

PRESS RELEASE

H1 REPORT APPROVED AS OF JUNE 30, 2023

STRONG GROWTH OF REVENUES, PROFIT MARGINS, AND CUSTOMERS

Gallarate, September 28, 2023. SosTravel.com S.p.A. (Euronext Growth Milan, ticker: SOS and OTCQB New York, ticker: SOSAF) is a digital operator offering booking services, digital itineraries including flight and airport information, car rental, experiences, and proprietary services such as Lost Luggage Concierge through the Sostravel and Flio apps, as well as through the platforms www.sostravel.com and www.amareitalia.com, (“**SosTravel**” or “**the company**”), announces that the Board of Directors, which met today, has approved the semi-annual report as of June 30, 2023. This report was voluntarily submitted for a limited audit by the auditing firm Audirevi S.p.A.

- Sales revenues amounting to €5.5M, +20% compared to 30/06/22 pro-forma of €4.6M.
- EBITDA amounting to €306K, an increase of €388K compared to 30/06/22 pro-forma of -€82K.
- EBIT amounting to €13K, a marked improvement, up by €358K, compared to 30/06/22 pro-forma of -€345K.
- NET LOSS amounting to approximately -€3K, an improvement of €432K compared to 30/06/22 pro-forma of -€428K.
- Adjusted net financial position (cash) positive at €761K, improved from December 31, 2022, which was €29K, mainly due to the increase in EBITDA in the first half of 2023.
- The Gross Booking Value (*) as of August 31, 2023, is €18.1M. At the same date in 2022, the Gross Booking Value was €14.3M, showing an increase of €3.8M or 26.7%.

The pro-forma data for the period ending 30 June 2022 is voluntarily disclosed solely for comparative purposes to express the historical performance of the Company, considering the merger operation. () Non-accounting equivalent value of bookings received.*

Carmine Colella, CEO of SosTravel.com S.p.A., declares: *"We are pleased to present to the shareholders of Sostravel.com excellent financial results, the outcome of strong commercial action and prudent resource management."*

Rudolph Gentile, Chairman of the Board of Directors, adds: *"The management is focused on executing the industrial plan, which has already delivered excellent results, as evident from this semi-annual report. We expect that the actions taken will further highlight the value of the company, aiding the growth process through external lines."*

The financial results as of 30 June 2023 will be discussed during the video conference with analysts and investors on 3 October at 3:00 PM. Participation can be requested by writing to the email address investor.relations@sostravel.com

In addition to the financial and economic data presented, the growth of the customer database and the downloads of the two apps (Flio and sostravel) are also significant:

- Customer database as of 30 June 2023: 1,224,686
- Profiled customers in the first half of 2023: 39,006 (+39% compared to 30/06/22)
- App downloads in the first half of 2023: 76,002 (+28% compared to 30/06/22)
- Total app downloads: 2,444,873 (+7% compared to 30/06/22)

Main financial and managerial results as of 30 June 2023

The Company's sales revenues as of 30 June 2023 amount to **€5.5M (+20% compared to 30/06/22** pro-forma of €4.6M), thanks to the ongoing recovery in tourism, both domestic and international, combined with the initiatives of the new management that supported the growth already present in the 2022 financial statement with revenues also increasing in the first half of 2023, in line with forecasts.

The geographical breakdown of booking services sales shows the following geographic diversification: Italy 84.2%, rest of EU 5.8%, outside of EU 10%.

The geographical breakdown of the Lost Luggage Concierge service sales sees excellent geographic diversification with Italy accounting for 40% of sales, the rest of Europe 43%, and America 17%.

EBITDA reached €306K, +472% compared to the same pro-forma period in 2022 which was -€82K and **in line with the guidance provided by the management in the press release of 6 June of the current year** ([Sostravel.com: improvement of 2023 forecasts](https://www.sostravel.com)) primarily due to the increased revenues obtained after the merger and the increased capacity introduced into the private label networks of the Amareitalia and Amarekenya groups.

The EBIT, amounting to €13K, is stabilized compared to previous periods, thanks to the same considerations valid for the EBITDA.

The net loss of -€3.6K is **significantly contained compared to the figure of 30 June 2022 pro-forma, which was -€428K**, mainly because of increased revenues.

Sostravel.com's net financial debt (PFN) adjusted is positive (Cash) and amounts to €761K, an improvement compared to the figure of 31 December 2022, which was €29K, mainly due to the increase in EBITDA in the first half of 2023. The adjustment pertains to the inclusion of the loan to Trawell Co. communicated to the market on 11 November 2022, amounting to €700K, and to the security deposits amounting to €240K ([Sostravel.com: supports Trawell in the launch of mutual services at Milan Malpensa and Linate airports](#)).

