CORPORATE FAMILY OFFICE SIM

sostravel

Italy – Travel Services

Interim results highly impacted by the ongoing strategy change

20th October 2025

H1-25 RESULTS RELEASE

RIC: SOTR.MI
BBG: SOS IM

Sostravel posted H1-25 results, significantly marked by the strategy shift undertaken by the management to reduce the overall volatility of revenues and margins arising from the empty-for-full contracts. Consequently, the 2023-27 Business Plan was revoked. The short-term focus is on broadening the value proposition with specialised services and expanding LLC's geographical reach with new B2B agreements.

Rating:
Buy

Price Target:
€ 0.80 (€ 1.30)

Upside/(Downside): 45.5%

Last Price: € 0.55

Market Cap.: € 7.3m

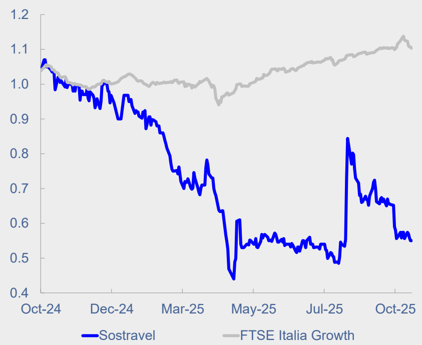
1Y High/Low: € 1.07 / € 0.43

Avg. Daily Turn. (3M, 6M): € 24k, € 19k

Free Float: 32.3%

Major shareholders:

Carmine Colella	20.2%
Le terrazze di Porto Ottiolu Srl	20.2%
RG Holding Srl	20.5%



Stock price performance

	1M	3M	12M
Absolute	-17.9%	1.9%	-47.6%
Rel.to FTSE IT Growth	-17.8%	-2.0%	-52.6%
Rel.to Peers	-7.8%	14.7%	-36.4%

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Estimates downward revised. New DCF-based PT at € 0.80/s (€ 1.30). Still a Buy
On the back of the H1-25 results release, we have updated our estimates by factoring in: 1) a sharp downward revision of our top line assumption to reflect the strategy shift with respect to the Travel Booking BU, 2) a fine-tuning of operating costs and D&As and, 3) lower Capex over the 2025-27 period. The combined result is an average decline of 19.8% in Revenues and a sizeable cut in EBITDA in 2025-27, with a consequent increase in NFP. The latter, however, is expected to be positively impacted by the partial cash-in of a receivable towards a strategic partner. Moreover, we updated the valuation criteria, bringing the risk-free rate up to date (3.65% vs prev. 3.60%). As a result, our new DCF-based PT is lowered to € 0.80/s (€ 1.30), still offering a 45.5% upside potential to current price levels. Buy rating confirmed.

Top line down by 8.9% YoY to € 4.9m, reflecting the ongoing strategic repositioning
Revenues declined by 8.9% to € 4.9m (€ 5.4m in H1-24), reflecting the management's decision to reduce the share of the empty-for-full contracts to lower the operational risks of the business and enhance its overall predictability. The Travel Booking BU (85.6% of the total) posted a double-digit decrease (€ 4.2m, -13.2% YoY) mainly as a result of the reduction of the empty-for-full agreements, which fell by ~31% YoY. Such a decline also reflected the termination of a specific agreement with an established Italian tour operator relative to four accommodations, only partially mitigated by new contracts in other regions (i.e. Apulia and Calabria). The Digital Passenger Services BU (14.4% of the total) climbed by 35.1% YoY to € 0.7m (€ 0.5m in H1-24), fuelled by a surge in volumes (+228% YoY), likely driven by the contribution of the B2B agreements signed with primary travel operators in 2024, such as, among others, Costa Crociere and VeraTour.

EBITDA sharply fell to the break-even level, while the bottom line turned negative
EBITDA came in at € 5.1k, 0.1% margin (€ 0.4m, 7.2% margin in H1-24), impacted by a lower top line resulting from the change in the business model, along with growing marketing expenses. Net Loss amounted to € 0.3m (vs a Net Profit of € 0.1m in H1-24), following a slight increase in D&A expenses (€ 0.3m vs € 0.2m in H1-24) due to increased investments to upgrade the proprietary IT infrastructure, while financial expenses were still negligible.

NFP stood at € 0.6m debt, affected by lower margins and a less favourable NWC trend
Net Financial Position stood at € 0.6m debt from € 0.3m debt in FY-24, reflecting 1) a negative Op. CF due to lower profitability and a less favourable NWC dynamic that usually characterises H1, 2) Capex of € 0.1m, mainly intended for the upgrade of the amare.travel's back-end infrastructure and 3) dividends for € 50k. Adjusted NFP was € 0.1m debt (€ 0.2m cash in FY-24), after adjustments amounting to roughly € 0.4m, of which € 0.2m for deposits to secure selected room capacity and € 0.2m for a loan granted to a strategic partner, expected to be reimbursed in Nov-25.

