refers to the supply of the relative services: (i) baggage tracking for customers of TraWell Co Group companies who have purchased the Lost Baggage Concierge service, and in the event of loss and/or failure to return this baggage; (ii)

Assistance through call centers to customers of the companies of the TraWell Group Co during the collection of reports of loss, theft and/or damage to baggage.

B2B sales channels

Finally, sostravel provides its commercial offer to airlines and/or airport handlers ("**B2B Customers**"); the latter are proposed the supply of services concerning: (i) the digitization of activities relative to the filling out and forwarding of the PIR to the Lost & Found offices of B2B Customers and (ii) activities required for the tracking of lost baggage.

The offer aimed at B2B customers provides for, in particular, that the filling out and forwarding of the PIR - by users who sustained the loss of their baggage – be implemented through interactive totems positioned at (or near) the Lost & Found offices of B2B customers themselves or directly through the Sostravel App.



Communications and marketing

Due to the Covid-19 pandemic and the drop in airport traffic around the world, the Company limited its marketing and communication efforts during 2021. It should be noted that, during 2019, the company invested in certain important campaigns in order to improve its image and market penetration, in particular the campaign with the Chinese telephony giant Huawei and a local Italian operator which manages the brand “il Milanese Imbruttito ”. Both campaigns, conducted in the summer months, have achieved significant results in terms of downloads.

Human resources

During 2021, the Company focused on cost savings, including personnel costs. As of 31 December 2021, the total workforce was equal to 10 employees, including one middle manager and nine office employees.

2 Shareholding structure

The shareholding structure as of 05 January 2022 is therefore the following:

Compagine Azionaria RG Holding S.r.l *	N° azioni possedute 2.699.374	Capitale sociale 37,60%
TraWell Co S.p.A. **	792.336	11,04%
Rudolph Gentile	12.432	0,17%
Mercato	3.674.116	51,18%
Totale	7.178.258	100%

* RG Holding S.r.l. is currently wholly owned by Rudolph Gentile. In this regard, it should be noted that, in its communication, the shareholder RG Holding S.r.l. reported that - following the full underwriting and release of the due quota of the delegated option share capital increase deliberated by SosTravel on 28 May 2021 during the relative option period - the shareholders' meeting of RG Holding S.r.l., on 2 July 2021 and following the withdrawal of RM Holding S.r.l., (minority shareholder which owned 13.59% of the share capital of RG Holding S.r.l.), approved the liquidation of the withdrawing shareholder by assigning, amongst other items, 245,000 SosTravel shares (equal to 3.4% of the share capital) and 200,000 SosTravel 2021-2024 warrants as well as 120,000 TWL shares (equal to 4.8% of the share capital) and 200,000 TWL 2021-2024 warrants on 2 July 2021. Notice of this transaction is provided today with a separate internal dealing press release.

* TraWell CO S.p.A. is controlled by RG Holding S.r.l. with a shareholding equal to 51.7% of the share capital

It should be noted that - 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 / Alternative Capital Market, 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 on 1 June 2021 (equal to Euro 1.075), (ii) 11.63% compared to the average of the reference prices of the shares of the Company 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 approximately 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.

During the months of September, November and December 2021, and following the exercise of the aforementioned Warrants, the share capital further increased until it reached a total increase in 2021 of Euro 119,703 along with an increase in the share premium reserve equal to Euro 1,120,384.

The share capital at the end of the year was equal to Euro 717,826 and the share premium reserve was equal to Euro 6,252,661.

Sostravel.com Spa has been listed on the Euronext Growth Milan market since 1 August 2018.

3 Company bodies

The composition of company bodies is as follows:

BOARD OF DIRECTORS

Chief Executive Officer - Chairman	Rudolph Gentile
<i>Director</i>	Nicola De Biase
<i>Independent Director</i>	Edoardo Zarghetta

BOARD OF STATUTORY AUDITORS

<i>Chairman</i>	Enrico Orvieto
<i>Statutory auditors</i>	Paolo Natalini / Marco Ambrosini
<i>Alternate auditors</i>	Fabrizio Cardinali / Andrea De Nigris

AUDITING COMPANY

Auditing company **Audirevi S.p.A.**

NOMAD

<i>Nominated Advisor</i>	Banca Finnat S.p.A
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4 *sostravel.com* in Euronext Growth Milan market

SosTravel.com was listed on the Milan Stock Exchange, Piazza Affari, on 1 August 2018 within the AIM Italia segment (currently EuronextGrowth Milan).

Euronext Growth Milan is the "Borsa Italiana" stock market dedicated to SMEs and which allows access to stock markets through a simplified listing process; it currently includes about one third of the companies listed on the Stock Exchange.

On 30 July 2018, SosTravel.com S.p.A. 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.

The offer was made through a placement of shares aimed at: (i) qualified Italian investors, as defined and identified in Article 34-ter of Regulation 11971/1999, (ii) foreign institutional investors (excluding Australia, Canada, Japan and the United States of America); and/or (iii) other categories of investors, provided that the placement is implemented in such manner that allows the Company to benefit from an exemption from the public offering obligations pursuant to Article 100 of the Consolidated Financial Act and Article 34-ter of Regulation 11971/1999 ("Private Placement").

Upon completion of the Private Placement, a total of 934,000 Shares - resulting from a share capital increase approved by the Company's shareholders' meeting - were underwritten. Warrants were assigned free of charge to the Shares underwritten as part of the Private Placement in the ratio of one warrant for one share. In addition, a bonus share of 1:10 is envisaged for those who have underwritten during the Private Placement before the start date of trading and who hold the shares for at least twelve months from that date.

Total revenues deriving from the Private Placement, gross of commissions and expenses incurred as part of the Private Placement, amounted to 5,230,400 Euro. Following the Private Placement, the Market holds 15.74% of the Company's share capital with an IPO capitalization of approximately 33 million Euro.

On the start date of trading of the shares and warrants on AIM Italia (currently Euronext Growth Milan), the Issuer's share capital was equal to Euro 593,400 and will be represented by 5,934,000 shares.

SosTravel was assisted in the operation by Banca Finnat Euramerica acting as Nomad and Global Coordinator as well as by Studio GBX acting as legal advisor, Ambromobiliare acting as financial advisor, PwC acting as strategic advisor and Audirevi acting as the auditing company. The Nctm law firm acted as legal advisor to the Nomad and Global Coordinator.

Following the admission to trading, Banca Finnat Euramerica will act as Nomad, Specialist and will ensure continuous analyst coverage service.

On 17 September 2019, in application of the provisions set out in the Admissions Document, the Issuer granted Bonus Shares free of charge to entitled parties for a total of 47,225 ordinary *sostravel.com* S.p.A. Shares with ISIN code IT0005338675. As a result of the issue of 47,225 ordinary shares, the share capital of *sostravel.com* S.p.A. is divided into 5,981,225 ordinary shares.

Finally, following the cancellation of the share capital Increase summarized on page 10 and 11, the new share capital of SosTravel.com S.p.A. is subdivided into 7,178,258 ordinary shares.





REPORT ON OPERATIONS

5 Operational trends and business outlook for *sostravel*

The objective of the Company is to present itself on the market - through an integrated digital platform (the *sostravel* App) which has been launched and promoted on primary mobile stores (including Google Play and App Store) on 15 December 2018 as an "aggregator" of a range of passenger assistance services throughout the journey, from departure to arrival at the destination airport.

In addition to assistance services for airport travelers pursuant to a commercial agreement undersigned with the TraWell Co S.p.A. Group (previously Safe Bag S.p.A.) on 15 December 2017 and partially amended on 25 June 2018 and 17 October 2019, the Company also provides its services to the companies of the TraWell Group. In particular, and on behalf of the latter, *sostravel* implements the following activities: (i) tracking of the baggage of customers of the TraWell (previously Safe Bag) Group who have purchased the Lost & Found Concierge Service in the event of loss and/or failure to return the baggage at the destination airports; (ii) assistance through call centers to customers of the companies of the TraWell (previously Safe Bag) Group during the collection of reports of loss, theft and/or damage to baggage.

Global Healthcare Crisis linked to Covid-19 and the geopolitical situation caused by the Ukraine crisis

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 pandemic as well as the concerns of travelers in relation to the use of air transportation.

The pandemic, which characterized the 2020 and 2021 financial years, is in the process of being resolved but has resulted in a massive decrease in air traffic, particularly long-haul flights. Data from the previous year show that the COVID-19 pandemic caused a sharp reduction in passenger traffic during the year 2020: 76.8% in Italy (estimate from

Assaeroporti) and 66.6% in the world (Aci - Airports Council International estimate) with a peak in the second quarter of 2020 during which the decline was 97.3% in Italy and 89.3% in the world. During 2021, there was a recovery in short and medium-haul air traffic but not yet in long-haul traffic; the latter represents the Company's target customers. Specifically, 2021 data reported a 58.2% decrease in Italian passengers compared to pre-pandemic levels (2019) while international traffic decreased by -70.4% in 2021 (again compared to 2019, Assaeroporti estimate). Due to the above and the geopolitical situation caused by the Ukraine crisis, it is inevitable to expect weak volumes of airport traffic and revenues for the first half of 2022 as well: this will presumably be accompanied by a recovery in the second half of 2022.

Primary events of 2021

On 1 March 2021, a distribution agreement was signed for the sale of the "Dr. Travel" telemedicine service on the TraWell network. 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 whose first installment was disbursed in July 2021;
- 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.

In June 2021, the company obtained a six-year loan of 1,400 thousand Euro from Monte dei Paschi di Siena.

During the month of June 2021, the share capital increase operation was also completed, as previously explained in the paragraph concerning the shareholding structure.

Primary events after 31 December 2021

During the first half of 2022, the Company is completing its project for the development of e-commerce in the United States which will be implemented in the second part of 2022.