Business Plan 2023-2027

Following what was stated in the press release of 6 June of the current year, it is noted that there are, at present, no changes or updates to the Company's business plan compared to what has already been communicated to the market:

KPIs €	2023E	2024E	2025E	2026E	2027E
Revenues	19,5M	20,9M	25M	29M	32,5M
Growth YoY %	13,6%	7,6%	19,4%	15,7%	12,0%
EBITDA	1M	1,29M	2,17M	3,15M	3,83M
EBITDA margin %	5,1%	6,2%	8,7%	10,9%	11,8%
PFN (Cash)	(755K)	(1,57M)	(2,61M)	(4,50M)	(4,89M)

Main events of the first half of 2023

The management has completely revisited the distribution strategy of its services. The company has embarked on a multi-channel distribution and internationalization path to leverage not only the Apps and portals **translated into 27 languages** that are supporting growth, but also the contribution of new channels with significant collaborations and partners. In this context, the company has made a pact with the Italian distribution network by providing a digital portal built for them for the marketing of Travel services. The symbolic pact was signed during the first Travel Agent Experience, which took place in Budoni, Sardinia, from May 5th to 8th, and saw the participation of 84 travel agents who **drafted a 22-point document on the needs of the distribution network in the field of digital travel for the near future**. Sales have started through new OTAs, global bed-banks, and international Tour Operators.

02/02/2023 - The objectives of the 2023-2027 plan are announced, with reference to revenue, EBITDA, and PFN.

13/03/2023 - The company undertakes the necessary formal steps to initiate a plan for **a share buyback**.

04/04/2023 - The Jumbo resort structure, of which Sostravel.com has exclusive global marketing rights for 3 years, **has been contracted by the largest Italian tourism player under the brand Edenviaggi/Gruppo Alpitour**. They have decided to distribute half of the rooms of the structure for 2023 starting from February 2023.

23/05/2023 - A meeting with analysts and investors is scheduled for October 3, following the presentation of the results of the semi-annual report as of June 30, 2023. It's also announced that **the Chairman and the CEO have been granted functional powers to support the company's growth, including through M&A**.

05/06/2023 - During the monitoring of management performance, the board of directors reviewed the forecasts for the current year and deemed it appropriate **to improve the estimates related to revenues and EBITDA for 2023**.

13/06/2023 - The company has embarked on a sustainability journey, and the Competition Authority has **awarded 2 stars for financial legality**.

About Sostravel.com

Sostravel.com S.p.A. è una società servizi digitali ai viaggiatori, che opera attraverso le app [sostravel](#) e [flio](#), e le piattaforme web [www.sostravel.com](#) e [www.amareitalia.com](#)

La società sviluppa soluzioni digitali per viaggiatori, come il Lost Luggage Concierge per il rintracciamento e protezione dei bagagli, e Dr. Travel, la soluzione di telemedicina per viaggiatori.

Oltre 1 milione di viaggiatori nel mondo hanno usato [Sostravel.com](#) come compagno di viaggio, per trovare offerte e ricevere informazioni per migliorare la qualità dei loro viaggi.

[Sostravel.com](#) offre agli investitori un'esposizione unica a due settori con alta crescita: viaggi vacanze e servizi digitali ai passeggeri.

The company is listed on the Euronext Growth Milan with symbol [BIT:SOS](#), and on the OTCQB in New York, with the symbol [SOSAF](#).

For further information

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Accounts June, 30, 2023

Income Statement

Values in euros	30-giu-23	Pro- forma 30- giu-2022
Revenues	5.491.987	4.561.558
Changes for internal works	0	
Other revenues	111.482	96.086
Total Revenues	5.603.469	4.657.643
Costs for raw materials	-4.900	-3.390
Costs for services	-	-
	4.761.813	4.256.321
Costs for the use of third-party assets	-77.464	-33.841
Personnel costs	-388.482	-431.573
Changes in inventories	0	0
Other costs	-64.400	-14.759
EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization)	306.410	-82.240
Amortization	-244.965	-251.075
Write-downs	0	0
Provisions	-48.478	-12.011
EBIT (Earnings Before Interest and Taxes)	12.967	-345.325
Financial income and expenses (net)	-40.580	-24.063
Revaluation/Write-downs of financial assets	0	0
Profit (loss) before taxes	-27.613	-369.388
Taxes	24.050	-59.094
Net result (or Net income)	-3.563	-428.482

