



# Annual Report

Financial statements as of 31 December 2023



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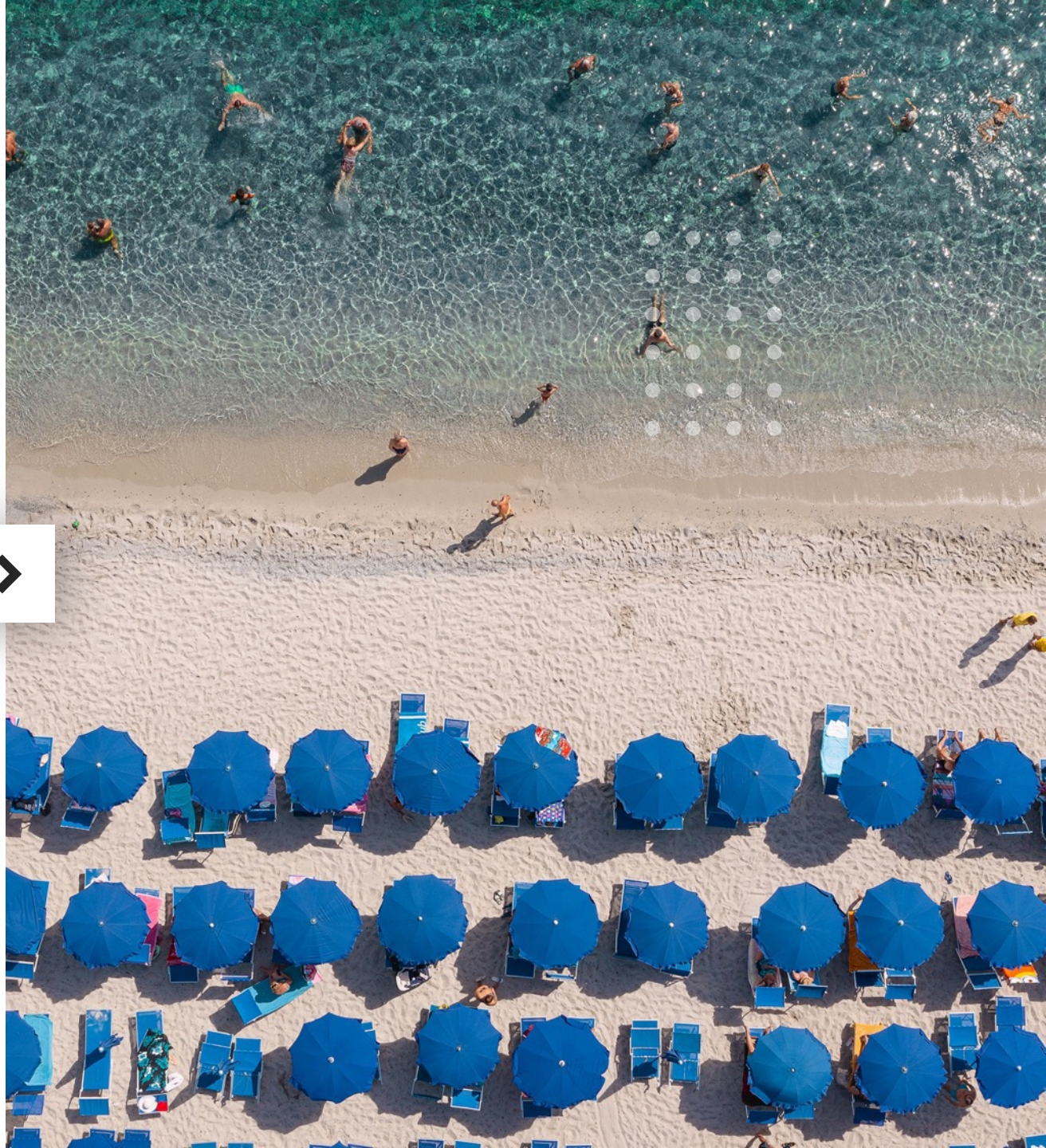
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Think Digital, Travel Now!



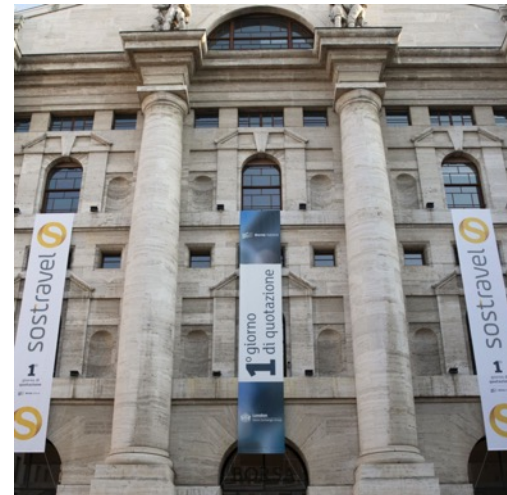
# A. ... Sostravel.com





# 1. The company

- The Company was founded on 27 November 2017; in November 2022, the reverse take-over operation was completed through the merger by incorporation of Digital Destination Company S.r.l.
- Sostravel.com S.p.A. is a technological firm offering digital services for travelers on the market through integrated platforms: [www.sostravel.com](http://www.sostravel.com); [www.amare.travel](http://www.amare.travel); [www.amareitalia.es](http://www.amareitalia.es); and the sostravel and Flio APPs



## Titoli azionari

Borsa Italiana  
**BIT:SOS**



OTC Markets, New York  
**OTCQB:SOSAF**



## STOCK EXCHANGE

The company has been listed on the Euronext Growth Italian Stock Exchange in Milan since 2018 - SOS.MI and on the American market OTCQB with the ticker SOSAF.





**The services which are created, designed and implemented internally are as follows:**



Lost Luggage Concierge, lost baggage tracking and return service within 48 hours as well as the Dr.Travel telemedicine service available via video call at any destination and at any time.

## OUR SERVICES

The offer consists of travel and passenger assistance services which can also be purchased individually; they are provided in a simple and clear throughout the journey, from the phases of planning to booking, and then the departure, transfers, the stay, attractions and visits or the purchase of cultural/sporting events and ending with the return to the destination. The traveler and his baggage are taken care of during potentially critical moments.





Tourist services that are not self-produced are acquired in different ways:

## **Direct contract with full volume guaranteed**

through xml connections - totaling more than 500 - with major global providers and wholesale accommodation distribution providers. Transactions with wholesale accommodation distribution providers are two-way: it is possible to acquire or sell rooms negotiated on your own through different channels in different countries around the world.



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



## 2. Shareholding structure

Shareholders of Sostravel.com	Number of owned shares	% of share capital
RG Holding S.r.l.	2,699,374	20.59%
Trawell Co	792,336	6.04%
Rudolph Gentile	12,432	0.09%
Carmine Colella	2,659,032	20.28%
Le terrazze di Porto Ottiolu	2,659,032	20.28%
Giovanni Perrucci	590,896	4.51%
Sostravel.com S.p.A.	52,000	0.40%
Market	3,647,868	27.82%
<b>Total</b>	<b>13,112,970</b>	<b>100%</b>

Updated on 2 April 2024





# 3. Company bodies

## BOARD OF DIRECTORS

<b>Chairman</b>	<b>Rudolph Gentile</b>
<b>Chief Executive Officer</b>	<b>Carmine Colella</b>
<b>Director without proxies</b>	<b>Nicola De Biase</b>
<b>Director without proxies</b>	<b>Umberto Navanzino</b>
<b>Independent director*</b>	<b>Ivan Munarini</b>

\* Director possessing the independence requirements pursuant to Article 148, paragraph 3, of Legislative Decree 58/98.

## BOARD OF STATUTORY AUDITORS

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

## AUDITING COMPANY

<b>Auditing company</b>	<b>Audirevi S.p.A.</b>
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## NOMAD

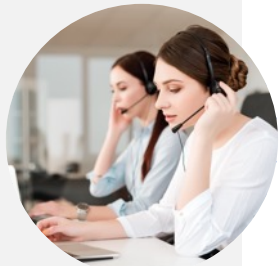
<b>Nominated Advisor</b>	<b>Banca Finnat S.p.A.</b>
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# B. ... Report on operations





## 4. Business Outlook

In 2023 - in light of the changed situation of movement possibilities in Europe, and in order to guarantee the capacity necessary for the development of activities - management modified the business model relative to hotel contracting by adding a significant part of purchases with full volume guaranteed for the selected facilities to the previous free sale formula that was utilized in previous years. **The Amareclub were founded.**

The ongoing recovery of tourism - both domestic and international, along with the initiatives of the new management - have supported the growth already reported in the 2022 financial statements with record revenues also continuing in 2023 and equal to **19,527 thousand Euro**; this was in line with the forecasts of the plan, **+14.1%** relative to 2022; the latter was equal to **17,118 thousand Euro** and **+8.1%** with respect to the plan totaling **18,051 thousand Euro**.

The best EBITDA of the last five years was achieved, 461 thousand Euro; the value is lower than the highest growth forecasts formulated in June 2023. There were three factors that decreased the expected margin which in the first half of the year was, in fact, higher than initial forecasts and led management to raise expectations: The negotiation of contracts with certain airports and with new commercial partners for LLC and DRT; these were expected for the second half of 2023 but actually occurred between the end of the year and the beginning of 2024, thereby confirming the plan data for 2024; the slowdown in Italy sea sales caused by an unexpected surge in flight and ferry fares; and the events of 7 October in Israel.





With regard to sales in **Sardinia**, the capacity acquired for the first year as full volume guaranteed - and therefore not subject to price increases - was partly used to subsidize the increase in the cost of transportation and allowed the company to maintain market shares and reach its pre-established sales targets; for the future, the acquisition of a small part of the transportation requirement through full volume guaranteed acquisition contracts is being considered in order to partially protect the firm from strong fluctuations.

The new product designed to deseasonalize operations: **Amaresharm** was launched during 2023 and was immediately "hibernated" following the events of 7 October in Israel. At the same time, renewed efforts were implemented by remodulating investments in the two new products **Amareturchia** and **Amarekenya**; their performance was more than satisfactory and the new products only partially compensated for the expected margins.