6 Financial performance of sostravel

- **Total Revenues** were equal to 1,311 thousand Euro, an improvement of 43.16% compared to the figure of 31 December 2020 which was equal to 916 thousand Euro due to the attainment of approximately 474 thousand Euro in grants;
- EBITDA equal to -353 thousand Euro, a strong increase compared to the figure of 31 December 2020 which was equal to -855 thousand Euro due primarily to the attainment of the aforementioned grants;
- **EBIT** was equal to - 1,344 thousand Euro, an improvement compared to the figure as of 31 December 2020 equal to - 1,957 thousand Euro despite depreciation/amortization, write-downs and allocations equal to approximately 991 thousand Euro;
- **Net INCOME** of -1,383 thousand Euro (which for precautionary purposes does not include prepaid taxes);
- **Positive NFP (cash)**
was equal to 1,320 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 loans for a total of 1,975 thousand Euro, of which 1,400 thousand Euro disbursed by Monte dei Paschi di Siena and 957 thousand Euro disbursed by Simest with a grant component equal to 40%. As of 31 December 2021, the amount of liquid funds amounted to 3,295 thousand Euro.

Main economic and operational results as of 31 December 2021:

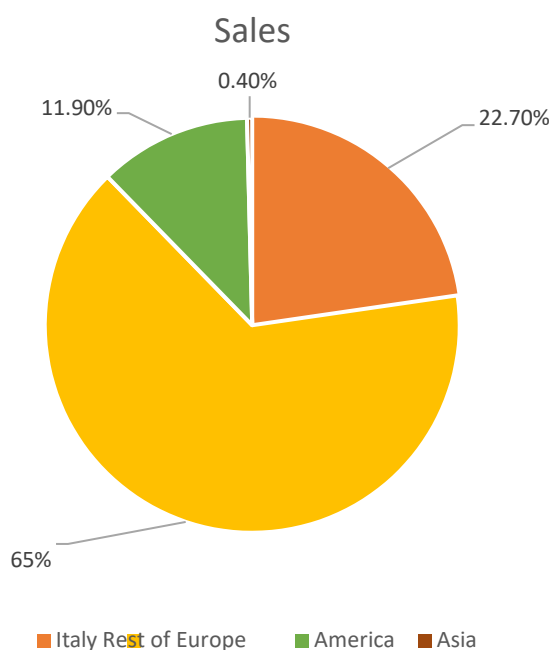
In addition to economic and financial data, the growth of the database of analyzed customers and the downloads of the two APPs (Flio and Sostravel) are also relevant for the purposes of a complete assessment; this data is reported below (it includes - it should be reiterated - the acquisition of the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

- Customer database as of 31 December 2021: 1,194,679 + +6% (equal to 1,126,844 as of 31.12.2020);
- Customers analyzed in the year 2021: 67,835 -35% (equal to 104. 432 as of 31 December 2020);
- Download of APPs in 2021 : 179,979 -37% (equal to 284,548 as of 31 December 2020);
- Total downloads of the app: 2,205,397 +8.9% (equal to 2,025,418 as of 31.12.2020);

Geographical breakdown of sales as of 31 December 2021:

Revenues from sales as of 31 December 2021 amounted to 643 thousand Euro, a slight improvement with respect to the figure of 31 December 2020 which was equal to 634 thousand Euro.

The geographical breakdown of the aforementioned sales exhibited excellent geographical diversification with Italy at 22.7% of sales, the rest of Europe at 65%, and finally America (11.9%) and Asia (0.4%).





Operational performance

In order to provide a better understanding of operational performance and of the financial situation, the tables below report a reclassification of the Income Statement as well as a reclassification of the Balance Sheet.

Financial statements as of 31 December 2021

Income statement	31/12/2021	31/12/2020
Revenues	642,821	633,512
Own work capitalized	0	0
Other revenues	667,930	282,033
Total revenues	1,310,751	915,545
Costs for raw materials	(399)	(98)
Costs for services	(1,055,536)	(1,109,815)
Costs for use of third party assets	(53,996)	(121,548)
Personnel costs	(383,720)	(416,231)
Change in inventories	0	0
Other costs	(169,737)	(122,852)
EBITDA	(352,637)	(854,999)
Amortization/depreciation	(777,970)	(991,773)
- Write-downs	0	(45,395)
Allocations	(213,341)	(64,660)
EBIT	(1,343,948)	(1,956,827)
Financial proceeds and charges (net)	(9,258)	(36,347)
Revaluations/write-downs of financial assets	(30,000)	0
Profit (loss) before taxes	(1,383,206)	(1,993,174)
Taxes	0	0
Net result	(1,383,206)	(1,993,174)

Financing indicators of fixed assets	31/12/2021	31/12/2020
Fixed asset to equity capital margin	1,601,380	1,045,365
Fixed asset to equity capital ratio	1.92	1.43
Fixed asset to equity capital and medium-long term debt margin	3,695,071	1,142,748
Fixed asset to equity capital and medium-long term debt ratio	3.11	1.47

Debt ratios and leverage indicators	31/12/2021	31/12/2020
Debt to equity ratio	0.79	0.25
Debt (long-term interest bearing) to equity ratio	0.61	0.01

Return indicators	31/12/2021	31/12/2020
ROE	-41.29 %	-57.06 %
ROI	-23.03 %	-45.79 %
ROS	-209.07 %	-308.89 %

Balance sheet	31/12/2021	31/12/2020
Intangible fixed assets	804,465	1,406,366
Tangible fixed assets	872,875	905,229
Financial fixed assets	71,172	84,379
(A) Net non-current assets	1,748,512	2,395,974
Inventories	0	0
Trade receivables	447,346	537,779
Other assets	516,209	962,186
Trade payables	(347,207)	(457,247)
Other liabilities	(200,212)	(304,794)
(B) Working capital	416,136	737,924
(C) Total provisions	(134,941)	(97,383)
(D)=(A)+(B)+(C) net invested capital	2,029,707	3,036,514
Liquid funds	3,294,685	456,498
Financial liabilities	(1,974,500)	0
(E) Net financial payables/receivables	1,320,185	456,498
(F) Shareholders' equity	3,349,892	3,493,012
(G)=(F)-(E) Sources	2,029,707	3,036,514



Net Financial Position

Values in Euro	31/12/2021	31/12/2020
A Liquid funds	64	0
B Other liquid funds	3,294,621	456,498
C Other current financial assets		
D Liquidity (A+B+C)	3,294,685	456,498
E Current financial payables	0	0
F Current portion of non-current debt	15,750	0
G Current financial debt (E + F)	15,750	0
H Net current financial debt (G-D)	(3,278,935)	(456,498)
I Non-current financial payables	1,958,750	
J Debt instruments		
K Trade and other non-current payables		
L Non-current financial debt (I + J + K)	1,958,750	-
M Net financial debt (H + L)	(1,320,185)	(456,498)

7 Other information

The section provides a variety of information consistent with the provisions of Art. 2428.

Operational risks and uncertainties

The Company is careful in identifying and monitoring risks typical of its operations, with the dual objective of providing managers with appropriate tools for adequate management and maximizing the protection of corporate assets.

- Risk related to the lack of operational history of the new services that will be launched, with the exception of activities for tracking lost baggage which were already carried out in the past by the company TraWell Co. S.p.A.;
- Risks related to the operation of the sostravel App, such as failures in the operation of the software, programming errors, lack of interaction or compatibility between the mobile application and the devices on which it is installed and/or with any platforms, data centers and operating systems (IOS, Android, etc.) of third parties, including the related updates over which sostravel does not retain any control;
- Risks associated with customer retention, ie the ability to retain acquired users and prevent them from ceasing to use or cancel the App;
- Risks associated with acts of computer piracy;
- Risks related to the competitiveness of the market in which the Company operates and the entry of new competitors to the market;
- Risks connected to the seasonal nature of sales of services.

Primary non-financial indicators

Pursuant to the second paragraph of Art. 2428 of the Italian Civil Code, it is hereby certified that - given the specific activity that is carried out and for a more effective understanding of the company's situation, its performance and the result of operations - the reporting of non-financial indicators is not considered relevant.

Workplace environment and safety

It is hereby certified that the company has not implemented specific environmental impact policies given that they are not necessary in relation to its operations and considering the exclusively commercial sector in which it operates.

The disposal of waste and any packaging waste is carried out in full compliance with specific regulations.

In this regard, the company has never been sanctioned for environmental accidents or damages.

With regard to regulations concerning the protection of privacy as well as workplace health and safety, all the required obligations have been promptly fulfilled or are being completed.

Personnel management

During the course of the year, our company made investments in personnel safety in compliance with Legislative Decree 81/08; in fact, all employees have been trained in the sectors of worker and employee safety.

R&D

Pursuant to and for the purposes of that reported in point 1 of the third paragraph of Art. 2428 of the Italian Civil Code, we hereby certify that the company constantly conducts research and



development activities in order to expand the offered services and improve the current functionalities of the sostravel App.

Relations with subsidiaries, associates, parent companies and companies subject to control of parent companies

With regard to the provisions of paragraph 2 of the third paragraph of Art. 2428 of the Italian Civil Code, it should be noted that the company retains relations with the subsidiary of the parent company TraWell Co.

S.p.A. and all companies belonging to this group. Relations established with the companies of the TraWell Co. S.p.A. group are contractual and stipulated in compliance with substantive and procedural correctness as well as at normal market conditions. In particular, there is a commercial contract for active baggage tracking and a call center service.

With regard to details of credit, debit, revenue and cost positions, please refer to the tables in the explanatory notes:

- Breakdown of receivables booked under current assets by geographical area
- Breakdown of payables by geographical area
- Breakdown of sales and services by geographical area
- Service costs

Business outlook and continuity

In accordance with and by effect of point 6) of the third paragraph of Art. 2428 of the Italian Civil Code, it should be noted that, in accordance with management policies, the planned investment and growth initiatives continue.

It is our duty to report any effects caused by the COVID-19 healthcare emergency

to which the company has been exposed

as well as any assessments of uncertainties for the forecasting of revenues.

The adoption of containment and safeguard measures that have been put in place by governments around the world has required - during the course of 2020- the closure of commercial activities at the airports where the services offered by the Issuer are sold through the network of the company TraWell. Co. The travel restrictions and restrictions imposed by governments began in February 2020 and currently continue to exist in partial form. During 2021 there was a 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 the above and the geopolitical situation caused by the Ukraine crisis, it is inevitable to expect weak volumes of airport traffic and revenues for the first half of 2022 as well: this will presumably be accompanied by a recovery in the second half of 2022.

At present it is not possible to exactly quantify the economic and financial effects for our Company that have arisen or that may arise as a consequence of the current situation.

The directors therefore believe they can approve the financial statements with a view to business continuity due to the current capitalization 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. In addition, the Directors evaluated the economic and financial situation for the following 12 months and - despite the operating loss, the substantial decrease in revenues and the uncertainties deriving from the pandemic situation described above - they concluded that the application of the going concern assumption is still appropriate.