Balance Sheet

Values in euros	30-giu-23	31-dic-22
Intangible assets	1.081.062	1.306.149
Tangible assets	945.511	870.885
Financial assets	240.050	230.000
(A) Net fixed capital	2.266.623	2.407.034
Inventories	0	0
Trade receivables	2.090.041	827.714
Other assets	3.338.613	2.125.599
Trade payables	-3.668.622	-770.415
Other liabilities	-428.068	-268.633
(B) Operating working capital	1.331.964	1.914.265
(C) Total funds	-96.137	-94.157
(D) = (A) + (B) + (C) Net invested capital	3.502.450	4.227.142
Liquid assets	2.781.316	2.134.957
Financial liabilities	-2.960.460	-3.035.750
(E) Net financial debts/credits	-179.144	-900.793
(F) Net equity	3.323.306	3.326.349
(G) = (F) - (E) Sources (or Funding)	3.502.450	4.227.142

Cashflow Statement

Values in euros	30-giu-23	31-dic-22
A Cash	64	32
B Other liquid assets	2.781.252	2.134.925
C Other current financial assets	0	0
D Liquidity (A+B+C)	2.781.316	2.134.957
E Current financial liabilities	0	0
F Current portion of non-current debt	560.425	324.206
G Current financial debt (E+F)	560.425	324.206
H Net current financial debt (G-D)	-2.220.891	-1.810.751
I Non-current financial liabilities	2.400.035	2.711.544
J Debt instruments	0	0
K Other non-current liabilities	0	0
L Non-current financial debt (I+J+K)	2.400.035	2.711.544
M Net financial debt (H+L)	179.144	900.793
N Adjustment for security deposits	240.050	230.000
O Adjustment for active financing to Trawell Co	700.000	700.000
P Adjusted net financial position (M-N-O)	-760.906	-29.207

Cashflow Statement

A. Cash flows from operating activities (indirect method)	30/06/2023
Net profit (loss) for the year	-3.563
Income taxes	-24.050
Interest expense/(income)	40.443
(Dividends)	0
(Capital gains)/Losses from the sale of assets	0
1. Profit / (loss) for the year before income taxes, interest, dividends, and gains/losses from disposals	12.830
Adjustments for non-cash items that have not been offset in the net working capital	
Provisions for liabilities and charges	79.615
Depreciation of fixed assets	244.965
Write-downs for permanent losses in value	0
Value adjustments of financial assets and liabilities of derivative financial instruments that do not involve cash flows	0
Other increasing/(decreasing) adjustments for non-cash items	137
Total adjustments for non-cash items that have not been offset in the net working capital	324.717
2. Cash flow before changes in net working capital	337.547
Changes in net working capital	
Decrease/(Increase) in inventories	0
Decrease/(Increase) in trade receivables	-1.262.327
Increase/(Decrease) in trade payables	929.104
Decrease/(Increase) in accrued income and prepaid expenses	-1.210.802
Increase/(Decrease) in accrued expenses and deferred income	31.047
Other decreases / (Other increases) in net working capital	2.095.279
Total changes in net working capital	582.301
3. Cash flow after changes in net working capital	919.848
Other adjustments	
Interest received/(paid)	-40.443
(Income taxes paid)	0
Dividends received	0
(Use of funds)	-77.635
Other receipts/(payments)	0

Total other adjustments	-118.078
Cash flow from operating activities (A)	801.770
B. Cash flows from investing activities	
Tangible fixed assets	
(Investments)	-94.501
Disposals	0
Intangible fixed assets	
(Investments)	0
Disposals	0
Financial fixed assets	
(Investments)	-10.050
Disposals	0
Non-fixed financial assets	
(Investments)	0
Disposals	0
(Purchase of business branches net of cash equivalents)	0
Sale of business branches net of cash equivalents	0
Cash flow from investing activities (B)	-104.551
C. Cash flows from financing activities	
External funds	
Increase/(Decrease) in short-term bank debts	
Obtaining financing	0
(Repayment of financing)	-75.290
Own funds	
Paid capital increase	0
(Capital reimbursement)	0
Sale (Purchase) of own shares	0
(Dividends and interim dividends paid)	0
Cash flow from financing activities (C)	-75.290
Increase (decrease) in liquid assets (A ± B ± C)	621.929
Effect of exchange rate changes on cash and cash equivalents	
Cash and cash equivalents at the beginning of the year	
Bank and postal deposits	2.134.925
Checks	0
Cash and cash values on hand	32
Total cash and cash equivalents at the beginning of the year	2.134.957
Of which not freely available	

Cash and cash equivalents at the end of the year	
Bank and postal deposits	2.781.252
Checks	0
Cash and cash values on hand	64
Total cash and cash equivalents at the end of the year	2.781.316
Of which not freely available	