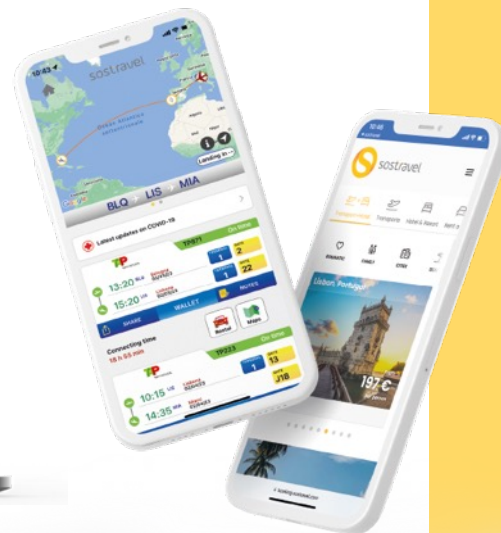
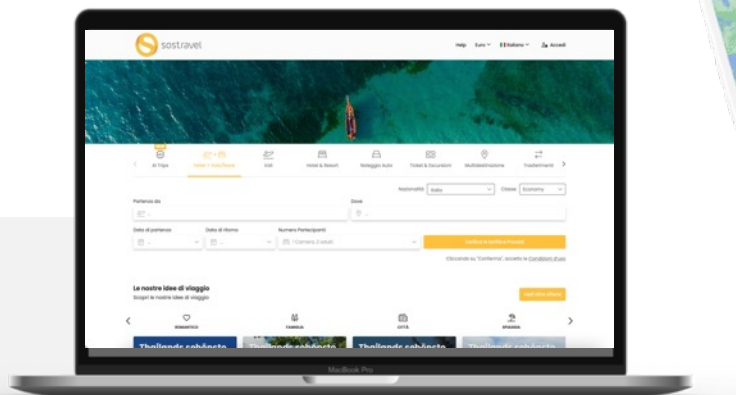




# Distribution strategy

A multi-channel distribution plan has been initiated and also includes travel agencies.

The company has signed an agreement with the Italian distribution network, thereby making available a digital portal built for the marketing of travel services through travel agencies.



# Travel Agent Experience



This symbolic agreement was signed in the context of the first **Travel Agent Experience** which took place in Sardinia from 5 to 8 May and involved the participation of 84 Travel Agents who developed a 22-point document on the need for a distribution network in the digital travel sector in the near future. Sales were initiated through new OTAs (Online Travel Agency), global databases and international tour operators.

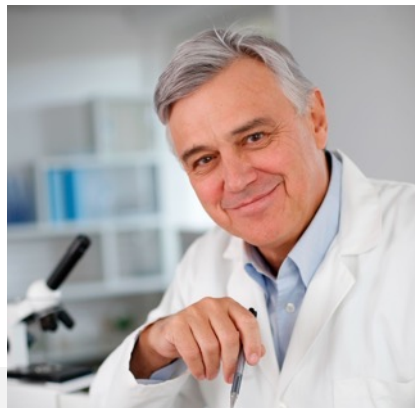


## The distribution of free and paid services



### Lost Luggage Concierge

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### Dr . Travel

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#### TRAVELER SERVICES

### Lost Luggage Concierge and Dr.Travel

Sold on platforms and APPs as well as within airports around the world where the strategic partner of this channel Trawellco S.p.A. is present, and with which Sostravel has a commercial distribution agreement. Sales through additional channels were implemented during 2023: **Tour operators, travel agencies, travel agency networks, welfare companies, and cruise companies that can incorporate or sell the services to their customers.**

In addition, Sostravel also presents its commercial offer to airlines and/or airport handlers to whom it presents the supply of services relating to: the digitalisation of activities relative to the compilation and forwarding of the PIR to Lost & Found offices as well as activities required for tracking lost luggage.



The **22 airports** where **Sostravel** services are distributed by **TraWell Co:**



**ITALIA**

Bologna (BLQ)	1
Olbia (OLB)	1
Venezia (VCE)	1
Cagliari (CAG)	1
Milano Malpensa (MXP)	8
Milano Linate (LIN)	5
Roma Fiumicino (FCO)	3

**FRANCIA**

Bordeaux (BOD)	1
Lione (LYS)	2
Marsiglia (MRS)	2
Nizza (NCE)	3
Tolosa (TLS)	1

**PORTOGALLO**

Faro (FAO)	1
Lisbona (LIS)	4
Oporto (OPO)	1
Ponta Del Gada (PDL)	1
Funchal (FNC)	1

**CANADA**

Montreal (YUL)	3
Vancouver (YVR)	1

**SVIZZARA**

Zurigo (ZHR)	1
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**REPUBBLICA CECA**

Praga (PRG)	4
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**GRECIA**

Atene (ATH)	2
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**CROAZIA**

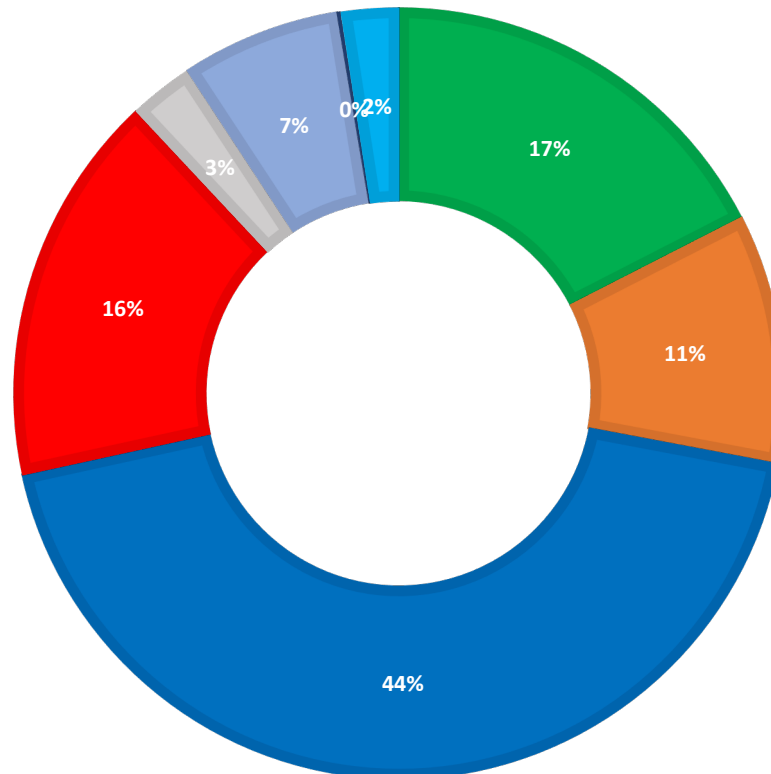
Zagabria (ZAG)	1
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## LLC services sold in 2023 and in which countries

Shown below is a graph illustrating the countries where the LLC service is sold:

- Portogallo
- Francia
- Italia
- Canada
- Svizzera
- Rep. Ceca





By means of the App and the Amare.travel portals, sostravel offers a wide range of digital services; some are free and others charge a few, as listed below.



### FLIGHT INFORMATION

A service that provides access to information relative to flights, flight status, gates, delays, cancellations, and the possibility of also sending this information to third parties chosen by the traveler. Information on flights is made available free of charge.



### AIRPORT INFORMATION

A service that allows the user to freely access a variety of useful information relating to the airports of interest when he/she is travelling as well as the method of transfer to or from the infrastructure, internal maps of the airports, locations of food & beverage sales points and Wi-fi; it also allows the user to purchase certain services which are available there: parking, car rental services, and access to the VIP Lounges.



### LOST LUGGAGE CONCIERGE

Lost Luggage 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 flight departure.







## Dr.Travel

Telemedicine service for travelers. It is possible - directly from your APP, and in partnership with the Italian company Net Medicare - to conduct a video visit at any time with an available doctor and/or a pediatrician.



## Travel Booking

nine search engines linked to the major global providers of: Flights - other transportation: buses, ferries - hotels & resorts - tourist packages - Itineraries and multi-destinations - transfers - excursions, events/museums - car rentals - Aitrips#, the latest offer: an artificial intelligence engine that allows you to write your needs in free text in order to obtain offers that can be purchased in just a few clicks.



## Secret village®

A registered trademark which ensures significant savings for the customer on prices of facilities given that the customer is willing to receive the name of the facility that will host him/her only two days before departure. By means of this system, hotel managers are able to optimize occupancy, thereby reaching performance levels never experienced before.

Certain hotel facilities have entrusted the exclusive management of their web presence and their facility's online sales to sostravel.





## 5. Financial performance of sostravel

RECORD REVENUES

### Economic performance as of 31 December 2023:

- **REVENUES** equal to **19,527 thousand Euro**, an increase of 14.1% compared to the figure of 31 December 2022 which was equal to 17,188 thousand Euro and up 8.1% compared to the plan;
- **EBITDA** was equal to 461 thousand Euro, a net improvement compared to the figure as of 31 December 2022 which was equal to 23 thousand Euro; +1,902%, - 59.4% compared to the plan update as of 5 June 2023;
- **ADJUSTED EBITDA** of 541 thousand was the result of the subtraction - from the EBITDA - of two extraordinary and non-repeatable items relating to extraordinary consulting services for a ruling won with the Italian Internal Revenue Agency and for the streamlining of the post-merger organizational structures of DDC and Sostravel.com;
- **EBIT** equal to -234 USD, an increase of 71% compared to the total of 31 December 2022 which was equal to -815 thousand Euro;
- **NET INCOME** of 1,169 thousand Euro (including deferred taxes);
- **ADJUSTED NET FINANCIAL POSITION (NFP)**: equal to -27 thousand Euro and remained stable during the period compared to the total as of 31 December 2022, equal to -29 thousand Euro; this was due to greater investments in technological platforms and the expansion of tourist destinations for approximately 695 thousand Euro.



## Main results of the sostravel and FLIO websites and apps:

Data relative to the growth of the App and Web assets and relevant for the purposes of an overall assessment of the Sostravel.com business:



### Amare.travel platform

*The company communicated the first results of the platform as of 31 December 2023:*

Resort attendance in 2023 with full volume guaranteed contract



**199,626** **+17.3%**  
compared to 2022

Total web users in 2023



**985,596** **+39.8%**  
compared to 2022





## Sostravel and Flio platform

Overall app downloads:

> **2,497,801** +5.4%  
compared to 2022

New Users profiled in 2023

> **154,750**

The community is composed of 1,039,813 customers

Customers who wanted to use the **Flight info** service in 2023 totaled **413,266**



SOSTRAVEL



FLIO



### TOP 5 departure airports in 2023 for flights entered in the apps:

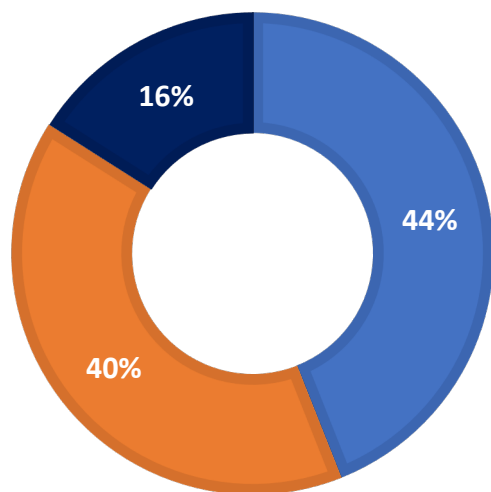
1. Lisbon
2. Porto
3. Frankfurt
4. Montréal
5. London – Heathrow Airport



## The geographical distribution of sales of the Lost Luggage Concierge service

Excellent geographical diversification with **Italy at 44%** of sales, the rest of **Europe at 40%** and finally **America at 16%**

■ Italy ■ Rest of Europe ■ America

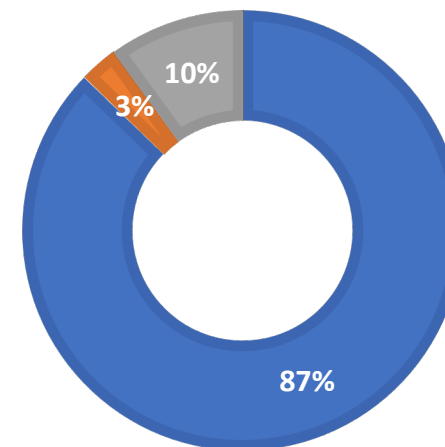


## Geographical breakdown of sales as of 31 December 2023

Revenues from sales as of 31 December 2023 amounted to **19,612** thousand Euro, a significant improvement with respect to the figure of 31 December 2022 which was equal to 17,118 thousand Euro.