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 non-cyclical services (eg. telemedicine);
- Increase its sources of financing;

- evaluate any potential extraordinary transactions that are synergistic with the Company's core activities.

The directors are working to allow the issuer to overcome the crisis that involved the company in the pandemic phase and to restart with greater determination in order to achieve the pre-set objectives.

Use of financial instruments relevant for evaluating the financial situation and the economic result of the year

Pursuant to and by effect of the provisions of paragraph 6-bis) of the third paragraph of Art. 2428 of the Italian Civil Code, it is hereby certified that the company has not applied any specific financial risk management policies given that it is considered irrelevant in reference to our company operations.

Organizational model

On 01 July 2019, sostravel.com S.p.A. adopted its own Organizational, Management and Control Model pursuant to the provisions contained in Legislative Decree No. 231 of 8 June 2001, as amended and supplemented. Through the adoption of the Model, and its subsequent and continuous updating, sostravel.com S.p.A. intends to strengthen its internal control system, thereby ensuring compliance with the requirements of correctness and transparency while equipping itself with an instrument to protect itself in the event of crimes involving the administrative liability of the Company.

The adopted Model is the result of specific analyses regarding the organization and activities implemented by the Company, in accordance with the best practices on the subject and considering the specificities of the sector to which it belongs as well as the so-called Confindustria "guidelines" on the subject.

As required by law, sostravel.com S.p.A. appointed its own Supervisory Body at the same time; it is identified as a single body in the person of Mr. Dario Tozzi who is entrusted with the tasks of supervising the correct functioning of the Model and ensuring its updating and correct application. Finally, the Code of Ethics is an integral part of the Model; it encompasses a set of rules aimed at ensuring that the behavior of the recipient parties - including collaborators and suppliers of sostravel.com S.p.A. - are always inspired by the principles of fairness, collaboration, loyalty, transparency and mutual respect. It also aims to prevent conduct which can be classified under the types of crimes and administrative offences included in the list of Legislative Decree 231/2001.

Profit (loss) per share

The loss per share as of 31 December 2021, in accordance with the procedures set out in IAS 33, was equal to - € 0.099. The methods for calculating the basic profit (loss) per share and diluted earnings (loss) per share are defined by IAS 33 - Earnings per share. The basic profit (loss) per share is defined as the ratio of the economic result of Sostravel.com S.p.A. for the period attributable to holders of ordinary capital instruments as of 31 December 2021 (7,178,258 shares as of 30 December 2021).



Secondary offices

In compliance with the provisions of Art. 2428 of the Italian Civil Code, it is hereby certified that the company has no secondary offices.

The Board of Directors -

Gallarate, 29 March 2022



FINANCIAL STATEMENTS OF SOSTRAVEL.COM

31 December 2021

8 FINANCIAL STATEMENTS

Financial statements for the year ended 31-12-2020

Company data	
Registered office in	GALLARATE
Tax ID	03624170126
Economic & administrative No.	VARESE366690
VAT No.	03624170126
Share capital Euro	717,826.00 fully paid up
Legal form	JOINT STOCK COMPANY
Primary activity sector (ATECO)	522300
Company in liquidation	no
Company with sole shareholder	no
Company subject to management and coordination	no
Name of the company or entity that exercises management and coordination	
Part of a group	yes
Name of the parent company	RG Holding Srl
Country of parent company	Italy
Registration no. in list of cooperative companies	

BALANCE SHEET - LIABILITIES

ASSETS	31/12/2021	31/12/2020
A) RECEIVABLES FROM SHAREHOLDERS FOR PAYMENTS STILL DUE		
Total receivables from shareholders for payments still due A) 0 0		
B) Fixed assets		
I - Intangible fixed assets		
1) Start up and expansion costs	11,155	248,713
2) Development costs	651,404	1,057,643
4) Authorizations, licenses, trademarks and similar rights	0	100,010
6) Tangible assets in progress and advances	141,906	0
Total intangible fixed assets	804,465	1,406,366
II - Tangible fixed assets		
1) Land and buildings	843,018	840,448
4) Other assets	26,737	35,248
5) Tangible assets in progress and advances	3,120	29,533
Total tangible fixed assets	872,875	905,229
III - Financial fixed assets		
1) Shareholdings in		
D-bis) Other companies	71,172	84,379
Total shareholdings (1)	71,172	84,379
Total financial fixed assets (III)	71,172	84,379
Total fixed assets (B)	1,748,512	2,395,974
C) CURRENT ASSETS		
I) Inventories		
Total inventories 0 0		
II) Receivables		
1) Trade receivables		
Due within next year	12,457	26,984
Total receivables due from	12,457	26,984
4) Receivables due from parent companies		
Due within next year	527	0
Total receivables due from parent	527	0
5) Due from companies subject to the control of the parent companies		
Due within next year	434,362	459,122
Due beyond next year	0	51,673
Total Receivables due from companies subject to the control of the parent companies	434,362	510,795
5-bis) tax receivables		
Due within next year	478,471	900,772
Total tax receivables	478,471	900,772
Total receivables	925,817	1,438,551
III - Financial assets that are not fixed assets		
Total financial assets that are not fixed assets 0 0		
IV - Liquid funds		
1) Bank and postal deposits	3,294,621	456,498
3) Cash and cash equivalents	64	0
Total Liquid funds	3,294,685	456,498
Total current assets (C)	4,220,502	1,895,049
D) Accruals and deferrals	37,738	61,414
Total assets	6,006,752	4,352,437

BALANCE SHEET - LIABILITIES

ASSETS	31/12/2021	31/12/2020
A) Shareholders' equity		
I - Share capital	717,826	598,123
II- Share premium reserve	6,252,661	5,132,278
III - Revaluation reserves	0	0
IV - Legal reserve	100,000	100,000
V - Statutory reserves	0	0
VI – Other reserves, distinctly specified		
Misc. other reserves	869,684	869,684
Total other reserves	869,684	869,684
VII - Reserve for transactions to cover expected cash flows	0	0
VII - Profit (loss) carried forward	(3,207,073)	(1,213,899)
IX - Profit (loss) of the year	(1,383,206)	(1,993,174)
Loss covered during the year	0	0
X - Negative reserve for own shares in Portfolio	0	0
Total shareholders' equity	3,349,892	3,493,012
B) Provisions for risks and charges		
4) other	78,442	64,660
Total provisions for risks and charges B	78,442	64,660
C) Employee termination indemnities	56,499	32,723
D) Payables		
4) Payables due to banks		
Due within next year	15,750	0
Due beyond next year	1,958,750	0
Total payables due to banks (4)	1,974,500	0
7) Payables due to suppliers		
Due within next year	265,354	388,822
Total payables due to suppliers (7)	265,354	388,822
11) payables due to parent companies		
Due within next year	12,999	3,374
Total payables due to parent companies (11)	12,999	3,374
11-bis) Due to companies subject to the control of the parent companies		
Due within next year	68,854	65,052
Total payables due to companies subject to the control of the parent companies (11-bis)	68,854	65,052
12) Tax payables		
Due within next year	18,640	14,516
Total tax payables (12)	18,640	14,516
13) Payables due to social security institutions		
Due within next year	32,397	21,394
Total payables due to social security institutions (13)	32,397	21,394
14) Other payables		
Due within next year	75,449	59,528
Total other payables (14)	75,449	59,528
Total payables (D)	2,448,193	552,686
E) Accruals and deferrals	73,726	209,356
Total liabilities	6,006,752	4,352,437

Income statement

	31/12/2021	31/12/2020
A) Total revenues:		
1) Revenues from sales and services 642,821	633,512	
5) Other revenues and proceeds		
Contributions for operating expenses	608,199	249,555
other	59,731	32,478
Total other revenues and proceeds	667,930	282,033
Total revenues	1,310,751	915,545
B) Cost of production:		
6) For raw, ancillary, and consumable goods e	399	98
7) For services	1,055,536	1,109,815
8) Costs for use of third party assets	53,996	121,548
9) Total personnel costs		
a) salaries and wages	283,624	292,133
b) social security charges	77,347	87,955
c) termination indemnities	22,749	29,393
e) other costs	0	6,750
Total personnel costs	383,720	416,231
10) Amortization/depreciation and write-downs		
a) amortization of intangible fixed assets	743,806	960,885
b) depreciation of tangible fixed assets	34,164	30,887
D) Writedown of receivable current assets and liquid funds	162,077	45,395
Amortization/depreciation and write-downs	940,047	1,037,167
12) allocations for risks	51,264	64,660
14) other operating charges	169,737	122,852
Total cost of production	2,654,699	2,872,371
Difference between value and cost of production (A-B)	(1,343,948)	(1,956,826)
C) Financial proceeds and charges		
16) other financial proceeds		
d) proceeds other than the above		
Other	0	3
Total proceeds other than the above	0	3
Total other financial proceeds	0	3
17) interest and other financial charges		
Other	17,873	0
Total interest and other financial charges	17,873	0
17-bis) net income and exchange rate losses	8,615	(36,351)
Total financial proceeds and charges (15 + +16 - -17 + - -17-bis)	(9,258)	(36,348)
D) Value adjustments of financial instrument assets and liabilities		
19) Write-downs:		
A) Of equity investments	30,000	0
Total write-downs	30,000	0
Total value adjustments of financial assets and liabilities (18-19)	(30,000)	0
Result before taxes (A - B + - C + - D)	(1,383,206)	(1,993,174)
21) Profit (loss) of the year	(1,383,206)	(1,993,174)