Sostravel.com, key financials and ratios

€ m	2023	2024	2025e	2026e	2027e
Revenues	19.5	22.4	20.0	21.7	23.5
EBITDA	0.4	0.7	0.2	0.7	0.9
Adjusted EBITDA	0.5	0.8	0.2	0.7	0.9
EBIT	(0.2)	0.2	(0.3)	0.2	0.4
Net Profit	1.2	0.1	(0.4)	0.2	0.3
NFP (cash)/debt	1.0	0.3	0.4	(0.2)	(0.6)
Adjusted NFP (cash)/debt	(0.0)	(0.2)	0.1	(0.4)	(0.8)
Adjusted EBITDA margin	2.5%	3.4%	1.0%	3.4%	3.8%
EBIT margin	-0.8%	1.0%	-1.6%	1.1%	1.8%
EPS stated €	0.09	0.01	(0.03)	0.01	0.02
EPS growth	*n.m.*	*-94.2%*	*n.m.*	*n.m.*	*87.6%*
ROCE	Neg.	3.4%	Neg.	3.6%	6.1%
EV/Sales (x)	0.72	0.65	0.38	0.33	0.29
EV/EBITDA (x)	29.1	18.9	38.6	9.6	7.4
EV/EBIT (x)	n.m.	63.7	n.m.	30.2	16.1
PER (x)	12.1	n.m.	n.m.	43.1	23.0
Free Cash Flow Yield	-0.9%	9.0%	-0.1%	7.1%	5.6%

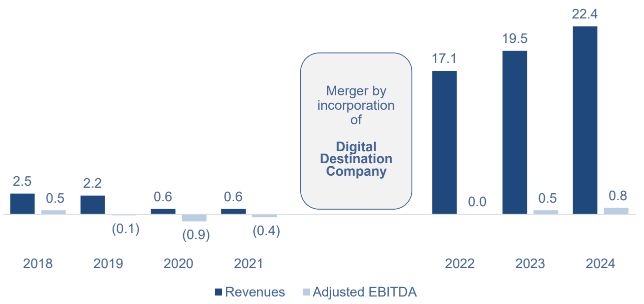
The Company at a Glance

Sostravel is a travel-tech company offering an integrated suite of travel solutions via its all-around proprietary apps and web platforms. In particular, the company boasts an extensive experience in providing digital assistance services to passengers, including fast tracking and recovery of lost luggage, healthcare and insurance. Moreover, by leveraging on its technological platforms, it enables vacationers to choose among a vast array of highly sought-after destinations around the globe and plan their entire journey, from transportation and accommodation to car rental and booking of bespoke on-site experiences.

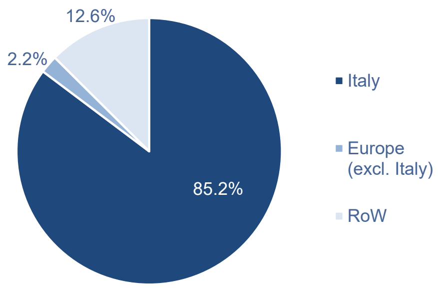
Currently, the company runs its operations through two distinct yet highly-complementary and integrated service-led business lines: Digital Passenger Services and Travel Booking. As regards the former, services are offered both online, through the apps Sostravel and, for certain services, Flio, and offline in more than 130 stores in 26 airports, on the back of a distribution agreement with Trawell Co. The same services are offered indirectly, through several distribution agreements with tour operators, travel agencies and welfare enterprises. As regards Travel Booking, Sostravel operates its proprietary web platform amare.travel.

2022 represented a year of a major transformation and transition towards a new business model following the merger with Digital Destination Company and its consolidation as from January 1st. FY-24 results exhibited Revenues of € 22.4m, Adjusted EBITDA of € 0.8m, 3.4% margin, with Net Profit a touch above the break-even level at € 67k, while Adjusted Net Financial Position stood at € 0.2m cash.

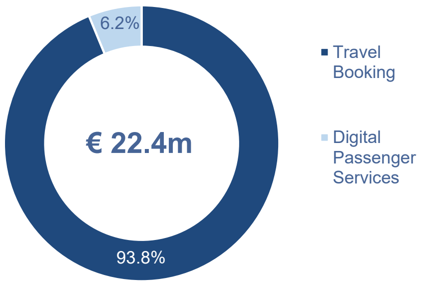
2018-24 top line and Adj. EBITDA evolution