The geographical distribution of the sales shown above reported a geographical concentration within **Italy with 87.16%** of sales, followed by the rest of **Europe at 2.80%**, and the rest of the world at **10.04%**.

■ Italy ■ Rest of Europe ■ Rest of World





## Digital sales:

For the sales and distribution activities of its services, the company has initiated a multi-channel distribution and internationalization process in order to not only leverage the Apps and portals - translated into 27 languages - but also the contribution of sales through collaborations and/or partnerships with European and global organizations:

**International portals with "2-way" connections** allow you to sell your services or acquire the availability of rooms and services where they are not present; the main partners are as follows:



## Airline companies:



## Italian tour operators:



## Foreign tour operators:



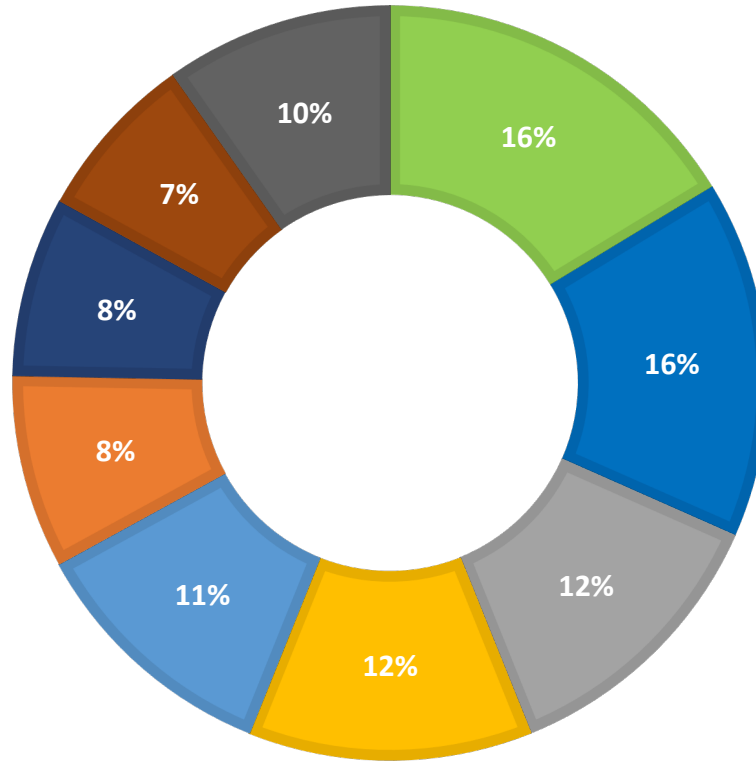


# The hubs of digital sales

location of distribution platforms

### COUNTRY PLATFORM

- HU
- IT
- GB
- PT
- FR
- ES
- DE
- PL
- Other



The graph indicates where the main travel sales distribution platforms used by Sostravel are located:





# Communications and marketing

Sostravel is consolidating a "digital maturity": it makes use of available digital marketing platforms and for each one it works with a digital strategist specialized in both the platform and the tool used to monitor and direct efforts.



The CRM Hubspot allows for an increasingly sophisticated and personalized nurturing path with particular attention given to the specific needs of each trip where the same person has very different needs as the motivation for the trip varies.

The company invested in a few important promotional campaigns to improve its image and market penetration. During the first months of 2023, the **Google Marketing Platform** was implemented; it is the most innovative and complete platform developed by Google and allows you to create, analyze and optimize digital campaigns.



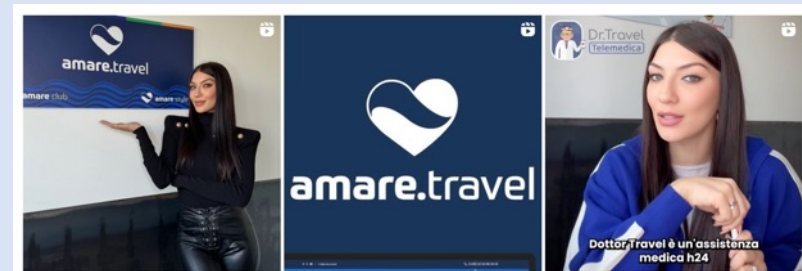
Google Marketing Platform

## Use of marketing influencers

The initial strategy was developed with various marketing influencers which made it possible to strengthen the brand's image and its reliability as well as reach new segments of the public with similar purchasing habits for the offered products. Once the target audience community reached the size forecasted for October 2023, the strategy evolved to a collaboration with a single well-known influencer with a history in successful television programs and who is currently a testimonial for national and international brands.

This is how the "face of Amaretravel" was born. A face and a voice serving an informative function through weekly stories and reports of trips taken to the various resorts, thereby creating considerable interest, strong empathy and contacts with followers.

At the moment the initiative is making it possible to reach a new audience and interact with the existing one. "Avere Viaggi" ("Having Trips") narrated effectively by a well-known face is "warming up" interactions and this is the optimal prerequisite for increased future sales.







## Human resources

During the first half of 2023 the Company focused on increasing efficiency by exploiting synergies. As of 31 December 2023, the total workforce was equal to 16: One manager, 15 office employees.



## The Stock Price

During 2023, the stock price reached a minimum closing value of 0.972 Euro, a maximum closing value of 1.575 Euro with an increase of 17.3% (2 Jan - 29 Dec) and, as of the date of preparation of this document, the stock price stands at a value of approximately 1.40 Euro.

Reported below are trends relative to volumes (right scale) and performance of the stock price (blue line) during the year 2023 compared with that of FTSE Euronext Growth Milan (red line). The stock profile on the OTCQB market is available at the link <https://www.otcmartets.com/stock/SOSAF/overview>





## Market context in 2023:

During 2023, and after a very "energetic" start, there was a sharp slowdown within the domestic market which was widely documented by all media.

“Tourism. Price increases in summer, 3.9 billion blow on top of the increases, the increase in prices of flights, holiday packages and hotels. Italy worse than France, Greece and Spain. And the growth in inflation "hits" all regional tourism systems with Lazio, Lombardy and Tuscany in the lead. The chairman of Demoskopika, Raffaele Rio: «It's a joke that the growth in prices mainly concerns domestic flights and national holiday packages. We are subject to the repercussions and consequences of a post-pandemic collective frenzy.”

We are witnessing - almost helplessly - the obvious repercussions of the post-pandemic frenzy characterized by a surge in air transport prices, high energy prices, the growth of fuel prices and "uncontrolled bookings" which have caused a general increase in prices in the tourism sector . Adding insult to injury is the inflationary spiral which mainly affects domestic flights and domestic package tours. The appeal of Made in Italy - concludes Raffaele Rio - must be protected by starting from the local market which represents, let us not forget, half of the tourist success of the Belpaese. It is necessary to face critical issues head-on, as a result, in order to not waste the opportunity for a strong recovery of tourist flows in our country.” (source: demoskopika 28July 2023)



Sector revenues per passenger kilometers (RPK) increased **25.3%** year-on-year (YoY) in December.

In 2023, sector RPKs reached **94.1%** of 2019 levels.

- Available seat kilometers (ASK) grew 24.1% year over year and returned to **94.4%** of pre-pandemic capacity during the course of the full year. The global passenger filling factor was equal to **82.3%**, slightly below the 2019 threshold.
- National markets reported different developments at the close of the year, but total national traffic in 2023 was still different and exceeded 2019 numbers by **3.9%**.
- International traffic reported a strong recovery this year, reaching **88.6%** in 2023.

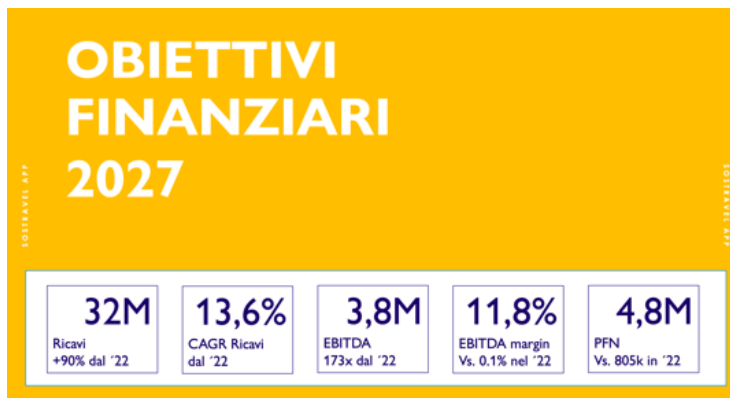
(source: IATA passengers market analysis, Dec 2023)

# Primary events of 2023

On 2 February 2023, 2022 revenues and EBITDA were reported for respectively 17.1 million and 22 thousand Euro; the objectives of the plan for 2027 are respectively 32.5 million and 3.8 million Euro.



Approval of the 2023 – 2027 industrial plan with the strategies that the Company intends to undertake for business growth, focusing on the development of proprietary digital travel solutions named Private Labels which include the digital conception and online distribution of travel with the **AmareItalia**, **AmareSharm**, **AmareKenya**, and **Amareturchia** brands.



The investment made for the **Jumbo resort** facility - for which Sostravel retains exclusive worldwide marketing rights - was approved by the primary Italian tourism company which - with the Edenviaggi / Alpitour Group brand - decided to distribute half of the rooms of the facility for 2023, starting from February 2023.

# Primary events of 2023

**The following program was initiated:**

## **Resort Smart Management.**

Sostravel.com has designed, developed and implemented a management program for facilities abroad which is based exclusively on local collaborators and is named: Resort Smart Management: it has included this program in the context of social sustainability.

The project began with the Jumbo Resort located in Watamu in Kenya, and is divided into six phases:

Recruiting, on-field training assisted by two international temporary managers, closure and reopening planning for resort renovation works, room rearrangements as well as establishment of service dynamics and constant quality monitoring.

Once the project was completed, and as of 31 December 2023, the Jumbo Resort achieved a score of 8.5 out of 10 with Booking.com and 4.5 out of 5 with Tripadvisor, placing it in third place among the 10 best destinations.

The Smart Management program restarted in September 2023 with a new facility in Kenya: Twiga Beach resort



Jumbo Resort



Twiga Resort

On May 2023, a meeting with analysts and investors was scheduled following the presentation of the results of the half-yearly report as of 30 June 2023.