CASH FLOW STATEMENT - INDIRECT METHOD

	Current year	Previous year
A. Cash flows from operating activities (indirect method)		
Profit (loss) of the year	(1,383,206)	(1,993,174)
Income taxes of the year	0	0
Payable/(receivable) interest	17,873	(3)
(Dividends)	0	0
Capital (gains) / losses deriving from the sale of assets	0	0
1. Profit / (loss) of the year before income taxes, interest, dividends and capital gains/losses from disposals	(1,365,333)	(1,993,177)
<i>Adjustments for non-monetary items that are not offset in net working capital</i>		
Allocations to provisions	136,145	80,891
Amortization/depreciation of fixed assets	777,970	991,773
Write-downs for permanent impairment	0	0
Value adjustments of financial instrument assets and liabilities derivative financial instruments which do not involve cash flow movements	0	0
Other increases/(decreases) for non-monetary items	0	0
Total adjustments to non-monetary items are not an offsetting item in net working capital	914,115	1,072,664
2. Cash flows before changes in net working capital	(451,218)	(920,513)
Decrease/(Increase) in receivables due from customers	14,527	(4,621)
Increase/(Decrease) in payables due to suppliers	(123,468)	(13,809)
Decrease/(Increase) in accrued income and deferred charges	23,676	(2,300)
Increases/(Decreases) in accrued liabilities and deferred income	(135,630)	(195,297)
Other decreases/(Other increases) in net working capital	542,681	931,076
<i>Total changes in net working capital</i>	321,786	715,049
3. Cash flows after changes in net working capital	(129,432)	(205,464)
<i>Other changes</i>		
Interest collected/(paid)	(17,873)	3
(Paid income taxes)	0	0
Collected dividends	0	0
(Use of provisions)	(68,586)	(100,524)
Other collections/(payments)	0	0
<i>Total other changes</i>	(86,459)	(100,521)
Cash flows from operating activities (A)	(215,891)	(305,985)
B) Cash flows from investment activities		
<i>Tangible fixed assets</i>		
(Investments)	(4,179)	(375,166)
Divestments	2,369	0
<i>Intangible fixed assets</i>		
(Investments)	(141,905)	0
Divestments	0	0
<i>Financial fixed assets</i>		
(Investments)	(16,793)	(84,379)
Divestments	0	0
<i>Current financial assets</i>		
(Investments)	0	0
Divestments	0	0
(Acquisition of company branches net of liquid funds)	0	0

Sale of company branches net of liquid funds	0	0
Cash flows from investment activities (B)	(160,508)	(459,545)
C. Cash flows from financing activities		
<i>Third party financing</i>		
Increase / (Decrease) of short-term payables to banks	0	0
Acquisition of financing	1,974,500	0
(Reimbursement of financing)	0	0
<i>Own assets</i>		
Paid share capital increase	1,240,086	0
(Capital reimbursement)	0	0
Sale (purchase) of own shares	0	0
(Dividends and advances on paid dividends)	0	0
Cash flows from financing activities (C)	3,214,586	0
Increase (decrease) in liquid funds (A ± B ± C)	2,838,187	(765,530)
Exchange rate effect on liquid funds Cash at the beginning of the year	0	0
Bank and postal deposits	456,498	1,228,028
Checks	0	0
Cash and cash equivalents	0	0
Liquid funds at the start of the year	456,498	1,228,028
Of which not freely usable Liquid funds at the end of the year	0	0
Bank and postal deposits	3,294,621	456,498
Checks	0	0
Cash and cash equivalents	64	0
Liquid funds at the end of the year	3,294,685	456,498
Of which not freely usable	0	0

9 Explanatory notes to the financial statements closed on 31-12-2021

INTRODUCTION

The financial statements as of 31/12/2021 - of which these explanatory notes are an integral part pursuant to Art. 2423, first paragraph of the Italian Civil Code, are consistent with the results of the regularly kept accounting records and are drawn up in accordance with Articles 2423, 2423 ter, 2424, 2424 bis, 2425, 2425 bis, 2425 ter of the Italian Civil Code, according to drafting principles compliant with the provisions of Art. 2423 bis and the valuation criteria pursuant to Art. 2426 of the Italian Civil Code.

The Company has drafted the financial statements by using the same principles adopted for the financial statements as of 31 December 2020.

The company was founded at the end of 2017 from the transfer of the company branch operated by the shareholder TraWell Co S.p.A. The Company operates in the tourism sector, offering services to travellers which include, amongst other items, assistance in the search for mishandled baggage, baggage protection, detailed information on departure and arrival airports, weather at destination, information on booking and transfers from/to airports of departure and arrival, wayfinding and the marketing of services on the web and through mobile devices.

The main activities that were implemented concern the management and technological development of the website and the app through which the aforementioned services are provided in addition to the planning of marketing and commercial initiatives aimed at increasing the number of users. During 2021, in accordance with management policies, the planned investment and development initiatives continued in line with the state of emergency linked to COVID-19. It is our duty to report any effects caused by the COVID-19 healthcare emergency to which the company has been exposed as well as any assessments of uncertainties for the forecasting of revenues.

The company belongs to the RG Holding Group, and to which TraWellco S.p.A. also belongs. It is one of the main European and world operators in baggage protection and tracking services at airports.

The financial statements as of 31 December 2021 were subject to an audit by the auditing company Audirevi S.p.A.

General preparation principles

In order to clearly prepare the financial statements and provide a true and fair report of the financial position and the economic performance - in accordance with the provisions of Article 2423 bis of the Italian Civil Code - the following was provided for:

- valuating the individual items according to the principle of prudence and on the basis of a going concern assumption;
- including only the profits that were effectively generated during the year;
- determining income and costs in compliance with the accruals principles and regardless of their cash flows;
- understanding all the risks and losses which accrued, even if they become known after the end of the year;
- separately considering, for the purposes of the relative assessment, the heterogeneous elements included in the various items of the financial statements;
- maintaining the applied valuation criteria unchanged with respect to the previous year.

The following financial statement postulates pursuant to OIC 11 par. 15 were also complied with.

- a) prudence;**
- b) assumption of a going concern;**
- c) substantial representation;**
- d) accruals principle;**
- e) consistency of valuation principles;**
- f) relevance;**
- g) comparability;**

Assumption of a going concern;

With regard to this assumption, the valuation of the items in the financial statements was implemented on the basis of a going concern assumption and therefore by taking into account the fact that the company constitutes a functioning economic organization which is expected - at least for a foreseeable future period of time of twelve months from the closing date of reference of the financial statements - to generate income.

When assessing the future of the going concern assumption, no significant uncertainties emerged, nor were there reasonable alternatives to terminating business operations.

The financial statements were drawn up in Euro units.

Exceptional cases pursuant to Art. 2423, fifth paragraph of the Italian Civil Code

No exceptional events occurred which made it necessary to resort to derogations pursuant to Article 2423, paragraph five of the Italian Civil Code.

Changes in accounting principles

There were no changes in accounting principles in the year.

Correction of relevant errors

No relevant errors committed in previous years emerged.

Comparability and adjustment issues

There were no assets and liabilities that fell under more than one item in the financial statements.

Pursuant to Art. 2423 ter, fifth paragraph of the Italian Civil Code, there were no problems of comparability and adjustment of financial statement items of the current year with those relative to the previous year; in this regard, it should be noted that - in the comparative column - certain cost items have been reclassified by nature for a total of Euro 17,799 from the item "Personnel costs, other costs" B9) e) to the item "Costs for services" B7.

Applied valuation criteria

The valuation criteria pursuant to Art. 2426 of the Italian Civil Code comply with those used in the preparation of the financial statements of the previous year.

Intangible fixed assets

Intangible assets are booked, within the limit of their recoverable value, at purchase or internal production cost, including all directly ascribable accessory charges; they are systematically amortized on a straight-line basis according to the residual possibility of use of the asset.

In particular, start-up and expansion costs derive from the capitalization of charges relative to the start-up or growth phases of operating capacity and are amortized over five years.

Development costs derive from the application of the results of basic research or other knowledge that is owned or acquired prior to the start of commercial production or use; they are amortized according to their useful life.

Fixed assets whose value at the end of the year was permanently lower than the residual cost to be amortized are booked at this lower value; this value is not maintained if the reasons for the adjustment cease to apply in subsequent financial years.

The posting and valuation of the items included in the category of intangible assets was implemented with the consent of the Board of Statutory Auditors, where this is provided for by the Italian Civil Code.

Tangible fixed assets

Tangible fixed assets are booked on the date in which the risks and benefits connected to the acquired assets are transferred; they are recorded - up to the amount of the recoverable value - at purchase or production cost, net of the relative provisions for depreciation and including all directly attributable costs and accessory charges, indirect costs related to internal production, and charges relative to the financing of internal production which were incurred during the manufacturing period and up to the moment in which the asset can be utilized.

The cost of fixed assets whose use is limited in time is systematically depreciated each financial year on the basis of economic-technical rates determined in relation to their residual possibility of use.

Depreciation begins when the assets are available and ready for use.

Fixed assets which, at the end of the financial year, are permanently of a lower value than the book value are reduced to this lower value and the difference is booked within the income statement as a write-down. If the reasons for the impairment adjustment no longer exist, the original value is reinstated.

The rates that reflect the result of the technical depreciation plans, as confirmed by the companies and reduced by 50% for the acquisitions during the year, have been applied given that there exist for the latter the conditions set by OIC 16 paragraph 16.

The depreciation plans, in accordance with OIC 16, paragraph 70, are reviewed in the event of a change in the residual possibility of use.

The rates which were applied are reported below.

- **Furniture and furnishings: 12%**
- **buildings: 3%**
- **Electronic office machinery: 20%**
- **Electronic telephone systems: 20%**

Shareholdings in

Equity investments are classified under fixed assets and are valued at purchase cost, potentially reduced for permanent impairment pursuant to OIC 21, paragraphs 31 to 41.

Receivables

Receivables are classified under fixed assets or current assets based on their destination/origin and in relation to ordinary operations; they are recorded at their estimated realizable value.

The breakdown of the amounts due within and beyond the financial year is implemented with reference to their contractual or legal expiration dates while also taking into account facts and events that may result in a change in the original expiration dates and of the realistic capacity of the debtor to fulfil the obligation within the contractual deadlines in addition to the time period within which one reasonably believes to collect the receivable.

Receivables pursuant to Art. 2426, paragraph 8 number 8 of the Italian Civil Code are booked in accordance with the amortized cost criterion, except for receivables for which the effects of application of the amortized cost - pursuant to Art. 2423 paragraph 4 of the Italian Civil Code - are irrelevant (maturity less than 12 months).

With regard to the aforementioned relevance principle, receivables have not been discounted if the interest rate that can be deduced from the contractual conditions is not significantly different from the market interest rate.

The "time factor" pursuant to in Art. 2426, paragraph 1 number 8, was also taken into account by discounting receivables falling due beyond 12 months and in the case of a significant difference between the effective interest rate and the market rate.

Receivables for which the amortized cost criterion was not applied have been recognized at their estimated realizable value.