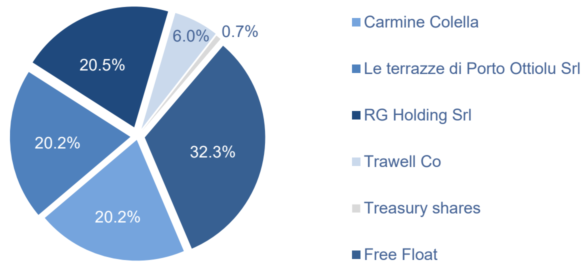
2024 revenues breakdown by geography



2024 top line breakdown by business line



Shareholder Structure



Peer group multiples table

EV & PER multiples x	Sales FY1	Sales FY2	EBITDA FY1	EBITDA FY2	EBIT FY1	EBIT FY2	PER FY1	PER FY2
Destination Italia SpA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Emma Villas SpA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
I Grandi Viaggi SpA	1.27	1.14	11.3	9.4	18.1	14.1	26.4	26.4
Soges Group SpA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
TraWell Co SpA	0.62	0.57	2.2	2.0	5.0	4.2	30.8	15.4
Median of Domestic Peers	**0.94**	**0.85**	**6.8**	**5.7**	**11.5**	**9.1**	**28.6**	**20.9**
Booking Holdings Inc	6.32	5.84	17.4	15.5	18.4	16.7	22.8	20.3
eDreams ODIGEO SA	1.63	1.41	6.9	5.6	9.4	7.5	10.8	9.4
Expedia Group Inc	1.94	1.68	8.6	7.3	15.6	11.7	14.4	12.7
Lastminute.com NV	0.57	0.45	4.0	3.2	5.9	5.0	9.7	8.3
MakeMyTrip Ltd	7.18	5.62	37.0	24.9	41.7	28.8	50.2	39.7
Trip.com Group Ltd	4.81	3.93	16.4	13.0	17.4	13.8	17.7	16.1
Median of International Peers	**3.38**	**2.81**	**12.5**	**10.1**	**16.5**	**12.7**	**16.1**	**14.4**
Sostravel.com SpA	**0.38**	**0.33**	**38.6**	**9.6**	**n.m.**	**30.2**	**n.m.**	**43.1**

Sources: CFO SIM, Refinitiv Workspace

Income statement (€ m)	2023	2024	2025e	2026e	2027e
Revenues	19.5	22.4	20.0	21.7	23.5
Value of Production	19.7	22.5	20.1	21.8	23.6
Raw material and processing	(0.0)	0.0	(0.0)	(0.0)	(0.0)
Services	(18.2)	(20.6)	(18.6)	(19.8)	(21.3)
Personnel expenses	(0.7)	(0.8)	(0.9)	(0.9)	(0.9)
Other opex	(0.3)	(0.5)	(0.4)	(0.4)	(0.5)
EBITDA	0.4	0.7	0.2	0.7	0.9
D&A & Provision	(0.6)	(0.5)	(0.5)	(0.5)	(0.5)
EBIT	(0.2)	0.2	(0.3)	0.2	0.4
Financials	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Re-devaluation of financial assets	0.0	0.0	0.0	0.0	0.0
Forex gain/(loss)	(0.0)	(0.0)	0.0	0.0	0.0
Pre-Tax profit	(0.2)	0.2	(0.4)	0.2	0.4
Income taxes	1.4	(0.1)	0.0	0.0	(0.0)
Minority interest	0.0	0.0	0.0	0.0	0.0
Net Profit	1.2	0.1	(0.4)	0.2	0.3
Adjusted EBITDA	0.5	0.8	0.2	0.7	0.9
Adjusted Net Profit	1.2	0.1	(0.4)	0.2	0.3

Balance sheet (€ m)	2023	2024	2025e	2026e	2027e
Net Working Capital	0.8	0.6	0.7	0.7	0.9
Net Fixed Assets	2.5	2.4	2.2	1.9	1.6
Equity Investments	0.6	0.2	0.2	0.2	0.2
Other M/L Term A/L	1.7	1.6	1.4	1.4	1.4
Net Invested Capital	5.5	4.9	4.5	4.2	4.1
Net Financial Position	1.0	0.3	0.4	(0.2)	(0.6)
Minorities	0.0	0.0	0.0	0.0	0.0
Group's Shareholders Equity	4.4	4.6	4.1	4.3	4.6
Financial Liabilities & Equity	5.5	4.9	4.5	4.2	4.1
Adjusted Net Financial Position	(0.0)	(0.2)	0.1	(0.4)	(0.8)

Cash Flow statement (€ m)	2023	2024	2025e	2026e	2027e
Net Profit before minorities	1.2	0.1	(0.4)	0.2	0.3
Depreciation	0.6	0.5	0.5	0.5	0.5
Other non-cash charges	0.1	0.0	0.2	0.0	0.0
Cash Flow from Operations (CFO)	1.8	0.6	0.4	0.7	0.8
Change in NWC	(0.7)	0.1	(0.1)	0.0	(0.2)
FCF from Operations (FCFO)	1.1	0.7	0.3	0.7	0.6
Net Investments (CFI)	(1.1)	(0.0)	(0.3)	(0.2)	(0.2)
Free CF to the Firm (FCFF)	(0.1)	0.7	(0.0)	0.5	0.4
CF from financials (CFF)	(0.4)	(0.6)	(0.1)	(0.0)	0.0
Free Cash Flow to Equity (FCFE)	(0.4)	0.0	(0.0)	0.5	0.4

Financial ratios	2023	2024	2025e	2026e	2027e
Adjusted EBITDA margin	2.5%	3.4%	1.0%	3.4%	3.8%
EBIT margin	-0.8%	1.0%	-1.6%	1.1%	1.8%
Net Profit margin	5.9%	0.3%	-1.9%	0.8%	1.3%
Tax rate	n.m.	55.1%	n.m.	0.0%	10.0%
Op. NWC/Sales (%)	3.9%	2.8%	3.6%	3.2%	3.7%
Interest coverage x	n.m.	2.98	n.m.	3.53	6.53
Adjusted Net Debt/EBITDA x	n.m.	n.m.	0.62	n.m.	n.m.
Net Debt-to-Equity x	0.23	0.07	0.09	n.m.	n.m.
ROIC	21.4%	1.4%	Neg.	4.1%	7.8%
ROCE	Neg.	3.4%	Neg.	3.6%	6.1%
ROACE	Neg.	3.3%	Neg.	3.7%	6.2%
ROE	26.3%	1.5%	Neg.	3.9%	6.8%
Payout ratio	0.0%	73.8%	0.0%	0.0%	0.0%