The assignment of powers required to support the growth of the Company, even by external means, to the Chairman and the CEO is hereby communicated.

The company has undertaken all the formal steps necessary to initiate the creation of a so-called "securities warehouse" which will be useful for any future extraordinary finance operations.

On 5 June, and during the monitoring of management performance, the Board of Directors revised the forecasts for the current year and deemed it appropriate to improve the estimates for the 2023 financial year.

The company has initiated a sustainability process and, on 13 June, the Italian anti-trust authority awarded two stars for financial legality.

## Primary events of 2023

The company submitted a request to the Italian Internal Revenue Agency on 27 July for the recovery of the tax benefit on previous losses; the outcome was positive.

The Gross Booking Value\* as of 31 August 2023 was equal to 18.1 million Euro. On the same date in 2022, the Gross Booking Value was 14.3 million Euro with a growth of 3.8 million Euro equal to 26.7%. Given the results obtained in the first months of the partnership, the **Alpitour group for the Edenviaggi brand** decided to proceed with the extension of the agreement signed for 2023 for the following two years as well in relation to the marketing - within the Italian market - of the Jumbo Resort and for a quota equal to 45% of the resort's availability.

The French tour operator **Plein Vent Voyage** for the **Fram brand** has signed a three-year agreement for the marketing of the Jumbo resort in France for 22% of the available rooms and starting from autumn 2023.



Enthusiastic for the results obtained from operations in Kenya, the management has contracted a second facility on Watamu beach in Kenya, the **Twiga Beach Resort**, with an online exclusive commercial agreement.

In September, sostravel initiated the procedure for the purchase of its own shares: in the period between September and December 2023 it purchased 52,000.

Agreement signed for the sale of the "Dr. Travel" telemedicine service, initially on the TraWell network and subsequently on all digital channels. The service allows the user to have a doctor and a pediatrician available 24/7 for a video callconsultation. This service is not included in the insurance policies dedicated to travelers which cover catastrophic events but not the slightest but more frequent causes of medical attention.

Four trademarks have been registered: AmareKenya; Amaresharm; Amareturchia and Amarecuba.

The Amareclub trademark is being registered.



Commercial agreement with Double You, a Zucchetti group company specialized in welfare management for the sale of Travel, Lost Luggage Concierge and Dr.Travel services through the Zwelfare platform to the 500,000 employees with active benefits.



# Primary events after 31 December 2023

New commercial agreements were signed for Lost Luggage Concierge and Dr.Travel between January and February: with **Aciblue**team, an ACI network with 43 travel agencies in Italy, and with **Glamor e Futura Vacanze**: Italian tour operators.

**Costa Crociere**: for fly&Cruise and Cruise only customers. A leading Italian tour operator and hotel manager with revenues of circa 100 million Euro has entrusted Sostravel with the online marketing of part of its products.

A new specific system for the sale of all-inclusive travel packages has been purchased.



The Board of Directors approved the 2024 budget which is in line with the plan data both in terms of revenues and ebitda.

## Social sustainability

The continuation of the **Smart Management** program includes the potential creation of a hotel training school for the development of the resorts on the Watamu coast

Sostravel donated 40 desks to the “Jacaranda Junior Secondary School”.

A simple but significant gesture for a more adequate and stimulating school environment.

Sostravel contributed to the donation of an ultrasound machine to the local hospital which allows it to offer free ultrasound visits to pregnant women in the community.

Two small concrete gestures which aim to involve the local community in the development of its region and contribute to the improvement of social, educational and healthcare infrastructures.

A handwritten signature in black ink, located in the top right corner of the text area.





## Operational trends and business outlook Sostravel.com

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 with added value, a reclassification of the Balance Sheet by functional area and on a financial basis as well as the more significant financial statement indices.

Restated Income Statement	31/12/23	31/12/2022
Sales Revenue	19.526.534	17.117.652
Operating Grants	42.599	112.761
Other Revenues and Income	119.989	65.820
<b>Value of Operating Production</b>	<b>19.689.122</b>	<b>17.296.233</b>
External Operating Costs	18.481.388	16.447.220
<b>Added Value</b>	<b>1.207.734</b>	<b>849.013</b>
Personnel Costs	746.483	825.981
<b>Gross Operating Margin</b>	<b>461.251</b>	<b>23.032</b>
Non-recurring Charges*	79.836	0
<b>Adjusted Gross Operating Margin</b>	<b>541.087</b>	<b>23.032</b>
Depreciation and Provisions	556.926	696.860
Non-recurring Charges	79.836	0
<b>Operating Result</b>	<b>-95.675</b>	<b>-673.828</b>
Non-core Operations	56.407	6.062
Impairments	0	71.172
Result of Financial Area	-82.392	-64.173
<b>Ebit</b>	<b>-234.474</b>	<b>-815.235</b>
Incomes Taxes	-1.404.097	-199.452
<b>Net Result</b>	<b>1.169.623</b>	<b>-615.783</b>

Funding Indicators for Fixed Assets	31/12/2023	31/12/2022
Primary Structural Margin	1.179.348	452.648
Primary Structural Ratio	1,36	1,16
Secondary Structural Margin	3.350.901	3.258.349
Secondary Structural Ratio	2,03	2,13

Indices on the Structure of Financing	31/12/2023	31/12/2022
Overall Debt Ratio	0,92	1,25
Financial Debt Ratio	0,62	0,93

Balance Sheet by Functional Areas	31/12/2023	31/12/2022
<b>USES</b>		
Operating Invested Capital	7.864.398	6.457.378
Operating Liabilities	1.362.738	1.065.263
Net Operating Invested Capital	6.501.660	5.392.115
Extra-Operational Uses	653.692	969.984
Cash Availability	- 1.695.809	- 2.134.957
<b>Net Invested Capital</b>	<b>5.459.543</b>	<b>4.227.142</b>
<b>SOURCES</b>		
Equity	4.443.808	3.326.349
<b>Net Financial Position</b>	<b>1.015.735</b>	<b>900.793</b>

\* **Non-recurring charges** include extraordinary and non-repeatable items relating to the extraordinary consulting services received by the Company for a ruling won with the Internal Revenue Agency and for the streamlining of the post-merger DDC and Sostravel.com organizational structures in the IT and Customer Care departments.



Profitability Indices	31/12/2023	31/12/2022
Net ROE	26,32 %	-18,51 %
Gross ROE	-5,18 %	-24,51 %
ROI	-1,45 %	-9,99 %
ROS	-0,64 %	-4,37 %

Financial Balance Sheet	31/12/2023	31/12/2022
<b>FIXED ASSETS</b>	<b>3.264.460</b>	<b>2.873.701</b>
Intangible Assets	1.626.669	1.306.149
Tangible Assets	828.482	870.885
Financial Assets	809.309	696.667
<b>CURRENT ASSETS</b>	<b>5.279.728</b>	<b>4.621.603</b>
Inventory	0	0
Deferred Liquidity	3.583.919	2.486.646
Immediate Liquidity	1.695.809	2.134.957
<b>INVESTED CAPITAL</b>	<b>8.544.188</b>	<b>7.495.304</b>
<b>EQUITY</b>	<b>4.443.808</b>	<b>3.326.349</b>
Share Capital	1.309.289	1.308.834
Reserves	3.134.519	2.017.515
<b>CONSOLIDATED LIABILITIES</b>	<b>2.171.553</b>	<b>2.805.701</b>
<b>CURRENT LIABILITIES</b>	<b>1.928.827</b>	<b>1.363.254</b>
<b>FUNDING CAPITAL</b>	<b>8.544.188</b>	<b>7.495.304</b>

Solvency Indicators	31/12/2023	31/12/2022
Availability Margin (Net Current Capital)	3.373.101	3.315.148
Availability Ratio	276,91 %	353,75 %
Treasury Margin	3.373.101	3.315.148
Treasury Ratio	276,91 %	353,75 %

<b>Net Financial Position (NFP)</b>		
Values in euros	31/12/23	31/12/22
A Cash	0	32
B Other Liquid Assets	1.695.809	2.134.925
C Securities Held for Trading	0	0
<b>D Liquidity (A+B+C)</b>	<b>1.695.809</b>	<b>2.134.957</b>
E Current Financial Receivables	0	0
F Current Financial Liabilities	0	0
G Current Portion of Non-Current Debt	625.642	324.206
H Other Current Financial Liabilities	0	0
<b>I Current Financial Indebtedness (F+G+H)</b>	<b>625.642</b>	<b>324.206</b>
<b>J Net Current Financial Indebtedness (I-E-D)</b>	<b>-1.070.167</b>	<b>v</b>
K Non-Current Bank Loans	2.085.902	2.711.544
L Bonds Issued and Other Non-Current Liabilities	0	0
M Other Non-Current Liabilities	0	0
<b>Non-Current Financial Indebtedness (K+L+M)</b>	<b>2.085.902</b>	<b>2.711.544</b>
<b>O Net Financial Indebtedness (cash) (J+N)</b>	<b>1.015.735</b>	<b>900.793</b>
P Adjustment for Security Deposits	575.976	230.000
Q Adjustment for Active Financing towards Trawell Co	466.667	700.000
<b>R Adjusted Net Financial Position (O-P-Q)</b>	<b>-26.908</b>	<b>-29.207</b>





## Operational trends and business outlook Sostravel.com

- expanding the offer for non-cyclical services; LLC; Dr.Travel, Kenya, Turkey, Cuba and Egypt;
- evaluate any extraordinary operations which are synergistic with the "core" activities of the Company.

## 6. OTHER INFORMATION

The section provides a collection of information

pursuant to 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 Dr. Travel service launched in 2023.

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 and financial performance - the reporting of certain non-financial indicators illustrated in this report is not considered relevant.



## Security, working environment and privacy

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.

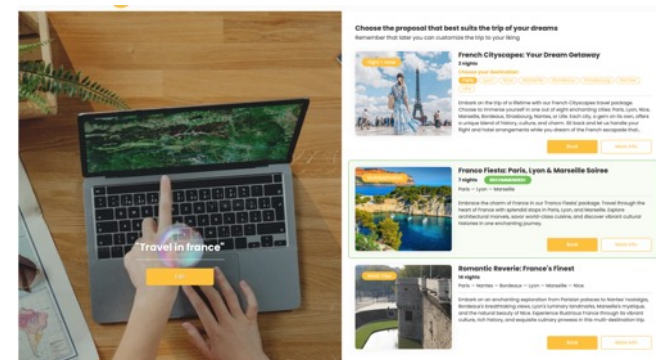
With regard to regulations concerning the protection of privacy as well as workplace health and safety, all the required obligations have been promptly fulfilled or are being completed.

## 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. The company has undertaken a path towards gender equality.

## 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 and the portals. In the second part of the year, the company launched - within its #AITrips portals - a new search engine that uses machine learning algorithms that analyze and process a wide range of data in real time, spanning from user preferences to information on destinations, weather, and local events, thereby providing the user with unique and highly personalized trips while offering responses suited to the needs of every single type of traveler; the user can go from a generic question to booking a trip in just a few clicks.