Receivables, regardless of the application or not of the amortized cost, are reported in the financial statements net of the booking of an allowance for bad debts - which covers receivables deemed non-collectable - as well as net of the generic risk related to the remaining receivables; the latter is based on estimates from past experience, the performance of the seniority index of past due receivables, the general economic and sector situation and country risk, as well as events after the end of the year that have an impact on the values as of the date of the financial statements.

With regard to receivables secured by guarantees, the effects relative to the enforcement of the guarantees was taken into account and - for the insured receivables - only the portion not covered by the insurance was taken into account.

In addition, an allocation was made to a specific risk provision with reference to the estimate - based on experience and on any other useful information - of returns of goods or products by customers and of discounts and rebates that are assumed to be granted at the time of collection.

Tax receivables and deferred tax assets

The item 'Tax receivables' includes the certain and determined amounts deriving from receivables for which a realization right has arisen through reimbursement or compensation.

The item "Prepaid taxes" includes deferred tax assets determined on the basis of deductible timing differences - or of the carrying forward of tax losses - by applying the estimated rate in force at the time when it is deemed such differences will occur.

Deferred tax assets connected to a tax loss

are recognized only in the presence of the reasonable certainty of their future recovery, with the latter proven by tax planning for a reasonable period of time that provides for sufficient taxable income to use the carry-forward losses and / or by the presence of taxable timing differences sufficient to absorb the carry-forward losses.

Liquid funds

Liquid funds are reported at their nominal value.

Accruals and deferrals

Accruals and deferrals have been booked on the basis of the accruals principle and contain the revenues/costs pertaining to the year which are payable in subsequent years as well as revenues/costs incurred by the end of the year but pertaining to subsequent years.

As a result, only the portions of costs and revenues which are common to two or more years - whose amount which varies over time - are booked. At the end of the year it was determined that the conditions that led to the initial recognition were respected while making the necessary value adjustments, if necessary, and taking into account not only the timing factor but also potential recoverability.

Accrued income, similar to operating loans, was valued at estimated realizable value, by applying, if this value was lower than the book value, a write-down in the income statement.

Accrued liabilities, similar to payables, were valued at their nominal value.

With regard to deferred charges, the valuation of the future economic benefit relative to the deferred costs was implemented while applying, if this benefit was lower than the rediscounted portion, a value adjustment.

Provisions for risks and charges

Provisions for risks represent liabilities relative to situations existing on the date of the financial statements but whose occurrence is only probable. With reference to risks for which the emergence of a liability is only possible or if the cost cannot be



reliably estimated, provisions for risks have not been allocated.

Provisions for charges represent certain liabilities that are related to negative income items pertaining to the year but which will become cash flows in the following year.

The valuation process is implemented and/or adjusted as of the financial statements date and based on past experience as well as any available useful information.

In accordance with OIC 31 par.19, and given that the criterion for classifying costs by nature prevails, provisions for risks and charges are booked under the items of ordinary operations to which the transaction refers (ordinary, accessory or financial).

Provisions for taxes, including deferred taxes

This item includes liabilities for probable taxes deriving from non-definitive assessments and pending disputes as well as liabilities for deferred taxes determined on the basis of taxable timing differences by applying the estimated rate in force at the time in which such differences are deemed to occur.

The deferred tax provision also includes, pursuant to OIC 25 par. from 53 to 85, deferred taxes deriving from extraordinary operations, revaluation of assets, and untaxed reserves that were not booked in the income statement or under shareholders' equity.

With reference to untaxed reserves that would be subject to taxation in the event of distribution to shareholders, deferred taxes have not been calculated given that, pursuant to OIC 25 par. 64, there are reasonable grounds for believing that they will not be used in ways that give rise to conditions of taxability.

Employee termination indemnities

Employee termination indemnities are booked in compliance with the provisions of current legislation and correspond to the actual commitment of the Company towards individual employees on the closing date of the financial statements after deducting any disbursed advances.

Payables

Payables pursuant to Art. 2426, paragraph 1 number 8 of the Italian Civil Code are booked in accordance with the amortized cost criterion, except for payables for which the effects of application of the amortized cost - pursuant to Art. 2423 paragraph 4 of the Italian Civil Code - are irrelevant (maturity less than 12 months). With regard to the aforementioned relevance principle, payables have not been discounted if the interest rate that can be deduced from the contractual conditions is not significantly different from the market interest rate.

The "time factor" pursuant to in Art. 2426, paragraph 1 number 8, was also taken into account by discounting receivables falling due beyond 12 months and in the case of a significant difference between the effective interest rate and the market rate.

Payables for which the amortized cost criterion was not applied have been recognized at their nominal value.

The breakdown of the amounts due within and beyond the financial year is implemented with reference to the contractual or legal expiration date while also taking into account facts and events that may determine a change in the original expiration date.

Payables originating from acquisitions of assets are booked at the time the risks, charges and benefits are transferred; those relative to services are booked at the time the service is provided; those of financial and other natures are booked at the time when the obligation with the counterparty arises.

Tax payables include certain and determined tax liabilities, as well as

as the withholdings made as a withholding agent and not yet paid on the financial statements date; if compensation is allowed, they are recorded net of advances, withholding taxes and tax credits.

Values in foreign currency

Monetary assets and liabilities denominated in foreign currencies are booked at the spot exchange rate at the end of the year, with the relative exchange rate gains and losses booked to the income statement.

Any potential net income deriving from adjustment to exchange rates is booked - for the portion not absorbed by any loss for the year - in a special reserve that cannot be distributed until it is realized.

Non-monetary assets and liabilities denominated in foreign currencies are booked at the exchange rate in force at the time of their purchase, and - pursuant to OIC 26 par. 31, and at the time of preparing the financial statements - this cost is compared, according to accounting principles of reference, with the recoverable value (fixed assets) or with the value deducible from the market trend (current assets).

Costs and revenues

They are reported according to the principles of prudence and accruals.

Economic and financial transactions with group companies and related parties are carried out at normal market conditions.

With reference to "Revenues from sales and services", it should be noted that adjustments of revenues, pursuant to OIC 12 par. 50, are deducted from the item "revenues", but excluding those referring to previous years and deriving from corrections of errors or changes in accounting principles which are recognized, pursuant to OIC 29, within the opening balance of shareholders' equity.

OTHER INFORMATION

The specific sections of the explanatory notes illustrate the criteria with which the Article 2423, fourth paragraph was implemented in the case of failure to comply with the reporting, valuation, presentation and disclosure requirements and when their compliance has irrelevant effects on truthful and correct reporting.

The principles and recommendations published by the Italian Accounting Body (OIC) have been complied with and integrated, where required, by generally accepted international principles (IAS/IFRS) in order to provide a true and fair representation of the financial situation and economic performance of the year.

INFORMATION ON THE BALANCE SHEET

ASSETS

The valuation of financial statement items was implemented by taking into account the principle of prudence and with a view to a going concern as well as by taking into account the economic function of the asset and liability item in question. The accruals principle was also applied and, as a result, the effect of transactions and other events was booked and recorded to the financial year to which these transactions and events refer, and not to the year in which the relative cash flows occurred.

Fixed assets

The valuation criteria for fixed assets comply with the provisions of Art. 2426 of the Italian Civil Code. Fixed assets are booked at cost or internal production value, including all directly ascribable costs.

The tables below report changes in fixed assets, as required by point 2 of Article 2427 of the Italian Civil Code.

Intangible fixed assets

Intangible fixed assets amounted to € 804,465 (€ 1,406,366 in the previous year). The

composition and movements of the individual items were as follows:

	Start up and expansion costs	Development costs	Authorizations , licenses, trademarks and similar rights	Assets in progress and advances	Total intangible fixed assets
Value at year start					
Cost	1,384,683	2,035,722	300,000	0	3,720,405
Amortization (provisions for amortization)	1,135,970	978,079	199,990	0	2,314,039
Book value	248,713	1,057,643	100,010	0	1,406,366
Changes during the year					
Increase for acquisitions	0	0	0	141,906	141,906
Depr. of the year	237,558	406,238	100,010	0	743,806
Other changes	0	(1)	0	0	(1)
Total changes	(237,558)	(406,239)	(100,010)	141,906	(601,901)
Value at year end					
Cost	1,384,683	2,035,722	300,000	141,906	3,862,311
Amortization (provisions for amortization)	1,373,528	1,384,318	300,000	0	3,057,846
Book value	11,155	651,404	0	141,906	804,465

The item "Start-up and expansion costs" includes founding and listing costs and expenses. Development costs include proprietary software developed by the company as well as purchased software licenses. The item Authorizations, licenses and trademarks only includes the cost for the purchase of FLIO brands, the amortization process of which ended in 2021.

Intangible fixed assets mainly refer to investments implemented for the purposes of developing and increasing the functionality of the software, and both for web and mobile services.

Fixed assets in progress, equal to Euro 141,906, refer to a project relative to the creation and development of an e-commerce site for the United States of America. This project is funded by the Simest Company and will be completed in the first half of 2022.

Tangible fixed assets

Tangible fixed assets amounted to € 872,875 (€ 905,229 in the previous year).

Tangible fixed assets consist of furnishings, office machinery and electronic telephone systems.

The composition and movements of the individual items were as follows:

	Land and buildings	Industrial and commercial equipment	Other tangible fixed assets	Assets in progress and advances	Total tangible fixed assets
Value at year start					
Cost	869,193	203	53,348	29,533	952,277
Amortization (provisions for amortization)	28,745	203	18,100	0	47,048
Book value	840,448	0	35,248	29,533	905,229
Changes during the year					
Increase for acquisitions	0	0	1,060	3,119	4,179
Reclassifications (of the book value)	29,532	0	0	(29,532)	0
Decreases for disposals and sales (of book value)	0	0	2,369	0	2,369
Depr. of the year	26,962	0	7,202	0	34,164
Total changes	2,570	0	(8,511)	(26,413)	(32,354)
Value at year end					
Cost	898,725	203	49,758	3,120	951,806
Amortization/depreciation (Provisions for Amortization/depreciation)	55,707	203	23,021	0	78,931
Book value	843,018	0	26,737	3,120	872,875

Finance lease operations

Pursuant to Art. 2427, paragraph 1, number 22 of the Italian Civil Code, it should be noted that no financial leasing operations have been implemented.