Per share figures	2023	2024	2025e	2026e	2027e
Number of shares # m	13.09	13.18	13.18	13.18	13.18
Number of shares Fully Diluted # m	34.90	34.90	34.90	34.90	34.90
Average Number of shares Fully Diluted # m	34.90	34.90	34.90	34.90	34.90
EPS stated €	0.09	0.01	(0.03)	0.01	0.02
Adjusted EPS €	0.03	0.00	(0.01)	0.00	0.01
EBITDA €	0.01	0.02	0.01	0.02	0.03
EBIT €	(0.00)	0.01	(0.01)	0.01	0.01
BV €	0.13	0.13	0.12	0.12	0.13
FCFO €	0.03	0.02	0.01	0.02	0.02
FCFF €	(0.00)	0.02	(0.00)	0.01	0.01
FCFE €	(0.01)	0.00	(0.00)	0.01	0.01
Dividend €	0.00	0.0038	0.00	0.00	0.00

H1-25 Results

Sostravel reported **a weak set of H1-25 results, mainly reflecting the impact of the ongoing strategy change.** In particular, the company decided to reduce its exposure to empty-for-full contracts to lower the operational risk and strengthen long-term financial sustainability, focusing on specialised services. As a result, the top line fell by high single-digit, and EBITDA was slightly above the break-even level.

As a result of the ongoing change in the business model, **management stated that the targets for Revenues, EBITDA, and NFP outlined in the 2023-27 industrial plan are no longer valid.**

Table 1 – Sostravel.com, H1-25 results

€ m	H1-25	H1-24	% YoY
Travel Booking	*4.2*	*4.9*	*(13.6)*
Digital Passenger Services	*0.7*	*0.5*	*35.1*
Revenues	**4.9**	**5.4**	**(8.9)**
Increase in internal works	0.0	0.0	
Other revenues	0.1	0.1	
Value of Production	**5.0**	**5.5**	**(8.4)**
Raw material and processing	0.0	0.0	
Services	(4.4)	(4.5)	
Personnel expenses	(0.4)	(0.4)	
Other opex	(0.2)	(0.2)	
EBITDA	**0.0**	**0.4**	**(98.7)**
% margin	*0.1*	*7.2*	
D&A & Provision	(0.3)	(0.2)	
EBIT	**(0.3)**	**0.1**	**n.m.**
% margin	*-5.5*	*2.6*	
Financials	(0.0)	(0.0)	
Pre-Tax profit	**(0.3)**	**0.1**	**n.m.**
% margin	*-6.1*	*1.8*	
Income taxes	0.0	(0.0)	
Tax rate	n.m.	48.0%	
Minority interest	0.0	0.0	
Net Profit	**(0.3)**	**0.1**	**n.m.**
% margin	*-5.9*	*0.9*	
NFP debt / (cash)*	**0.6**	**0.3**	**n.m.**
Adjusted NFP debt / (cash)*	**0.1**	**(0.2)**	**n.m.**

*Source: Company data, * compared to FY-24*

Revenues declined by 8.9% to € 4.9m (€ 5.4m in H1-24), reflecting the management's decision to reduce the share of the empty-for-full contracts to lower the operational risks of the business and enhance its overall predictability.

Table 2 – Sostravel.com, H1-25 revenues breakdown by business line

€ m	H1-25	%	H1-24	%	YoY (%)
Travel Booking	4.2	*85.6%*	4.9	*90.3%*	*(13.6)*
Digital Passenger Services	0.7	*14.4%*	0.5	*9.7%*	*35.1*
Total Revenues	**4.9**	**100.0%**	**5.4**	**100.0%**	**(8.9)**

Source: Company data, CFO SIM analysis

With respect to the two business units:

- **Travel Booking (85.6% of the total) posted a double-digit decrease (€ 4.2m, -13.2% YoY)** mainly as a result of the reduction of the empty-for-full agreements, which fell by ~ 31% YoY. Such a decline, according to the management, also reflected the termination of an agreement with an established Italian tour operator relative to four accommodations, only partially mitigated by new contracts in other regions (i.e. Apulia and Calabria) and a new luxury resort in Palau (Sardinia) whose effects will be visible, to some extent, in H2-25.

- **Digital Passenger Services (14.4% of the total)** climbed by 35.1% YoY to € 0.7m (€ 0.5m in H1-24), fuelled by a surge in volumes (+228% YoY), likely driven by the contribution of the B2B agreements signed with primary travel operators in 2024, such as, among others, Costa Crociere and VeraTour.

EBITDA came in at € 5.1k, 0.1% margin (€ 0.4m, 7.2% margin in H1-24), impacted by a lower top line resulting from the change in the business model, along with growing marketing expenses to broaden the customer base.

Net Loss amounted to € 0.3m (vs a Net Profit of € 0.1m in H1-24), following a slight increase in D&A expenses (€ 0.3m vs € 0.2m in H1-24) on the back of increased investments aimed at upgrading the proprietary IT infrastructure, while financial expenses remained negligible.