## 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. During 2022 there was a recovery in short and medium-haul air traffic and, in 2023, in long-haul traffic as well; the latter represents the Company's target customers. Despite the persistence of less than ideal geopolitical situations, the year ended with an improving volume of traffic and revenues compared to 2022. The directors believe they can reconfirm the revenue and Ebitda estimates for the 2024 financial year with a NFP in line with the 23/27 plan, and which is thereby reconfirmed at this time.

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 as well as the increase in revenues; they concluded that the application of the going concern assumption is still appropriate.

## Earnings per share

Earnings per share as of 31 December 2023, in accordance with the procedures set out in IAS 33, were equal to € 0.089. The methods for calculating the basic profit per share and diluted earnings 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 2023 (13,092,888 shares as of 31 December 2023). 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 24 October 2022, 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.

### Offices:

In compliance with the provisions of Art. 2428 of the Civil Code, it is hereby certified that the company, in addition to the registered office, has operational headquarters in Rome (RM) in viale Europa 98..

## Organizational aspects

Pursuant to Legislative Decree 83/2022, the directors hereby declare that the Company has adequate organizational structures and appropriate management control mechanisms.

### Assumption of a going concern;

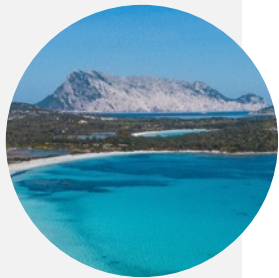
With regard to this assumption, the valuation of the items in the financial statements was implemented on the basis of a going concern assumption and therefore by taking into account the fact that the company constitutes a functioning economic organization which is expected - at least for a foreseeable 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.



C. ...

# Financial statements as of 31/12/2023





## 7. Financial statements for the year ended 31/12/2023

Company data	
Registered office in	GALLARATE
Tax ID No.	03624170126
Economic & Administrative Index No.	VARESE366690
VAT No.	03624170126
Share capital Euro	1,311,297.00 fully paid up
Legal form	Italian joint stock company
Primary activity sector (ATECO)	791100
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	no
Name of the parent company	
Country of parent company	
Registration no. in list of cooperative companies	



## BALANCE SHEET - ASSETS

Assets	31/12/2023	31/12/2022
<b>A) RECEIVABLES DUE FROM SHAREHOLDERS</b>		
Total receivables due from shareholders (A)	0	0
<b>B) FIXED ASSETS</b>		
<i>I - Intangible fixed assets</i>		
1) Start-up and expansion costs	959.247	383.188
2) Development costs	150.300	445.566
4) Concessions, licenses, trademarks and similar rights	6.481	0
5) Goodwill	302.319	340.109
6) Assets in process of formation and advances	0	19.700
7) Other	208.322	117.586
Total intangible fixed assets	1.626.669	1.306.149
<i>II - Tangible fixed assets</i>		
1) Land and buildings	789.095	816.057
4) Other assets	39.387	49.148
5) Assets under construction and payments on account	0	5.680
Total tangible fixed assets	828.482	870.885
<i>III) Financial fixed assets</i>		
1) equity investments		
2) Receivables due from		
d-b) Due from others		
Due beyond the following year	575.976	230.000
Total receivables due from third parties	575.976	230.000
Total Receivables	575.976	230.000
Total financial fixed assets (III)	575.976	230.000
<b>Total fixed assets (B)</b>	<b>3.031.127</b>	<b>2.407.034</b>

<b>C) CURRENT ASSETS</b>		
<i>I - Inventories</i>		
Total inventories	0	0
<i>II Receivables</i>		
1) Trade accounts		
Due within the following year	1.526.053	827.714
Total trade accounts	1.526.053	827.714
5-b) Tax receivables		
Due within the following year	19.011	234.804
Total receivables due from tax authorities	19.011	234.804
5-c) Prepaid tax	1.612.749	199.452
5-d) Other receivables		
Due within the following year	322.292	416.750
Due beyond the following year	233.333	466.667
Total receivables due from third parties	555.625	883.417
Total receivables	3.713.438	2.145.387
<i>III - Current financial assets</i>		
Total financial current assets	0	0
<i>IV - Liquid funds</i>		
1) Bank and post office deposits	1.695.809	2.134.925
3) Cash and equivalents on hand	0	32
Total liquid funds	1.695.809	2.134.957
<b>Total current assets (C)</b>	<b>5.409.247</b>	<b>4.280.344</b>
<b>D) ACCRUED INCOME AND PREPAYMENTS</b>	<b>103.814</b>	<b>807.926</b>
<b>TOTAL ASSETS</b>	<b>8.544.188</b>	<b>7.495.304</b>



## BALANCE SHEET - LIABILITIES

Liabilities and shareholders' equity	31/12/2023	31/12/2022
<b>A) SHAREHOLDERS' EQUITY</b>		
I - Share capital	1.309.289	1.308.834
II - Share premium reserve	6.258.898	6.253.893
III - Revaluation reserves	0	0
IV - Legal reserve	100.000	100.000
V - Statutory reserves	0	0
<i>VI - Other reserves, indicated separately</i>		
Miscellaneous other reserves	869.681	869.684
<b>Total other reserves</b>	<b>869.681</b>	<b>869.684</b>
VII - Reserve for hedging expected cash flow operations	0	0
VIII - Retained earnings (accumulated losses)	-5.206.062	-4.590.279
IX - Net profit (loss) for the year	1.169.623	-615.783
Minimised loss for the year	0	0
X - Negative reserve for own portfolio shares	-57.621	0
<b>Total shareholders' equity</b>	<b>4.443.808</b>	<b>3.326.349</b>
<b>B) RESERVES FOR CONTINGENCIES AND OTHER CHARGES</b>		
4) Other	42.206	48.050
<b>Total reserves for contingencies and other charges (B)</b>	<b>42.206</b>	<b>48.050</b>
<b>C) TOTAL RESERVE FOR SEVERANCE INDEMNITIES (TFR)</b>	<b>38.445</b>	<b>46.107</b>

<b>D) PAYABLES</b>		
4) Due to banks		
Due within the following year	625.642	324.206
Due beyond the following year	2.085.902	2.711.544
<b>Total payables due to banks (4)</b>	<b>2.711.544</b>	<b>3.035.750</b>
6) Advances		
Due within the following year	204.155	273.931
<b>Total advances(6)</b>	<b>204.155</b>	<b>273.931</b>
7) Trade accounts		
Due within the following year	564.022	496.484
<b>Total trade accounts (7)</b>	<b>564.022</b>	<b>496.484</b>
12) Due to tax authorities		
Due within the following year	212.883	59.521
<b>Total payables due to tax authorities (12)</b>	<b>212.883</b>	<b>59.521</b>
13) Due to social security and welfare institutions		
Due within the following year	45.022	38.520
<b>Total payables due to social security and welfare institutions (13)</b>	<b>45.022</b>	<b>38.520</b>
14) Other payables		
Due within the following year	251.005	102.650
Due beyond the following year	5.000	0
<b>Total other payables (14)</b>	<b>256.005</b>	<b>102.650</b>
<b>Total payables (D)</b>	<b>3.993.631</b>	<b>4.006.856</b>
<b>E) ACCRUED LIABILITIES AND DEFERRED INCOME</b>	<b>26.098</b>	<b>67.942</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>8.544.188</b>	<b>7.495.304</b>





## Income statement

	31/12/2023	31/12/2022
<b>A) VALUE OF PRODUCTION</b>		
1) Revenues from sales and services	19.526.534	17.117.652
5) Other income and revenues		
Operating grants	42.599	112.761
Other	119.989	65.820
Total other income and revenues	162.588	178.581
<b>Total value of production</b>	<b>19.689.122</b>	<b>17.296.233</b>
<b>B) COSTS OF PRODUCTION</b>		
6) Raw, ancillary and consumable materials and goods for resale	4.900	9.511
7) Services	18.212.438	16.333.222
8) Use of third party assets	167.311	78.799
9) Personnel		
a) Wages and salaries	554.792	630.597
b) Related salaries	157.426	149.008
c) Severance	34.265	35.825
d) Pensions and similar commitments	0	4.814
e) Other costs	0	5.737
Total payroll and related costs	746.483	825.981
10) Depreciation, amortisation and writedowns		
a) Amortisation of intangible fixed assets	484.585	626.135
b) Depreciation of tangible fixed assets	38.848	37.186
Total Amortisation, depreciation and write-downs	523.433	663.321
12) Provisions for contingencies and other charges	33.493	33.539
14) Other operating expenses	153.146	31.750
<b>Total cost of production</b>	<b>19.841.204</b>	<b>17.976.123</b>
<b>Difference between value and cost of production (A - B)</b>	<b>-152.082</b>	<b>-679.890</b>

<b>C) FINANCIAL INCOME AND CHARGES</b>		
16) Other financial income		
d) Income other than the above		
Other	28.199	3.423
Total income other than the above	28.199	3.423
Total other financial income	28.199	3.423
17) Interest and other financial expense		
Other	110.238	66.397
Total interest and other financial expense	110.238	66.397
17-bis) Currency gains and losses	-353	-1.199
<b>Total financial income and expense (15 + 16 - 17 + - 17-bis)</b>	<b>-82.392</b>	<b>-64.173</b>
<b>D) VALUE ADJUSTEMENTS TO FINANCIAL ASSETS AND LIABILITIES</b>		
19) Write-downs		
a) Equity investments	0	71.172
Total write-downs	0	71.172
<b>Total value adjustments to financial assets and liabilities (18 - 19)</b>	<b>0</b>	<b>-71.172</b>
<b>PRE-TAX RESULT(A - B + - C + - D)</b>	<b>-234.474</b>	<b>-815.235</b>
20) Income tax for the year, current, deferred and prepaid		
Current taxes	13.530	0
Tax related to previous years	-4.330	0
Deferred and prepaid tax	-1.413.297	-199.452
Total taxes on the income for the year	-1.404.097	-199.452
<b>21) PROFIT (LOSS) FOR THE YEAR</b>	<b>1.169.623</b>	<b>-615.783</b>



# CASH FLOW STATEMENT

(CASH FLOWS WITH INDIRECT METHOD)

	Current Year	Previous Year
<b>A. Cash Flows from Operating Activities (Indirect Method)</b>		
Profit (Loss) for the Year	1.169.623	(615.783)
Income Taxes	(1.404.097)	(199.452)
Interest Expense/(Income)	82.039	62.974
(Dividends)	0	0
(Gains)/Losses on Disposal of Assets	0	0
1. Profit / (Loss) Before Income Taxes, Interest, Dividends, and Gains/Losses on Disposal	(152.435)	(752.261)
Adjustments for Non-Monetary Items Not Matched by Changes in Net Working Capital		
Provisions	76.471	69.364
Depreciation of Fixed Assets	523.433	663.321
Impairments for Permanent Loss of Value	0	0
Value Adjustments of Financial Assets and Liabilities from Derivative Financial Instruments Not Involving Cash Movements	0	0
Other Adjustments Increasing / (Decreasing) for Non-Monetary Items	353	71.172
Total Adjustments for Non-Monetary Items Not Matched by Changes in Net Working Capital	600.257	803.857
2. Cash Flow Before Changes in Net Working Capital	447.822	51.596
Changes in Net Working Capital		
Decrease/(Increase) in Inventories	0	0