Financial fixed assets

Equity investments, other securities and financial derivative assets

Equity investments included in financial fixed assets amounted to € 71,172 (€ 84,379 in the previous year).

Pursuant to art. 2427, paragraph 1, number 5 of the Italian Civil Code, it should be noted that the Company does not own any shareholdings in subsidiaries or affiliates for which the obligation to provide the information provided therein exists.

The composition and movements of the individual items were as follows:

	Shareholdings in other companies	Total shareholdings
Value at year start		
Cost	84,379	84,379
Book value	84,379	84,379
Changes during the year		
Increase for acquisitions	16,793	16,793
Write-downs during the year	30,000	30,000
Total changes	(13,207)	(13,207)
Value at year end		
Cost	101,172	101,172
- Write-downs	30,000	30,000
Book value	71,172	71,172

It should be noted that - during the year 2020 - 40,000 shares of the Health Point Plus Company were acquired for a total value of € 84,379. During the 2021 financial year, a further investment was made for 16,793 Euro for the purchase of 40,000 shares at the price of 0.50 USD per share.

The equity investment is valued at cost, but following the Company's prospective valuation, a prudential write-down of Euro 30,000 was made.

Non-current receivables - operations with repurchase agreements

It should be noted that there are no non-current receivables deriving from operations with repurchase agreements, in accordance with Art. 2427, paragraph 1 number 6-ter of the Italian Civil Code.

CURRENT ASSETS

Receivables

Receivables booked under current assets were equal to € 925,817 (€ 1,438,551 in the previous year). The composition is as follows:

	Due within next year	Due after next year	Total nominal value	(Provisions for risks/write-downs)	Net value
Trade receivables	12,457	0	12,457	0	12,457
Receivables due from parent companies	527	0	527	0	527
Due from companies subject to the control of the parent companies	629,500	0	629,500	195,138	434,362
Tax receivables	478,471	0	478,471		478,471
Total	1,120,955	0	1,120,955	195,138	925,817

Receivables - Subdivision by expiration date

Data relative to the breakdown of receivables by expiration data is reported below, in accordance with Art. 2427, paragraph 1 number 6 of the Italian Civil Code:

	Value at year start	Changes during the year	Value at year end	Quota expiring within the year	Quota expiring after the year	With a residual duration of more than five years
Trade receivables booked under current assets	26,984	(14,527)	12,457	12,457	0	0

Financial statements as of 31/12/21 - Annual Report of sostravel.com S.p.A

Receivables booked under current assets due from parent companies	0	527	527	527	0	0
Receivables due from companies subject to the control of	510,795	(76,433)	434,362	434,362	0	0

of parent companies booked under current assets						
Tax receivables booked under current assets	900,772	(422,301)	478,471	478,471	0	0
Total receivables booked under current assets	1,438,551	(512,734)	925,817	925,817	0	0

Receivables from companies subject to the control of the parent companies are recognized net of the allowance for bad debts equal to Euro 195,138. The provision was increased during the year through an allocation of Euro 162,077.

Tax receivables include a residual receivable for stock market listing totaling € 58,847, a residual receivable for research and development totaling € 207,805 and the receivable arising from the conversion of the so-called Super ACE (Aid for Economic Growth) totaling € 44,615.

It should be noted that the VAT receivable recognized in the financial statements as of 31 December of the previous year was assigned in the first half of 2021. In fact, the Company completed - on 17 June 2021 - a bulk tax receivable transfer agreement with which it sold - without recourse, and to the company COVERTO SPV S.r.l. - the VAT receivable due from the Italian Internal Revenue Agency which was requested for reimbursement with the 2021 VAT statement relative to the 2020 tax year for an amount equal to Euro 422,502.

Receivables- breakdown by geographical area

Data relative to the breakdown of receivables by geographical area is reported below, in accordance with Art. 2427, paragraph 1 number 6 of the Italian Civil Code:

Total

Geographical area		Italy	France	Portugal	Switzerland	Canada
Trade receivables booked under current assets	12,457	12,221	0	0	0	0
Receivables booked under current assets due from parent companies	527	527	0	0	0	0
Receivables booked under current assets due from companies subject to control by parent companies	434,362	57,611	189,216	93,780	8,838	62,428
Tax receivables booked under current assets	478,471	478,471	0	0	0	0
Total receivables booked under current assets	925,817	548,830	189,216	93,780	8,838	62,428

Geographical area	Greece	Other EU countries
Trade receivables booked under current assets	0	236
Receivables booked under current assets due from parent companies	0	0
Receivables booked under current assets due from companies subject to control by parent companies	22,489	0
Tax receivables booked under current assets	0	0
Total receivables booked under current assets	22,489	236

Receivables - operations with repurchase agreements

It should be noted that there are no receivables booked under current assets deriving from operations with repurchase agreements, in accordance with Art. 2427, paragraph 1 number 6-ter of the Italian Civil Code.

Liquid funds

Receivables booked under current assets were equal to € 3,294,685 (€ 456,498 in the previous year).

The composition and movements of the individual items were as follows:

	Value at year start	Changes during the year	Value at year end
Bank and postal deposits	456,498	2,838,123	3,294,621
Cash and cash equivalents	0	64	64
Total Liquid funds	456,498	2,838,187	3,294,685

Accrued income and deferred charges

Accrued income and deferred charges were equal to € 37,738 (€ 61,414 in the previous year).

The composition and movements of the individual items were as follows:

	Value at year start	Changes during the year	Value at year end
Deferred charges	61,414	(23,676)	37,738
Total accrued income and deferred charges	61,414	-23,676	37,738

Composition of accrued income

There was no accrued income as of 31/12/2021.

Composition of accrued income:

The changes derive from ordinary management activities. Deferred charges are mainly related to purchases of services whose use will take place after the end of the year.

Capitalized financial charges

There were no financial charges in the financial year booked under balance sheet assets, pursuant to art. 2427, paragraph 1 number 8 of the Italian Civil Code.

Revaluation of intangible and tangible fixed assets

In accordance with Article 10 of Law 72/1983, it should be noted that no monetary and economic revaluations have been carried out.

INFORMATION ON THE BALANCE SHEET

LIABILITIES AND SHAREHOLDERS' EQUITY

The shareholders' equity existing at the end of the year was equal to € 3,349,892 (€ 3,493,012 in the previous year).

The following tables report the changes during the year of the individual items that constitute shareholders' equity as well as details of the item 'Other reserves':

	Value at year start	Assignment of dividends	Other allocations	Increases
Share capital	598,123	0	0	119,703
Share premium reserve	5,132,278	0	0	1,120,383
Legal reserve	100,000	0	0	0
Other reserves				
Misc. other reserves	869,684	0	0	0
Total other reserves	869,684	0	0	0
Profit (loss) carried forward	(1,213,899)	0	(1,993,174)	0
Profit (loss) of the year	(1,993,174)	0	1,993,174	0
Total shareholders' equity	3,493,012	0	0	1,240,086

	Decreases	Reclassifications	Result of the year	Value at year end
Share capital	0	0		717,826
Share premium reserve	0	0		6,252,661
Legal reserve	0	0		100,000
Other reserves				
Misc. other reserves	0	0		869,684
Total other reserves	0	0		869,684
Profit (loss) carried forward	0	0		(3,207,073)
Profit (loss) of the year	0	0	(1,383,206)	(1,383,206)
Total shareholders' equity	0	0	(1,383,206)	3,349,892

The share capital is entirely composed of ordinary shares with no nominal value.

The value of the Other reserves is entirely composed of the contribution reserve recognized in 2017.

It should be noted that - 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 up, was equal to a total of Euro 1,196,245 in addition to Euro 42,895 relating to the sale of the un-exercised capital, thereby reaching a total of Euro 1,239,140, of which Euro 119,624 relative to the share capital increase and Euro 1,119,516 relative to the share premium reserve.

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 / Alternative Capital Market, 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.

During the months of September, November and December 2021, and following the exercise of the aforementioned Warrants, the share capital further increased until it reached a total increase in 2021 of Euro 119,703 along with an increase in the share premium reserve equal to Euro 1,120,384. The share capital at the end of the year was equal to Euro 717,826 and the share premium reserve was equal to Euro 6,252,661.

For the purposes of better comprehension of the changes in shareholders' equity, the movements of the previous year of the items of shareholders' equity are highlighted below:

	Value at year start	Assignment of dividends	Other allocations	Increases
Share capital	598,123	0	0	0
Share premium reserve	5,132,278	0	0	0
Legal reserve	100,000	0	0	0
Other reserves				
Misc. other reserves	869,683	0	0	1
Total other reserves	869,683	0	0	1
Profit (loss) carried forward	51,311	0	(1,265,210)	0
Profit (loss) of the year	(1,265,210)	0	1,265,210	0
Total shareholders' equity	5,486,185	0	0	1

	Decreases	Reclassifications	Result of the year	Value at year end
Share capital	0	0		598,123
Share premium reserve	0	0		5,132,278
Legal reserve	0	0		100,000
Other reserves				
Misc. other reserves	0	0		869,684
Total other reserves	0	0		869,684
Profit (loss) carried forward	0	0		(1,213,899)
Profit (loss) of the year	0	0	(1,993,174)	(1,993,174)
Total shareholders' equity	0	0	(1,993,174)	3,493,012

Availability and use of shareholders' equity items

The information required by Article 2427, paragraph 1 number 7-bis of the Italian Civil Code - relating to specification of items of shareholders' equity with reference to their origin, possibility of use and distributability, as well as their use in the previous years - can be deduced from the tables below:

	Amount	Origin/nature	Possibility of use	Available quota	Summary of uses in the previous three years - for coverage of losses	Summary of uses in the previous three years - for other reasons
Share capital	717,826	Share capital		0	0	0
Share premium reserve	6,252,661	Share capital	A - B - C	6,252,661	0	0
Legal reserve	100,000	Profit	A - B	100,000	0	630,318
Other reserves						
Misc. other reserves	869,684	Share capital - net income	A - B - C	869,684	0	0
Total other reserves	869,684			869,684	0	0
Profit carried forward	(3,207,073)			0	0	0
Total	4,733,098			7,222,345	0	630,318
Non-distributable quota				5,396,403		
Residual distributable quota				1,825,942		

Legend:

A: for share capital increase

B: to cover losses

C: for distribution to shareholders

D: for other statutory restrictions

E: other

Provisions for risks and charges

Provisions for risks and charges are booked under liabilities for a total of € 78,442 (€ 64,660 in the previous year).