Net Financial Position stood at € 0.6m debt from € 0.3m debt in FY-24, reflecting 1) a negative Op. CF due to lower profitability and a less favourable NWC dynamic that usually characterises H1, 2) Capex of € 0.1m, mainly intended for the upgrade of the amare.travel's back-end infrastructure and 3) dividends for € 50k. **Adjusted NFP was € 0.1m debt (€ 0.2m cash in FY-24)**, after adjustments amounting to roughly € 0.4m, of which € 0.2m for deposits to secure selected room capacity and € 0.2m for a loan granted to a strategic partner, expected to be reimbursed in Nov-25.

Recent agreements broadened LLC's geographical reach

After the one-year partnership agreement signed in Nov-24 with Safe Wrap (the US-based subsidiary of Trawell Co) to market the Lost Luggage Concierge service at the Miami Airport, Sostravel recently signed two partnerships aimed at expanding the geographical footprint of the service in two strategic markets in the American continent:

- **PERÙ**: on September 16th, 2025, the company announced the availability of the LLC service through the Trawell Co stores at the Jorge Chávez International Airport located in Lima, which counts over 23 million passengers;
- **CANADA**: on September 23rd, 2025, the LLC service was made available through the Trawell Co stores at the Toronto Pearson International Airoport, the largest airport in Canada by number of passengers (46.8 million in FY-24).

Furthermore, in October 2025, Sostravel signed an additional partnership with Trawell Co to extend the availability of the LLC service at the **Adolfo Suarez Madrid-Barajas Airport**, one the main European airports with over 60 million passengers in 2024.

The company anticipates further agreements in the upcoming months to continuously improve LLC's standing on a global level.

Estimates, Valuation & Risks

Sostravel posted H1-25 results significantly marked by the strategy shift undertaken by the management to reduce the overall volatility of revenues and margins linked to the empty-for-full contracts, intending to **enhance flexibility and improve the medium-/long-term financial sustainability**. As a consequence, the management withdrew the targets set in the 2023-27 Business Plan, which envisaged, in FY-25, Revenues of € 25.1m, EBITDA of € 2.2m (8.7% margin) and a robust cash generation.

Throughout the semester, the company introduced a new range of products bearing materially lower risk. In particular, **advisory services provided to accommodation facilities focused on improving occupancy rates with dynamic pricing strategies, as well as bespoke projects** to renovate their websites and positioning on social media. These activities unquestionably provide better visibility on both revenues and margins, but lower profitability upside. **In H1-25, the decline in volumes of the riskier empty-for-full agreements was only partially mitigated by these initiatives,** which, as highlighted by the management, require additional time to be properly scaled. The first tangible results will likely be visible from 2026 onwards.

Moreover, Sostravel is focused on broadening its value proposition and increasing both the channel and geographical mix, in light of the opening of **a new Amareclub in Soma Bay (Egypt)** and a recently signed exclusive agreement to market **25 rooms of the Visiwa Beach Resort in Watamu (Kenya)**, an increasingly attractive destination.

On a positive note, in H1-25, the **Digital Passenger Services BU kept rising double-digit, mainly thanks to a strong volume increase**, primarily driven by the B2B agreements signed with primary travel players in 2024. Moreover, the recent availability of the service in Canada and Perú is predicted to furtherly drive the geographical expansion and positively influence margins.

On the back of the H1-25 results release, **we have updated our estimates** by factoring in: 1) a sharp downward revision of our top line assumption to reflect the strategy shift with respect to the Travel Booking BU, 2) a fine-tuning of operating costs and D&As and 3) lower Capex over the 2025-27 period. **The combined result is an average decline of 19.8% in Revenues and a sizeable cut in EBITDA in 2025-27, with a consequent increase in NFP**. The latter, however, is expected to be positively impacted by the partial cash-in of a receivable towards a strategic partner.

Table 3 – Sostravel.com, 2025e new/old estimates

€ m	New	Old	Δ %	Δ € m
Revenues	**20.0**	**24.8**	***(19.4)***	**(4.8)**
EBITDA	**0.2**	**1.3**	***(84.8)***	**(1.1)**
% margin	*1.0*	*5.2*		
EBIT	**(0.3)**	**0.8**	***n.m.***	**(1.1)**
% margin	*(1.6)*	*3.3*		
Net Profit	**(0.4)**	**0.6**	***n.m.***	**(1.0)**
% margin	*(1.9)*	*2.5*		
Net debt/(cash)	**0.4**	**(0.9)**	***n.m.***	**1.3**

Source: CFO SIM

Table 4 – Sostravel.com, 2026e new/old estimates

€ m	New	Old	Δ %	Δ € m
Revenues	**21.7**	**27.1**	***(19.8)***	**(5.4)**
EBITDA	**0.7**	**1.9**	***(61.2)***	**(1.2)**
% margin	*3.4*	*7.0*		
EBIT	**0.2**	**1.4**	***(83.2)***	**(1.2)**
% margin	*1.1*	*5.2*		
Net Profit	**0.2**	**1.1**	***(84.3)***	**(0.9)**
% margin	*0.8*	*4.0*		
Net debt/(cash)	**(0.2)**	**(1.5)**	***n.m.***	**1.3**