Decrease/(Increase) in receivables from customers	(698.339)	(815.257)
Increase/(Decrease) in accounts payable to suppliers	67.538	185.110
Decrease/(Increase) in accrued income and prepaid expenses	704.112	(761.613)
Increase/(Decrease) in accrued expenses and deferred income	(41.844)	(56.356)
Other decreases/(Other increases) in net working capital	777.472	(255.292)
Total changes in net working capital	808.939	(1.703.408)
3. Cash flow after changes in net working capital	1.256.761	(1.651.812)
Other adjustments		
Interest received/(paid)	(82.039)	(62.974)
(Income taxes paid)	0	0
Dividends collected	0	0
(Use of funds)	(89.977)	(113.803)
Other receipts/(payments)	0	0
Total other adjustments	(172.016)	(176.777)
Cash flow from operating activities (A)	1.084.745	(1.828.589)
<b>B. Cash flow from investing activities</b>		
Tangible fixed assets		
(Investments)	(4.776)	(35.196)
Divestments	8.331	29.777
Intangible fixed assets		
(Investments)	(824.805)	(652.508)
Divestments	19.700	0
Financial assets		
(Investments)	(345.976)	(230.000)
Disinvestments	0	0
Non-fixed financial assets		
(Investments)	0	0



# CASH FLOW STATEMENT

(CASH FLOWS WITH INDIRECT METHOD)

	Exercise Current	Exercise Previous
Acquisition of Business Units, Net of Cash and Cash Equivalents	0	494.194
Disposal of business units, net of cash	0	0
Cash Flow from Investing Activities (B)	(1.147.526)	(393.733)
C. Cash Flows from Financing Activities		
Third-Party Funds		
Increase/(Decrease) in Short-term Bank Debt	301.436	308.456
Raising of Funds	0	752.794
(Repayment of Financing)	(625.642)	0
Own Funds		
Capital Increase with Payment	5.460	1.344
(Capital Repayment)	0	0
Sale (Purchase) of Own Shares	(57.621)	0
(Dividends and Dividend Advances Paid)	0	0
Cash Flow from Financing Activities (C)	(376.367)	1.062.594
Increase (Decrease) in Cash (A ± B ± C)	(439.148)	(1.159.728)

Currency Exchange Effect on Cash	0	0
Cash at the Beginning of the Year		
Bank and Postal Deposits	2.134.925	3.294.621
Checks	0	0
Cash and on Hand	32	64
Total Cash at the Start of the Year	2.134.957	3.294.685
Of Which Not Freely Available	0	0
Cash and Cash Equivalents at the End of the Year		
Bank and Postal Deposits	1.695.809	2.134.925
Checks	0	0
Cash and Cash Equivalents on Hand	0	32
<b>Total Cash at the End of the Year</b>	<b>1.695.809</b>	<b>2.134.957</b>
Of Which Not Freely Available	0	0



## 8. Explanatory notes

### INTRODUCTION

The financial statements as of 31/12/2023 - 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 accounting records that were regularly held and are prepared in accordance with Articles 2423, 2423 ter, 2424, 2424 bis, 2425, 2425 bis, 2425 ter of the Italian Civil Code, in compliance with the principles of preparation pursuant to the provisions of Art. 2423 bis and the valuation criteria pursuant to Art. 2426 of the Italian Civil Code.

### 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, PARAGRAPH FIVE 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 TO 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.

In accordance with Art. 2423 ter, fifth paragraph of the Italian Civil Code, no problems of comparability and adjustment of the financial statement items of the current year with those relating to the previous year have arisen.

It should be noted that - for the 2023 financial year - the Company has adopted a new chart of accounts which is different from that used for the previous financial year.

### **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.

During 2023, the Company sustained costs of €695,422 in relation to the launch of new organizational structures and new destinations with the primary objective of promoting the company's corporate image and legitimizing its operations or justifying its operations within its economic and social environment.

These costs were capitalized and will be amortized over five years in relation to the years in which the Company will be able to enjoy the future benefits linked to the natural increase in revenues.

The reason for this capitalization is given by the fact that the typical activity of SOSTRAVEL.COM is based on the promotion of the service being sold as well as on customer loyalty through cutting-edge channels (social media) and the most important search engines. Sustaining these institutional advertising costs will provide the possibility of more easily generating an increase in revenues by improving the corporate image (values and affirmation of an identity) in order to obtain consensus and build a good reputation amongst stakeholders.

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.

Trademarks are amortized over 18 years while goodwill from the merger is amortized over its useful life of 10 years.

Assets in progress include intangible assets under construction. These costs remain recognized in this item until ownership of the right is acquired or the project is completed. Upon occurrence of these conditions, the corresponding values are reclassified in the relevant items of intangible fixed assets. Assets under construction are not subject to depreciation.

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.

In addition, and when deemed necessary, 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 relative to a tax loss were only recognized in the case of reasonable certainty of their future recovery; this was determined from tax planning for a reasonable period of time that forecasts sufficient taxable income to use the losses that can be carried forward and/or in the case of taxable timing differences which are sufficient to absorb the losses that can be carried forward.



## 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 or probable 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.

## 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 of the Italian Civil Code - 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 liabilities for certain and determined taxes as well 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 receivables.



## 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 € **1,626,669** (€ 1,306,149 in the previous year).

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

	Beginning of Year Value	Cost	Depreciation (Accumulated)	Book Value	Changes During the Year	Increases Due to Acquisitions	Reclassifications (of Book Value)
Plant and Expansion Costs							
Development Costs	1.863.669	2.286.222	300.000	377.899	19.700	172.954	5.020.444
Concessions, Licenses, Trademarks, and Similar Rights	1.480.481	1.840.656	300.000	37.790	0	55.368	3.714.295
Goodwill	383.188	445.566	0	340.109	19.700	117.586	1.306.149
In Progress and Advances for Intangible Assets							
Other Intangible Assets	695.423	0	6.580	0	0	122.802	824.805
Total Intangible Assets	0	0	0	0	-19.700	0	-19.700
Plant and Expansion Costs	119.364	295.266	99	37.790	0	32.066	484.585
Development Costs	576.059	-295.266	6.481	-37.790	-19.700	90.736	320.520
Concessions, Licenses, Trademarks, and Similar Rights							
Goodwill	2.559.092	2.286.222	306.580	377.899	0	295.756	5.825.549
In Progress and Advances for Intangible Assets	1.599.845	2.135.922	300.099	75.580	0	87.434	4.198.880
Other Intangible Assets	959.247	150.300	6.481	302.319	0	208.322	1.626.669



The item Start-up and expansion costs includes costs of incorporation, listing and the costs relating to the merger operation in addition to digital advertising costs for the launch of new tourist destinations.

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 and the costs for purchasing the Amareclub, AmareSharm, AmareCuba, AmareTurchia and AmareKenya brands.

As previously reported, goodwill was recorded following the emergence of a share swap deficit generated following the merger and totaling € 377,899.

Intangible fixed assets mainly refer to investments implemented for the purposes of developing and increasing the functionality of the software -both for web and mobile services - as well as improvements to third-party assets represented by restructuring works on non-owned properties.

## Tangible fixed assets

Tangible fixed assets amounted to € 828,482 (€ 870,885 in the previous year).

Tangible fixed assets consist of buildings, office equipment, furniture and fittings, electronic telephone systems and automobiles.

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

	Terreni e fabbricati	Attrezzature industriali e commerciali	Altre immobilizzazioni materiali	Immobilizzazioni materiali in corso e acconti	Totale Immobilizzazioni materiali
Valore di inizio esercizio					
Costo	898.725	203	86.378	5.680	990.986
Ammortamenti (Fondo ammortamento)	82.668	203	37.230	0	120.101
Valore di bilancio	816.057	0	49.148	5.680	870.885
Variazioni nell'esercizio					
Incrementi per acquisizioni	0	0	4.776	0	4.776
Riclassifiche (del valore di bilancio)	0	0	5.680	-5.680	0
Decrementi per alienazioni e dismissioni (del valore di bilancio)	0	0	8.331	0	8.331
Ammortamento dell'esercizio	26.962	0	11.886	0	38.848
Totale variazioni	-26.962	0	-9.761	-5.680	-42.403
Valore di fine esercizio					
Costo	898.725	0	74.815	0	973.540
Ammortamenti (Fondo ammortamento)	109.630	0	35.428	0	145.058
Valore di bilancio	<b>789.095</b>	<b>0</b>	<b>39.387</b>	<b>0</b>	<b>828.482</b>



## 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 € 0 (€ 0 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:

	Partecipazioni in altre imprese	Totale Partecipazioni
Valore di inizio esercizio		
Costo	101.172	101.172
Svalutazioni	101.172	101.172
Variazioni nell'esercizio		
Valore di fine esercizio		
Costo	101.172	101.172
Svalutazioni	101.172	101.172

## Non current receivables

Receivables reported under financial fixed assets were equal to **€575,976** (€230,000 in the previous year).

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

	Valore di inizio esercizio	Variazioni nell'esercizio	Valore di fine esercizio	Quota scadente entro l'esercizio	Quota scadente oltre l'esercizio	Di cui durata residua superiore a 5 anni
Crediti immobilizzati verso altri	230.000	345.976	575.976	0	575.976	0
Totale crediti immobilizzati	230.000	345.976	575.976	0	575.976	0

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.

Receivables reported under financial fixed assets were equal to **€575,976** (€230,000 in the previous year) and are represented by security deposits.

This item mainly refers to a security deposit of €140,000 paid to Yessa Srl for a room contract in the Jumbo resort of Watamu in Kenya, a deposit of €300,000 paid to Studio Vacanze for a room contract for the 2024 season in Sardinia and a deposit of € 100,000 paid to FV Gestioni for a room contract for the 2024 season in Sardinia.



## CURRENT ASSETS

### Receivables

Receivables booked under current assets were equal to € 3,713,438 (€ 2,145,387 in the previous year).