The composition and movements of the individual items were as follows:

	Provision for pensions and similar obligations	Provisions for taxes, including deferred taxes	Financial derivative liabilities	Other provisions	Total provisions for risks and charges
Value at year start	0	0	0	64,660	64,660
Changes during the year					
Changes during the year	0	0	0	78,442	78,442
Utilization during the year	0	0	0	64,660	64,660
Total changes	0	0	0	13,782	13,782
Value at year end	0	0	0	78,442	78,442

Provisions for risks and charges are booked at a value suitable for coverage as well as for the company's share of risk related to the tracking of lost baggage.

Termination indemnities

Employee termination indemnities are booked under liabilities for a total of € 56,499 (€ 32,723 in the previous year).

The composition and movements of the individual items were as follows:

	Employee termination indemnities
Value at year start	32,723
Changes during the year	
Changes during the year	27,703
Utilization during the year	3,927
Total changes	23,776
Value at year end	56,499

Payables

Payables are booked under liabilities for a total of € 2,448,193 (€ 552,686 in the previous year). The composition of the individual items was as follows:

	Value at year start	Changes during the year	Value at year end
Payables due to banks	0	1,974,500	1,974,500
Payables due to suppliers	388,822	(123,468)	265,354
Payables due to parent companies	3,374	9,625	12,999
Total payables due to companies subject to the control of the parent companies	65,052	3,802	68,854
Tax payables	14,516	4,124	18,640
Payables due to social security institutions	21,394	11,003	32,397
Other payables	59,528	15,921	75,449
Total	552,686	1,895,507	2,448,193

Payables- Subdivision by expiration date

Data relative to the breakdown of payables by expiration data is reported below, in accordance with Art. 2427, paragraph 1 number 6 of the Italian Civil Code:

	Value at year start	Changes during the year	Value at year end	Quota expiring within the year	Quota expiring after the year	With a residual duration of more than five years
Payables due to banks	0	1,974,500	1,974,500	15,750	1,958,750	0
Payables due to suppliers	388,822	(123,468)	265,354	265,354	0	0
Payables due to parent companies	3,374	9,625	12,999	12,999	0	0
Total payables due to companies subject to the control of the parent companies	65,052	3,802	68,854	68,854	0	0
Tax payables	14,516	4,124	18,640	18,640	0	0
Payables due to social security institutions	21,394	11,003	32,397	32,397	0	0



Other payables	59,528	15,921	75,449	75,449	0	0
Total payables	552,686	1,895,507	2,448,193	489,443	1,958,750	0

Payables - Breakdown by geographical area

Data relative to the breakdown of payables by geographical area is reported below, in accordance with Art. 2427, paragraph 1 number 6 of the Italian Civil Code:

Geographical area	Total			
		Italy	EU	Non-EU
Payables due to banks	1,974,500	1,974,500	0	0
Payables due to suppliers	265,354	212,774	1,113	51,467
Payables due to parent companies	12,999	12,999	0	0
Total payables due to companies subject to the control of the parent companies	68,854	68,854	0	0
Tax payables	18,640	18,640	0	0
Payables due to social security institutions	32,397	32,397	0	0
Other payables	75,449	75,449	0	0
Payables	2,448,193	2,395,613	1,113	51,467

Payables secured by collateral on corporate assets

It should be noted that there is no collateral security on company assets, pursuant to art. 2427, paragraph 1 number 6 of the Italian Civil Code.

Payables- operations with repurchase agreements

There are no payables deriving from operations with repurchase agreements, in accordance with Art. 2427, paragraph 1 number 6-ter of the Italian Civil Code.

Shareholding financing

Pursuant to Art. 2427, paragraph 1, number 19-bis of the Italian Civil Code, it should be noted that there is no financing provided by the shareholders of the company.

Accrued liabilities and deferred income

Accrued liabilities and deferred income are booked under liabilities for a total of € 73,726 (€ 209,356 in the previous year).

The composition and movements of the individual items were as follows:

	Value at year start	Changes during the year	Value at year end
Accrued liabilities	5,457	(1,291)	4,166
Deferred income	203,899	(134,339)	69,560
Total accrued liabilities and deferred income	209,356	(135,630)	73,726

Deferred income includes the residual quotas of tax receivables relative to research and development expenses. These deferrals were accounted for in compliance with the accrual principle in order to correlate the economic effect of the revenues with the relative costs (amortization of start-up and expansion costs and development costs).

INFORMATION ON INCOME STATEMENT

Total revenues:

Revenues from sales and services Breakdown by category of activity

In compliance with the provisions of Art. 2427, paragraph 1, number 10 of the Italian Civil Code, the following table reports the breakdown of revenues by category of activity:

	Category of activity	Value of current year
	Revenues for services	642,821
Total		642,821

Revenues from sales and services - Breakdown by geographical area

In compliance with the provisions of Art. 2427, paragraph 1, number 10 of the Italian Civil Code, the following table reports the breakdown of revenues by geographical area:

	Geographical area	Value of current year
	Italy	146,315
	EUROPE	417,958
	Asia	1,786
	AMERICA	76,762
Total		642,821

Other revenues and proceeds

Other revenues and proceeds are booked under total revenues within the income statement for a total of € 667,930 (€ 282,033 in the previous year).

The composition of the individual items was as follows:

	Value of previous year	Change	Value of current year
Contributions for operating expenses	249,555	358,644	608,199
other			
Other revenues and proceeds	32,478	27,253	59,731
Total other	32,478	27,253	59,731
Total other revenues and proceeds	282,033	385,897	667,930

Other revenues and income include the following:

- Euro 92,778 of tax credit for listing costs proportional to the amortization rates calculated during the year on the same subsidized expenses;
- Euro 15,111 of contingent assets;
- Euro 44,615 of a Super ACE facilitation converted into a tax credit;
- Euro 41,561 of tax credit for R&D costs proportional to the amortization rates calculated during the year on the same subsidized expenses;
- Euro 18,550 of non-repayable grants as per Art. 1 of Legislative Decree 41/2021;
- Euro 18,550 of non-repayable grant, the so-called "Automatic" grant pursuant to Art. 1, paragraphs 1-4 of Legislative Decree 73/2021;
- Euro 53,760 of non-repayable grant, the so-called "equalization" grant pursuant to Art. 1, paragraphs 16-27 of Legislative Decree 73/2021.
- Euro 383,000 of non-repayable grants, the so-called capitalization loan pursuant to Art. 1, letter d) of Legislative Decree 18/2020;

Cost of production:

Service costs

Expenses for services are booked under the cost of production within the income statement for a total of € 1,055,536 (€ 1,109,815 in the previous year).

The composition of the individual items was as follows:

	Value of previous year	Change	Value of current year
Transportation	5,496	(5,488)	8
Maintenance and repairs	339	697	1,036
Technical services and consulting	17,087	(1,196)	15,891
Compensation to directors	143,685	(37,146)	106,539
Compensation to auditors	49,055	(4,504)	44,551
Advertising	15,869	(13,630)	2,239
Legal expenses and consulting	40,872	47,896	88,768
Fiscal, administrative and commercial consulting	351,814	36,314	388,128
Telephone expenses	24,556	(17,951)	6,605
Services from financial companies and banks of non-financial nature	5,611	3,635	9,246
Insurance	21,822	(12,148)	9,674
Entertainment expenses	983	(937)	46
Travel expenses	1,399	(1,331)	68
Updating, education and training expenses	720	(183)	537
other	430,507	(48,307)	382,200
Total	1,109,815	(54,279)	1,055,536

Costs for use of third party assets

Costs for the use of third party assets are booked under the cost of production within the income statement for a total of € 53,996 (€ 121,548 in the previous year).

The composition of the individual items was as follows:

	Value of previous year	Change	Value of current year
Rents and leases	50,077	(35,646)	14,431
other	71,471	(31,906)	39,565
Total	121,548	(67,552)	53,996

Other operating charges

Other operating charges are booked under the cost of production within the income statement for a total of € 169,737 (€ 122,852 in the previous year).

The composition of the individual items was as follows:

	Value of previous year	Change	Value of current year
Losses on receivables	25,499	(25,499)	0
Subscriptions to magazines, newspapers...	5,238	(582)	4,656
Contingencies and non-existent liabilities	26,423	(26,423)	0
Other operating charges	65,692	99,389	165,081
Total	122,852	46,885	169,737

It should be noted that other operating costs include Euro 103,834 relative to financial commissions for the transfer of the VAT receivable.

Financial proceeds and charges

Exchange rate gains and losses

Reported below is information concerning the subdivision of exchange rate gains and losses deriving from the year-end valuation with respect to those which were effectively realized:

	Currency portion	Effective portion	Total
Exchange rate gains	9,682	125	9,807
Exchange rate losses	181	1,011	1,192

REVENUES OF EXCEPTIONAL AMOUNT OR INCIDENCE

In compliance with the provisions of Art. 2427, paragraph 1 number 13 of the Italian Civil Code, there were no revenues of exceptional magnitude or incidence during the course of 2021.

COSTS OF EXCEPTIONAL AMOUNT OR INCIDENCE

In compliance with the provisions of Art. 2427, paragraph 1 number 13 of the Italian Civil Code, there were no costs of exceptional magnitude or incidence during the course of 2021.

INCOME TAXES OF THE YEAR: CURRENT, DEFERRED AND PREPAID

As of 31/12/2021 there was no taxable income for IRES or IRAP purposes. Deferred taxes calculated in relation to tax losses (totaling 5,146 thousand Euro) and other timing differences generated deferred tax assets equal to 1,407 thousand Euro. Prudentially, no deferred tax assets were recorded in the absence of the assumption of a reasonable certainty of future taxable income.

OTHER INFORMATION

Employment data

Reported below is information concerning the personnel, pursuant to Art. 2427, paragraph 1 number 15 of the Italian Civil Code:

	Average number
Mid-level managers	1
Office employees	10
Total employees	11

Compensation to auditing bodies

Reported below is information concerning the directors and auditors, pursuant to Art. 2427, paragraph 1 number 16 of the Italian Civil Code:

	Directors	Auditors
Remuneration	97,733	22,000

Compensation to the regulatory auditor or auditing company

The following information is provided on the compensation paid to the regulatory auditor or the auditing company, in accordance with Art. 2427, paragraph 1 number 16-bis of the Italian Civil Code.