Source: CFO SIM

Table 5 – Sostravel.com, 2027e new/old estimates

€ m	New	Old	Δ %	Δ € m
Revenues	**23.5**	**29.3**	***(20.1)***	**(5.9)**
EBITDA	**0.9**	**2.4**	***(61.8)***	**(1.5)**
% margin	*3.9*	*8.1*		
EBIT	**0.4**	**1.8**	***(77.5)***	**(1.4)**
% margin	*1.8*	*6.3*		
Net Profit	**0.3**	**1.4**	***(77.5)***	**(1.1)**
% margin	*1.4*	*4.8*		
Net debt/(cash)	**(0.6)**	**(2.9)**	***n.m.***	**2.3**

Source: CFO SIM

Moreover, we updated the valuation criteria, bringing the risk-free rate up to date (3.65% vs prev. 3.60%). As a result, **our new DCF-based PT is lowered to € 0.80/s (€ 1.30),** still offering a **45.5% upside** potential to current price levels.

The Buy recommendation is reiterated.

DCF

In applying the DCF valuation method, we assess explicit estimates until 2029 and a long-term growth rate of 1.5%. Cash flows are discounted back at a weighted average cost of capital calculated according to the following parameters:

Table 6 – WACC derived from:

Interest costs, pre-tax	4.5%
Tax rate	20.0%
Int. costs, after taxes	**3.6%**
Risk premium, incl. small size and liquidity premium	9.0%
Risk-free (10Y Gov. Bond 200dd mov. avg.)	3.60%
Beta levered (x)	1.00
Required ROE	**12.6%**

Source: CFO SIM, Refinitiv Workspace

Risk premium at 9.0% factors in the minute size of the company and basically all Euronext Growth Milan market segment related concerns that an investor might have. The WACC is computed using a sustainable **20:80 debt/equity** balance-sheet structure (previously 15:85) and **Beta =1.**

Table 7 – Sostravel.com, DCF model

€ m	**2025e**	**2026e**	**2027e**	**2028e**	**2029e**	**TV**
EBIT	(0.3)	0.2	0.4	1.3	1.6	
Tax rate	0.0%	0.0%	10.0%	20.0%	24.0%	
Operating profit (NOPAT)	**(0.3)**	**0.2**	**0.4**	**1.1**	**1.2**	
Δ working capital	(0.1)	0.0	(0.2)	(0.1)	(0.0)	
Depreciation	0.5	0.5	0.5	0.5	0.6	
Investments	(0.3)	(0.2)	(0.2)	(0.4)	(0.6)	
Free Cash Flows	**(0.2)**	**0.6**	**0.5**	**1.1**	**1.2**	**13.1**
Present value	(0.2)	0.5	0.4	0.8	0.8	**8.5**
WACC	10.8%	10.8%	10.8%	10.8%	10.8%	
Long-term growth rate	**1.5%**					

Source: CFO SIM

Table 8 – Sostravel.com, DCF derived from:

€ m	
Enterprise Value € m	**10.8**
thereof terminal value	*79.0%*
NFP FY-24	(0.3)
Pension provision	(0.1)
Adj. for dividends paid and warrants exercised	(0.0)
Equity value € m	**10.4**
#m shares (excl. treasury shares)	13.09
Equity value €/s	**0.80**
% upside/(downside)	*45.5%*

Source: CFO SIM

The application **of our DCF model generates an equity value of € 10.4m, € 0.80/s for Sostravel, 45.5% upside**.

Since the share price has been well below the warrants' strike price, set at € 1.20, we preferred not to factor in any potential cash-in and corresponding increase in the number of shares outstanding stemming from their exercise. We remind you that, as of today, there are **21,718,132 warrants outstanding. The potential cash-in from their full exercise would amount to approximately € 26.1m,** more than three times the current market cap.

The following tables illustrate the sensitivity of the equity value per share 1) compared to changes in **WACC** (range between 10.05% and 11.55%) and **terminal growth rate** (range between 0.75% and 2.25%), and 2) compared to changes in **risk-free rate** (range between 2.85% and 4.35%) and **Equity Risk Premium** (range between 8.25% and 9.75%).

Table 9 – Sostravel.com, equity value sensitivity to changes in WACC and terminal growth rate

€ / share		Terminal growth rate						
		0.75%	1.00%	1.25%	**1.50%**	1.75%	2.00%	2.25%
WACC	10.05%	0.81	0.83	0.85	0.87	0.90	0.92	0.95
	10.30%	0.79	0.80	0.82	0.85	0.87	0.89	0.92
	10.55%	0.76	0.78	0.80	0.82	0.84	0.86	0.89
	10.80%	0.74	0.76	0.78	**0.80**	0.82	0.84	0.86
	11.05%	0.72	0.74	0.76	0.77	0.79	0.81	0.83
	11.30%	0.70	0.72	0.73	0.75	0.77	0.79	0.81
	11.55%	0.69	0.70	0.71	0.73	0.75	0.76	0.78

Source: CFO SIM

Table 10 – Sostravel.com, equity value sensitivity to changes in risk-free rate and ERP