The composition is as follows:

	Esigibili entro l'esercizio successivo	Esigibili oltre l'esercizio	Valore nominale totale	(Fondi rischi/svalutazioni)	Valore netto
Verso clienti	1.526.053	0	1.526.053	0	1.526.053
Crediti tributari	19.011	0	19.011		19.011
Imposte anticipate			1.612.749		1.612.749
Verso altri	322.292	233.333	555.625	0	555.625
<b>Totale</b>	<b>1.867.356</b>	<b>233.333</b>	<b>3.713.438</b>	<b>0</b>	<b>3.713.438</b>

### 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.

	Valore di inizio esercizio	Variazione nell'esercizio	Valore di fine esercizio	Quota scadente entro l'esercizio	Quota scadente oltre l'esercizio	Di cui di durata residua superiore a 5 anni
Crediti verso clienti iscritti nell'attivo circolante	827.714	698.339	1.526.053	1.526.053	0	0
Crediti tributari iscritti nell'attivo circolante	234.804	-215.793	19.011	19.011	0	0
Attività per imposte anticipate iscritte nell'attivo circolante	199.452	1.413.297	1.612.749			
Crediti verso altri iscritti nell'attivo circolante	883.417	-327.792	555.625	322.292	233.333	0
<b>Totale crediti iscritti nell'attivo circolante</b>	<b>2.145.387</b>	<b>1.568.051</b>	<b>3.713.438</b>	<b>1.867.356</b>	<b>233.333</b>	<b>0</b>

Receivables from customers mainly include receivables deriving from the provision of services of the core business, while tax receivables consist exclusively of IRES receivables.

Receivables from others essentially include €466,666 of receivables for an interest-bearing loan granted to Trawell Co S.p.a., of which €233,333 due within the financial year and €233,333 due beyond the financial year.

Prepaid taxes were equal to €1,612,749 (€199,452 in the previous year). For details regarding prepaid taxes, please refer to the income statement section. It should be noted that estimates regarding the recoverability of the booked amount are based on a forecast of future taxable income, in accordance with the business plan approved by management.





## 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.

	Totale			
Area geografica		ITALIA	UE	EXTRA UE
Crediti verso clienti iscritti nell'attivo circolante	1.526.053	928.151	442.839	155.063
Crediti tributari iscritti nell'attivo circolante	19.011	19.011	0	0
Attività per imposte anticipate iscritte nell'attivo circolante	1.612.749	1.612.749	0	0
Crediti verso altri iscritti nell'attivo circolante	555.625	555.625	0	0
<b>Totale crediti iscritti nell'attivo circolante</b>	<b>3.713.438</b>	<b>3.115.536</b>	<b>442.839</b>	<b>155.063</b>

## 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

Liquid assets booked under current assets are equal to **€1,695,809** (€2,134,957 in the previous year).

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

	Valore di inizio esercizio	Variazione nell'esercizio	Valore di fine esercizio
Depositi bancari e postali	2.134.925	-439.116	1.695.809
Denaro e altri valori in cassa	32	-32	0
<b>Totale disponibilità liquide</b>	<b>2.134.957</b>	<b>-439.148</b>	<b>1.695.809</b>



## Accrued income and deferred charges

Accrued income and deferred charges were equal to € 103,814 (€ 807,926 in the previous year).

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

	Valore di inizio esercizio	Variazione nell'esercizio	Valore di fine esercizio
Ratei attivi	0	4.000	4.000
Risconti attivi	807.926	-708.112	99.814
<b>Totale ratei e risconti attivi</b>	<b>807.926</b>	<b>-704.112</b>	<b>103.814</b>

### *Composition of accrued income*

Accrued income is represented by the postponement of the "Gender equality - Lombardy" contribution to the following financial year.

### *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

#### Shareholders' equity

The shareholders' equity existing at the end of the year was equal to € 4,443,808

(€3,326,349 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	1,308,834	0	0	455
Share premium reserve	6,253,893	0	0	5,005
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	-4,590,279	0	0	0
Profit (loss) of the year	-615,783	0	615,783	0
Negative reserve for own shares in portfolio	0	0	0	0
<b>Total shareholders' equity</b>	<b>3,326,349</b>	<b>0</b>	<b>615,783</b>	<b>5,460</b>

	Decreases	Reclassifications	Result of the year	Value at year end
Share capital	0	0		1,309,289
Share premium reserve	0	0		6,258,898
Legal reserve	0	0		100,000
Other reserves				
Misc. other reserves	0	-3		869,681
Total other reserves	0	-3		869,681
Profit (loss) carried forward	615,783	0		-5,206,062
Profit (loss) of the year	0	0	1,169,623	1,169,623
Negative reserve for own shares in portfolio	0	-57,621		-57,621
<b>Total shareholders' equity</b>	<b>615,783</b>	<b>-57,624</b>	<b>1,169,623</b>	<b>4,443,808</b>

	Description	Amount
	Contribution reserve	869,681
<b>Total</b>		<b>869,681</b>

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.

During 2022, and following the merger by incorporation of Digital Destination Company, the Company issued 5,908,906 ordinary shares, with no indication of the nominal value expressed and with regular dividend rights which have been assigned to DDC shareholders in proportion to the share capital they hold in the merged company. At the same time, 9,846,538 warrants were issued and assigned to DDC shareholders, with the same characteristics as those already existing.



During the months of August and September 2022, 1120 warrants were exercised. Following the transactions described above, there was a total increase in share capital of €591,008 in 2022 and an increase in the share premium reserve of € 1,232.

It should be noted that - during the year 2023, and following the exercise of the previously issued warrants - the share capital increased by €455 with a simultaneous increase in the share premium reserve of €5,005.

The share capital as of 31 December 2023 was equal to Euro 1,309,289 and the share premium reserve was equal to Euro 6,258,898. As of 31 December 2023, there were still 21,802,530 warrants in circulation.

During 2023, the Company acquired 52,000 own shares for an amount totaling Euro 57,621. This amount was booked in a negative shareholders' equity reserve.

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:

	Valore di inizio esercizio	Attribuzione di dividendi	Altre destinazioni	Incrementi
Capitale	717.826	0	0	591.008
Riserva da soprapprezzo delle azioni	6.252.661	0	0	1.232
Riserva legale	100.000	0	0	0
Altre riserve				
Varie altre riserve	869.684	0	0	0
Totale altre riserve	869.684	0	0	0
Utili (perdite) portati a nuovo	-3.207.073	0	0	0
Utile (perdita) dell'esercizio	-1.383.206	0	1.383.206	0
<b>Totale Patrimonio netto</b>	<b>3.349.892</b>	<b>0</b>	<b>1.383.206</b>	<b>592.240</b>

	Decrementi	Riclassifiche	Risultato d'esercizio	Valore di fine esercizio
Capitale	0	0		1.308.834
Riserva da soprapprezzo delle azioni	0	0		6.253.893
Riserva legale	0	0		100.000
Altre riserve				
Varie altre riserve	0	0		869.684
Totale altre riserve	0	0		869.684
Utili (perdite) portati a nuovo	1.383.206	0		-4.590.279
Utile (perdita) dell'esercizio	0	0	-615.783	-615.783
<b>Totale Patrimonio netto</b>	<b>1.383.206</b>	<b>0</b>	<b>-615.783</b>	<b>3.326.349</b>



## 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:

The non-distributable portion of shareholders' equity consists of the legal reserve for €100,000; the amount of start-up and expansion costs and development costs not yet amortized pursuant to Art. 2426, paragraph 1, no. 5, of the Italian Civil Code for €1,059,247; losses carried forward totaling €5,206,062; the amount of the necessary legal reserve totaling €161,858 for it to reach the limit of 20% of the share capital; and the amount of the negative reserve for own shares in portfolio equal to €57,621.

	Importo	Origine/natura	Possibilità di utilizzazione	Quota disponibile	Riepilogo delle utilizzazioni effettuate nei tre precedenti esercizi - per copertura perdite	Riepilogo delle utilizzazioni effettuate nei tre precedenti esercizi - per altre ragioni	
Capitale	1.309.289	Capitale		0	0	0	
Riserva da soprapprezzo delle azioni	6.258.898	Capitale	A - B - C	6.258.898	0	0	
Riserva legale	100.000	Utili	A - B	100.000	0	0	
Altre riserve							
Varie altre riserve	869.681	Capitale - Utili	A - B - C	869.681	0	0	
Totale altre riserve	869.681			869.681	0	0	
Utili portati a nuovo	-5.206.062			0	0	0	
Riserva negativa per azioni proprie in portafoglio	-57.621			0	0	0	
<b>Totale</b>	<b>3.274.185</b>			<b>7.228.579</b>	<b>0</b>	<b>0</b>	
Quota non distribuibile				6.635.088			
Residua quota distribuibile				593.491			
Legenda: A: per aumento di capitale B: per copertura perdite C: per distribuzione ai soci D: per altri vincoli statutari E: altro							
Descrizione	Importo	Origine/natura	Possibilità di utilizzazioni	Quota disponibile	Riepilogo delle utilizzazioni effettuate nei tre precedenti esercizi: per copertura perdite	Riepilogo delle utilizzazioni effettuate nei tre precedenti esercizi: per altre ragioni	Legenda: A: per aumento di capitale B: per copertura perdite C: per distribuzione ai soci D: per altri vincoli statutari E: altro
Riserva da conferimento	869.681	Capitale - utilii	A - B - C	869.681	0	0	
<b>Totale</b>	<b>869.681</b>						



## Provisions for risks and charges

Provisions for risks and charges are booked under liabilities for a total of € 42,206 (€ 48,050 in the previous year).

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

	Fondo per trattamento di quiescenza e obblighi simili	Fondo per imposte anche differite	Strumenti finanziari derivati passivi	Altri fondi	Totale fondi per rischi e oneri
Valore di inizio esercizio	0	0	0	48.050	48.050
Variazioni nell'esercizio					
Accantonamento nell'esercizio	0	0	0	42.206	42.206
Utilizzo nell'esercizio	0	0	0	48.050	48.050
Totale variazioni	0	0	0	-5.844	-5.844
<b>Valore di fine esercizio</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>42.206</b>	<b>42.206</b>

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 € 38,445 (€ 46,107 in the previous year).

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

	Trattamento di fine rapporto di lavoro subordinato
Valore di inizio esercizio	46.107
Variazioni nell'esercizio	
Accantonamento nell'esercizio	34.265
Utilizzo nell'esercizio	27.797
Altre variazioni	-14.130
Totale variazioni	-7.662
<b>Valore di fine esercizio</b>	<b>38.445</b>



## Payables

Payables are booked under liabilities for a total of € 3,993,631 (€ 4,006,856 in the previous year).

The composition of the individual items was as follows:

	Valore di inizio esercizio	Variazioni nell'esercizio	Valore di fine esercizio
Debiti verso banche	3.035.750	-324.206	2.711.544
Acconti	273.931	-69.776	204.155
Debiti verso fornitori	496.484	67.538	564.022
Debiti tributari	59.521	153.362	212.883
Debiti vs.istituti di previdenza e sicurezza sociale	38.520	6.502	45.022
Altri debiti	102.650	153.355	256.005
<b>Totale</b>	<b>4.006.856</b>	<b>-13.225</b>	<b>3.993.631</b>

Payables to banks include the portions of loans existing at the end of the financial year and are divided, in relation to their maturity dates, between payables due within and beyond the financial year.

Trade payables and advances from customers mainly include amounts relating to the purchase of services associated with the core business.

Tax payables mainly include sums owed by the company at the end of the year for withholding taxes relative to employees and independent contractors to be paid within the terms of the law as well as the amount of the VAT and IRAP payables.