	Value
Regulatory audit	17,000
Other implemented auditing activities	3,500
Total compensation paid to the regulatory auditor or the auditing company	20,500

Categories of shares issued by the company

The information required by Article 2427, paragraph 1 number 17 of the Italian Civil Code in relation to data on the shares that constitute the share capital of the company - as well the number and nominal value of the shares underwritten during the year - can be deduced from the following table:

	Description	Initial amount, number	Initial amount, nominal value	Shares underwritten during the year, number	Shares underwritten during the year, nominal value	Final amount, number	Final amount, nominal value
	Ordinary shares	5,981,225	598,123	1,197,033	119,703	7,178,258	717,826
Total		5,981,225	598,123	1,197,033	119,703	7,178,258	717,826

In relation to the provisions of Art. 2427, paragraph 1, number 18 of the Italian Civil Code, it should be noted that the company has not issued dividend-right shares or bonds convertible into shares, except for issued Warrants, as already mentioned in the paragraph "Changes in shareholders' equity".

Commitments, guarantees and contingent liabilities not resulting from the balance sheet

In compliance with the provisions of Art. 2427, paragraph 1 number 9 of the Italian Civil Code, there were no guarantees and potential liabilities not resulting from the balance sheet.

Information on assets and financing allocated to a specific transaction

There were no assets allocated for specific transactions, in accordance with Article 2447 bis of the Italian Civil Code, nor financing for a specific transaction, pursuant to Art. 2447 decies of the Italian Civil Code.

Operations with related parties

Pursuant to Art. 2427, paragraph 1, number 22-bis of the Italian Civil Code, it should be noted that there were no transactions implemented with related parties of a significant nature and which were not implemented at normal market conditions.

The main transactions completed with related parties are as follows:

- **RG HOLDING:** as of 31 December 21 there was a payable to the related party of Euro 4,116 relative to the balance due for electrical bills in 2019/2020; a payable of Euro 2,883 for insurance; a payable of Euro 6,000 for Board remuneration; and also a receivable of Euro 527 relative to the registration and deregistration of the 2020/2021 rental contract;
- **TraWellco Group:** transactions with the companies of the TraWellco Group are based on commercial agreements concerning the supply of the related services: (i) the tracking of baggage of customers of TraWell Co. Group companies that have purchased the Lost Baggage Concierge Service in cases of loss and /or failure to deliver this baggage; (ii) call center assistance offered to customers of TraWell Co Group companies during the collection of reports of loss, theft and/or damages to the baggage.
- **Rudolph Gentile, shareholder:** a debt of € 2,506 for various expenses is due to him.
- In addition, transactions were implemented with other parties such as:
- **SHS S.r.l.** for Investor Relator consultancy activities, totaling 40,000 Euro per year and including outstanding debts for 12,200 Euro.

Agreements not reported in the balance sheet

There were no agreements not resulting from the balance sheet, in accordance with Article 2427, paragraph 1 number 22-ter of the Italian Civil Code.

Significant events occurring after the close of the financial year

Information concerning the nature as well as the financial and economic effect of significant events occurring after the close of the financial year is reported in the Report on Operations.

Name and registered office of the companies that draft the consolidated financial statements of the largest / smallest group of companies of belonging

The following table reports the information required by Article 2427, paragraph 1 number 22 quinquies and 22 sexies of the Italian Civil Code:

Largest set	
Company name	RG Holding Srl
City (if in Italy) or foreign country	Rome
Tax code (for Italian companies)	04158211005
Registration location of the consolidated financial statements	Viale della Piramide Cestia 1/C, Rome

Derivative financial instruments

The company is not a party to derivative financial instruments, in accordance with Art. 2427 bis, paragraph 1, point 1 of the Italian Civil Code.

Information on companies or entities that exercise management and coordination activities - Art. 2497 bis of the Italian Civil Code

The company is not subject to management or coordination by companies or entities.

Information pursuant to Art. 1, paragraph 125, of law No. 124 of 4 August 2017.

With reference to Art. 1 paragraph 125 of Law 124/2017, the grants (contributions, paid assignments, economic benefits) received from public administrations are summarized below:

- 44,615 Euro of Super ACE facilitation converted into a tax credit;
- Euro 18,550 of non-repayable grants as per Art. 1 of Legislative Decree 41/2021;
- Euro 18,550 of non-repayable grant, the so-called "Automatic" grant pursuant to Art. 1, paragraphs 1-4 of Legislative Decree 73/2021;
- Euro 53,760 of non-repayable grant, the so-called "equalization" grant pursuant to Article 1, paragraphs 16-27 of Legislative Decree 73/2021;
- Euro 383,000 of non-repayable grants, the so-called capitalization loan pursuant to Art. 1, letter d) of Legislative Decree 18/2020;

Allocation of the result of the year

Pursuant to Art. 2427, paragraph 1, number 22-septies of the Italian Civil Code, it is hereby proposed to carry forward the loss accrued in 2021, equal to Euro -1,383,206, to the new financial year.

For the Administrative Body

RUDOLPH GENTILE



Declaration of compliance

The undersigned Rudolph Gentile - as DIRECTOR, aware of the criminal liability envisaged in the event of a false declaration - hereby certifies, pursuant to Art. 47 of Italian Presidential Decree 445/2000, the correspondence of the IT document in XBRL format containing the balance sheet, the income statement and the explanatory notes to those kept in the company's records.

SosTravel.com S.p.A.

This report has been translated into English from the original, which was prepared in Italian and represents the only authentic copy, solely for the convenience of international readers.

**Statutory Financial Statements as at December 31, 2021
Independent Audit's Report in accordance with
art. 14 and art. 19-bis of D. Lgs. January, 27 2010, no. 39**

**Independent Audit's Report in accordance with art. 14 and art. 19-bis of D. Lgs.
January, 27 2010, no. 39
(Translation from the original Italian text)**

To the Shareholders of
SosTravel.com S.p.A.

Report on the statutory financial statements

Opinion

We have audited the financial statements of SosTravel.com (the Company), which comprise the balance sheet statement as at December 31, 2021, the income statement, the cash flow statement for the year then ended, and the explanatory notes, including a summary of significant accounting policies applied.

In our opinion, the statutory financial statements, give a true and fair view of the financial position of the Company as at December 31, 2021, and of its financial performance and cash flows for the year then ended in accordance with the Italian laws and regulations that govern their preparation.

Basis for Unqualified Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the statutory Financial Statements section of our report. We are independent from the Company, in accordance with the rules and principles of ethics and independence applicable in Italian law to the auditing of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

Emphasis of Matter

Without changing our opinion, attention is drawn to what is reported by the Administrators in the annual report under the heading "Business outlook and continuity", referred to, which describes, inter alia, the considerations of the Directors regarding the on the economic, capital and financial situation and their conclusions on the appropriateness of the business continuity.

Responsibilities of the Directors and the board of statutory auditors for the financial statements

The Directors are responsible for the preparation of these Statutory financial statements that give a true and fair view in accordance with the Italian laws and regulations that govern their preparation and, as provided by the law, for such internal control as they determines is necessary to enable the preparation of financial statements that are free from material misstatements due to fraud or unintentional acts or events.

The Directors are responsible for assessing the capacity of the Company to continue operating as a going concern entity and, in preparing the statutory financial statements, for the appropriateness of using the going concern basis of accounting, and for the adequate disclosure in this regard. The Directors use the going concern basis of accounting in preparing the Statutory financial statements unless they either intend to liquidate the Company or to cease operations or have no realistic alternatives but to do so.

Auditor's Responsibilities for the Audit of the Statutory Financial Statements

Our objectives are to obtain reasonable assurance about whether the statutory financial statements as a whole are free from material misstatements, due to fraud or unintentional acts or events, and to issue an audit Company's report that includes our opinion. Reasonable assurance is a high-level assurance, but is not a guarantee that an audit conducted in accordance with the International Standards on Auditing (ISA Italy) will always detect a material misstatement, when it exists. Misstatement can arise from fraud or unintentional acts or events and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions taken by the users on the basis of these statutory financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italy), we exercise professional judgment and maintain professional skepticism throughout the entire audit process. We also:

- Identify and assess the risks of material misstatement of the statutory financial statements, whether due to fraud or unintentional acts or events. Design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from unintentional acts or events, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of the internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances and but not for the purpose of expressing an opinion on the effectiveness of Company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the directors;
- Reach a conclusion on appropriateness of the going concern basis of accounting used by Directors and, based on the obtained evidence, on the possible existence of significant uncertainty concerning events or circumstances that may arise significant doubts over the capacity of the Company to continue operating as a going concern entity. In case of a significant uncertainty, we have to call the reader's attention in the audit's report to the related information in the financial statements or, if that information is inadequate, to consider this circumstance in expressing our opinion. Our conclusions are based on the audit evidence obtained up to the date of this audit report. Nevertheless, subsequent events or circumstances may cause the Company to cease operations as a going concern entity;
- Evaluate the overall presentation, structure and content of the financial statements as a whole and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the statutory financial statements. We are responsible for the direction, supervision and performance of the Company audit. We remain solely responsible for our audit opinion.

We have communicated with the persons in charge of governance activities that have been identified at an appropriate level in accordance with the requirements of the ISA Italy, among other matters, regarding the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other provisions of law and regulations

Judgment pursuant to art. 14, paragraph 2, letter e), of Legislative Decree 39/10

The Directors of SosTravel.com S.p.A. are responsible for the preparation of the report on the management of SosTravel.com as of 31 December 2021, including its consistency with the related statutory financial statements and its compliance with the law.

We have carried out the procedures indicated in the audit standard SA Italia n. 720B in order to express an opinion on the consistency of the management report with the statutory financial statements of SosTravel.com as at December 31, 2021 and on compliance with the law, as well as to make a declaration on any significant errors.

In our opinion, the management report is consistent with the financial statements of SosTravel.com as of 31 December 2021 and drafted in compliance with the law.

With reference to the declaration pursuant to art. 14, co. 2, letter e) of Legislative Decree 39/10, issued on the basis of the knowledge and understanding of the Company and the relative context acquired during the audit, we have nothing to report.

Milano, April 11th 2022

Audirevi S.p.A.

Signed by: Gian Mauro Calligari
Partner

This report has been translated into the English language from the original, which was issued in Italian, solely for the convenience of international readers.