€ / share		Equity Risk Premium						
		8.25%	8.50%	8.75%	**9.00%**	9.25%	9.50%	9.75%
Risk-free	2.85%	0.93	0.91	0.88	0.86	0.84	0.82	0.80
	3.10%	0.91	0.88	0.86	0.84	0.82	0.80	0.78
	3.35%	0.88	0.86	0.84	0.82	0.80	0.78	0.76
	3.60%	0.86	0.84	0.82	**0.80**	0.78	0.76	0.74
	3.85%	0.84	0.82	0.80	0.78	0.76	0.74	0.72
	4.10%	0.82	0.80	0.78	0.76	0.74	0.72	0.71
	4.35%	0.80	0.78	0.76	0.74	0.72	0.71	0.69

Source: CFO SIM

Market Multiples

Sostravel is a travel-tech company offering an integrated suite of travel solutions via its all-around proprietary apps and web platforms. In particular, the company boasts an extensive experience in providing digital assistance services to passengers, including fast tracking and recovery of lost luggage, healthcare and insurance. Moreover, by leveraging its technological platforms, it enables vacationers to choose among a vast array of highly sought-after destinations and plan their entire journey.

We set up a **peer group of companies offering online travel services worldwide, having a particular focus on travelling solutions and passenger services**. Moreover, we divided our sample into two distinct sub-groups made up of domestic and international companies.

Our peer group of domestic companies encompasses:

Destination Italia SpA: an Italian online travel agency listed on the Euronext Growth Milan segment of Borsa Italiana since 2021. It operates in the high-end tourism sector, providing experiential services and highly personalized travel solutions to international B2B customers. The firm generates most of its revenues in non-European countries, selling holiday packages and exclusive touristic services for several Italian destinations.

Emma Villas SpA: an Italian company listed on the Euronext Growth Milan segment of Borsa Italiana since 2023. The firm is focused on short-term renting of high-luxury villas and farmhouses in 15 Italian regions (mainly in Tuscany, Umbria, Sicily, Marche, Apulia, and Emilia Romagna). In 2023 they actively managed and marketed 543 villas, by virtue of exclusive agreements.

I Grandi Viaggi SpA: an Italian company listed on the Euronext Milan segment of Borsa Italiana since 1998. It operates through two different business units: 1) management and marketing of holiday villages and 2) tour operator activities. The firm offers "all inclusive" packages for directly owned villages, among which seven resorts in Italy, one in Kenya, one in the Maldives, two in the Seychelles and one in Zanzibar. Moreover, it expands its providing with non-proprietary resort to provide greater flexibility and a wider range of options.

Soges Group SpA: an Italian company listed on the Euronext Growth Milan segment of Borsa Italiana since 2024. The firm is engaged in the management of eight high-end hotels located in unique locations in Tuscany. It also offers food services (managing 5 restaurants and 7 bar) and additional services such as bus shuttles and leisure activities.

TraWell Co SpA: an Italian company listed on the Euronext Growth Milan segment of Borsa Italiana since 2013, and on US market OTCQX since 2022. The firm offers assistance services to airlines' passengers, such as protective luggage wrapping, operating in 44 airports, of which 22 in Europe (7 in Italy), 18 in Asia and 4 in America. It is a strategic partner of SOS Travel as it sells offline Lost Luggage Concierge and Dr. Travel services.

Our international companies peer group comprises:

Booking Holdings Inc: listed on Nasdaq since 1999, it is the parent company of some well-known web portals, such as Booking.com, Priceline, Agoda, Kayak, Rentalcars.com, Cheapflights, Momondo and OpenTable. Through its various subsidiaries, Booking Holdings provides a wide range of booking services, including accommodations, flights and car rentals, taking care of all details of travel planning.

eDreams Odigeo SA: a Spanish-based company listed on the Spanish Stock Exchange since 2014. It is the holding of eDreams, Opodo (primarily centred on UK and Germany), GoVoyages (for French travellers) and Travellink (with a focus on Sweden, Norway, Denmark, and Finland). The firm allows customers to access deals for flights, hotels, cruises, car rentals, dynamic packages, and travel insurance.

Expedia Group Inc: an American company listed on Nasdaq since 2005. it is the parent company of some well-known brands such as Expedia.com, Hotels.com, Vrbo, Egencia, Trivago, Orbitz, Travelocity, and Hotwire. It handles every aspect of a trip through its specialised subsidiaries, and it is the most well-known travel portal in the US market.

Lastminute.com NV: a Swiss-based company listed on SIX Swiss Exchange since 2014. It is the European travel tech leader in dynamic holiday packages, offering booking services for flights, hotels, train tickets, car rentals and entertainment activities. It is the parent company of several well-known brands such as Lastminute.com, Volagratis, Weg.dem Bravofly, Rumbo, Jetcost, Hotelscan, Crocierissime, and Forward.

MakeMyTrip Ltd: an Indian company listed on Nasdaq since 2010. The company is focused on Indian market, offering travel services such as hotels, flights, holiday packages, train, buses, car rentals and experiences. In 2016 it merged with Goibibo, strengthening its positioning in the online travel industry.

Trip.com Group Ltd: a Chinese company listed on Nasdaq since 2003. It offers travel services tailored to the Chinese market, providing accommodations, flights, trains, and vacation packages to both domestic and international travellers. It is the holding of Trip.com, Ctrip, Skyscanner and Qunar.