Payables to social security institutions consist of payables to INPS and supplementary pension funds.

The other payables mainly consist of payables to employees for the year end bonus as well as for holidays accrued and not taken, security deposits expiring within the financial year for €182,110, contracts for the coverage of the 2023 season and security deposits expiring after the following financial year in relation to the rental contracts of the Gallarate properties.



## 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.

	Valore di inizio esercizio	Variazione nell'esercizio	Valore di fine esercizio	Quota scadente entro l'esercizio	Quota scadente oltre l'esercizio	Di cui di durata superiore a 5 anni
Debiti verso banche	3.035.750	-324.206	2.711.544	625.642	2.085.902	401.601
Acconti	273.931	-69.776	204.155	204.155	0	0
Debiti verso fornitori	496.484	67.538	564.022	564.022	0	0
Debiti tributari	59.521	153.362	212.883	212.883	0	0
Debiti verso istituti di previdenza e di sicurezza sociale	38.520	6.502	45.022	45.022	0	0
Altri debiti	102.650	153.355	256.005	251.005	5.000	0
<b>Totale debiti</b>	<b>4.006.856</b>	<b>-13.225</b>	<b>3.993.631</b>	<b>1.902.729</b>	<b>2.090.902</b>	<b>401.601</b>

## 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:

	Totale	ITALIA	UE	EXTRA UE
Area geografica		ITALIA	UE	EXTRA UE
Debiti verso banche	2.711.544	2.711.544	0	0
Acconti	204.155	160.244	39.598	4.313
Debiti verso fornitori	564.022	439.226	60.990	63.806
Debiti tributari	212.883	212.883	0	0
Debiti verso istituti di previdenza e di sicurezza sociale	45.022	45.022	0	0
Altri debiti	256.005	256.005	0	0
<b>Debiti</b>	<b>3.993.631</b>	<b>3.824.924</b>	<b>100.588</b>	<b>68.119</b>

## 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 to the company itself.

## Accrued liabilities and deferred income

Accrued liabilities and deferred income are booked under liabilities for a total of € 26,098 (€ 67,942 in the previous year).

The composition and movements of the individual items were as follows: Deferred income mainly includes the residual portions of tax credits relative to research and development expenses and the tax credit for adapting workplaces. 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). Accrued liabilities mainly include rental costs invoiced in advance but pertaining to the 2024 financial year.

	Valore di inizio esercizio	Variazione nell'esercizio	Valore di fine esercizio
Ratei passivi	11.143	-7.245	3.898
Risconti passivi	56.799	-34.599	22.200
<b>Totale ratei e risconti passivi</b>	<b>67.942</b>	<b>-41.844</b>	<b>26.098</b>



## 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:

	Categoria di attività	Valore esercizio corrente
	Ricavi per servizi al viaggiatore	1.206.285
	Ricavi attività agenzia di viaggio	18.320.249
<b>Totale</b>		<b>19.526.534</b>

### **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:

	Area geografica	Valore esercizio corrente
	ITALIA	17.019.169
	UE	546.641
	EXTRA UE	1.960.724
<b>Totale</b>		<b>19.526.534</b>



## Other revenues and proceeds

Other revenues and proceeds are booked under total revenues within the income statement for a total of € 162,588 (€ 178,581 in the previous year).

The composition of the individual items was as follows:

	Valore esercizio precedente	Variazione	Valore esercizio corrente
Contributi in conto esercizio	112.761	-70.162	42.599
Altri			
Provvigioni attive	55.046	25.172	80.218
Altri ricavi e proventi	10.774	28.997	39.771
Totale altri	65.820	54.169	119.989
<b>Totale altri ricavi e proventi</b>	<b>178.581</b>	<b>-15.993</b>	<b>162.588</b>

Other revenues and income primarily include the following:

Euro 9,600 tax credit for adapting workplaces;

Euro 28,000 of tax credit for R&D costs proportional to the amortization rates calculated during the year on the same subsidized expenses;

- Euro 80,218 of receivable commissions;
- Euro 30,871 of contingent assets;

## COST OF PRODUCTION - Expenses for services

Expenses for services are booked under the cost of production within the income statement for a total of € 18,212,438 (€ 16,333,222 in the previous year).

The composition of the individual items was as follows:

	Valore esercizio precedente	Variazione	Valore esercizio corrente
Servizi per acquisti	14.831.907	1.748.271	16.580.178
Trasporti	452	-377	75
Spese di manutenzione e riparazione	1.035	3.366	4.401
Servizi e consulenze tecniche	6.220	-6.220	0
Compensi agli amministratori	308.051	93.834	401.885
Compensi a sindaci e revisori	43.380	13.120	56.500
Provvigioni passive	894	-889	5
Pubblicità	2.088	20.846	22.934
Spese e consulenze legali	52.952	21.740	74.692
Consulenze fiscali, amministrative e commerciali	529.963	-49.263	480.700
Spese telefoniche	8.399	-4.190	4.209
Servizi da imprese finanziarie e banche di natura non finanziaria	42.308	-28.466	13.842
Assicurazioni	1.200	7.724	8.924
Spese di rappresentanza	35.322	-23.501	11.821
Spese di viaggio e trasferta	13.507	6.396	19.903
Spese di aggiornamento, formazione e addestramento	50	-50	0
Altri	455.494	76.875	532.369
<b>Totale</b>	<b>16.333.222</b>	<b>1.879.216</b>	<b>18.212.438</b>



## 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 € 167,311 (€ 78,799 in the previous year).

The composition of the individual items was as follows:

	Valore esercizio precedente	Variazione	Valore esercizio corrente
Affitti e locazioni	77.303	-8.243	69.060
Altri	1.496	96.755	98.251
<b>Totale</b>	<b>78.799</b>	<b>88.512</b>	<b>167.311</b>

## Other operating charges

Other operating charges are booked under the cost of production within the income statement for a total of €153,146 (€ 31,750 in the previous year).

The composition of the individual items was as follows:

	Valore esercizio precedente	Variazione	Valore esercizio corrente
Abbonamenti riviste, giornali ...	7.188	-7.149	39
Sopravvenienze e insussistenze passive	6.062	50.345	56.407
Altri oneri di gestione	18.500	78.200	96.700
<b>Totale</b>	<b>31.750</b>	<b>121.396</b>	<b>153.146</b>

## 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:

	Parte valutativa	Parte realizzata	Totale
Utili su cambi	29	518	547
Perdite su cambi	0	900	900

## 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 the current year.

## 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 the current year .



## INCOME TAXES OF THE YEAR: CURRENT, DEFERRED AND PREPAID

The composition of the individual items was as follows:

	Imposte correnti	Imposte relative a esercizi precedenti	Imposte differite	Imposte anticipate	Proventi (oneri) da adesione al regime consolidato fiscale/trasparenza fiscale
IRES	0	0	0	1.413.297	
IRAP	13.530	-4.330	0	0	
<b>Totale</b>	<b>13.530</b>	<b>-4.330</b>	<b>0</b>	<b>1.413.297</b>	<b>0</b>

Prepaid taxes of €1,413,297 were booked, and mainly in relation to the amount of the tax loss for the current year and the tax losses prior to 2022 as well as on the amount of the ACE ("Aiuto alla crescita economica", Economic Growth Aid) to be carried forward and on the tax amortization of the trademarks.

Information regarding tax losses is reported below:

	Esercizio corrente - Ammontare	Esercizio corrente - Aliquota fiscale	Esercizio corrente - Imposte anticipate rilevate	Esercizio precedente - Ammontare	Esercizio precedente - Aliquota fiscale	Esercizio precedente - Imposte anticipate rilevate
Perdite fiscali:						
dell'esercizio	222.682			1.235.117		
di esercizi precedenti	5.874.859			4.639.742		
<b>Totale perdite fiscali</b>	<b>6.097.541</b>			<b>5.874.859</b>		
Perdite fiscali a nuovo recuperabili con ragionevole certezza	<b>6.097.541</b>	<b>24,00</b>	<b>1.288.561</b>	<b>1.235.117</b>	<b>24,00</b>	<b>174.849</b>

## OTHER INFORMATION

### Employment data

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

	Numero medio
Dirigenti	1
Impiegati	10
<b>Totale Dipendenti</b>	<b>11</b>

Apprentices and interns were not taken into consideration in the above calculation.



## 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.

	Amministratori	Sindaci
Compensi	348.000	36.500

## 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:

	Valore
Revisione legale dei conti annuali	17.000
Altri servizi di verifica svolti	3.000
Totale corrispettivi spettanti al revisore legale o alla società di revisione	20.000

## 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:

	Descrizione	Consistenza iniziale, numero	Consistenza iniziale, valore nominale	Azioni sottoscritte nell'esercizio, numero	Azioni sottoscritte nell'esercizio, valore nominale	Consistenza finale, numero	Consistenza finale, valore nominale
	Azioni ordinarie	13.088.338	1.308.834	4.550	455	13.092.888	1.309.289
<b>Totale</b>		<b>13.088.338</b>	<b>1.308.834</b>	<b>4.550</b>	<b>455</b>	<b>13.092.888</b>	<b>1.309.289</b>

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 at 31 December 2023 there is a payable to the related party of € 7,557 relative to the electricity balance for 2019/2020 and an insurance payable for 2021/2022; in addition, there is a payable for 2022/2023 insurance equal to € 4,239 and a payable of € 12,500 for the remuneration of the Board of Directors relative to the month of December 2023; finally, there is also a receivable of € 527 relative to the registration and deregistration of the 2020/2021 rental contract;

- **Trawell Co Group:** transactions with the companies of the Trawell Co 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. The financial statements include an active loan of €466,667 issued to Trawell Co. expiring in November 2025 and a credit for interest income on the financing itself totaling €2,282; in addition, a trade receivable of €236,633 is due from TraWell Co;
- **Rudolph Gentile, shareholder:** a receivable of € 58 is due to him;

In addition, transactions were implemented with other parties such as:

- **Yessa S.r.l.** The financial statements report a receivable for a security deposit of € 140,000 paid following the contract for the rooms in the Jumbo Hotel in Watamu Kenya. At the end of the year, and following the transactions between the parties, there were invoices to be received for €1,362, a Company receivable of €525 and a payable of €30,058, with the latter two paid in January 2024.



## 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.

## 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:

- Euro 9,600 tax credit for adapting workplaces;
- Euro 28,000 of tax credit for R&D costs proportional to the amortization rates calculated during the year on the same subsidized expenses;
- €4,000 "gender equality" contribution;
- €1,000 EU contribution for trademark registration.

## Organizational aspects

Pursuant to Legislative Decree 83/2022, the directors hereby declare that the Company has adequate organizational structures and appropriate management control mechanisms.





## 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 allocate the profit for the year, equal to €1,169,623, as follows:

- €58,482 to the legal reserve;
- €1,111,141 to cover losses that were previously carried forward.

## On behalf of the Board of Directors

CARMINE COLELLA

## Declaration of compliance

The undersigned Carmine Colella - 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.



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