Table 11 – Sostravel.com, peer group summary table

€ m	Country	Mkt Cap	Sales FY1	EBITDA FY1	EBITDA (%)	Sales $CAGR_{24-27}$	EBITDA $CAGR_{24-27}$	EBIT $CAGR_{24-27}$	EPS $CAGR_{24-27}$	NFP/ EBITDA
Destination Italia SpA	IT	12	n.a.	n.a.	n.a.	n.a.	n.a.	n.m.	n.m.	n.a.
Emma Villas SpA	IT	12	n.a.	n.a.	n.a.	n.a.	n.a.	n.m.	n.m.	n.a.
I Grandi Viaggi SpA	IT	105	71	8	11.3%	7.6%	7.3%	9.1%	23.3%	n.m.
Soges Group SpA	IT	11	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.m.	n.a.
TraWell Co SpA	IT	15	31	9	27.8%	5.2%	2.8%	2.9%	12.4%	0.5
Median of Domestic Peers		**12**	**51**	**8**	**19.5%**	**6.4%**	**5.0%**	**6.0%**	**17.9%**	**0.5**
Booking Holdings Inc	US	141,035	22,629	8,236	36.4%	5.2%	7.7%	7.8%	17.1%	0.2
eDreams ODIGEO SA	ES	901	728	173	23.7%	7.0%	25.9%	35.0%	59.0%	1.6
Expedia Group Inc	US	22,804	12,291	2,767	22.5%	2.0%	11.4%	11.3%	32.5%	0.4
Lastminute.com NV	CH	183	310	44	14.3%	9.5%	9.6%	11.4%	25.4%	n.m.
MakeMyTrip Ltd	IN	7,270	1,020	198	19.4%	18.0%	34.9%	40.5%	69.5%	0.2
Trip.com Group Ltd	CN	40,166	7,401	2,173	29.4%	10.1%	13.7%	14.1%	23.2%	n.m.
Median of International Peers		**15,037**	**4,210**	**1,186**	**23.1%**	**8.3%**	**12.6%**	**12.7%**	**29.0%**	**0.3**
Sostravel.com SpA	**IT**	**7**	**20**	**0.2**	**1.0%**	**1.5%**	**9.6%**	**22.1%**	**116.3%**	**1.8**

Sources: CFO SIM, Refinitiv Workspace

Table 12 – Sostravel.com, peer group EV multiple table

x	Sales FY1	Sales FY2	Sales FY3	EBITDA FY1	EBITDA FY2	EBITDA FY3
Destination Italia SpA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Emma Villas SpA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
I Grandi Viaggi SpA	1.27	1.14	1.01	11.3	9.4	8.7
Soges Group SpA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
TraWell Co SpA	0.62	0.57	0.47	2.2	2.0	1.6
Median of Domestic Peers	**0.94**	**0.85**	**0.74**	**6.8**	**5.7**	**5.2**
Booking Holdings Inc	6.32	5.84	5.17	17.4	15.5	13.4
eDreams ODIGEO SA	1.63	1.41	1.18	6.9	5.6	4.3
Expedia Group Inc	1.94	1.68	1.51	8.6	7.3	6.3
Lastminute.com NV	0.57	0.45	0.40	4.0	3.2	2.8
MakeMyTrip Ltd	7.18	5.62	4.59	37.0	24.9	20.3
Trip.com Group Ltd	4.81	3.93	3.17	16.4	13.0	10.0
Median of International Peers	**3.38**	**2.81**	**2.34**	**12.5**	**10.1**	**8.2**
Sostravel.com SpA	**0.38**	**0.33**	**0.29**	**38.6**	**9.6**	**7.4**
% premium/(discount) to domestic peers	*(59.6)*	*(61.7)*	*(61.3)*	*n.m.*	*69.4*	*44.2*
% premium/(discount) to international peers	*(88.7)*	*(88.3)*	*(87.8)*	*n.m.*	*(4.9)*	*(9.4)*

Sources: CFO SIM, Refinitiv Workspace

Table 13 – Sostravel.com, peer group EV & price multiple table

x	EBIT FY1	EBIT FY2	EBIT FY3	PER FY1	PER FY2	PER FY3
Destination Italia SpA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Emma Villas SpA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
I Grandi Viaggi SpA	18.1	14.1	13.1	26.4	26.4	21.1
Soges Group SpA	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
TraWell Co SpA	5.0	4.2	3.0	30.8	15.4	6.0
Median of Domestic Peers	**11.5**	**9.1**	**8.0**	**28.6**	**20.9**	**13.6**
Booking Holdings Inc	18.4	16.7	14.4	22.8	20.3	18.1
eDreams ODIGEO SA	9.4	7.5	5.8	10.8	9.4	7.9
Expedia Group Inc	15.6	11.7	9.6	14.4	12.7	11.0
Lastminute.com NV	5.9	5.0	4.3	9.7	8.3	7.4
MakeMyTrip Ltd	41.7	28.8	21.9	50.2	39.7	28.7
Trip.com Group Ltd	17.4	13.8	10.7	17.7	16.1	13.9
Median of International Peers	**16.5**	**12.7**	**10.1**	**16.1**	**14.4**	**12.4**
Sostravel.com SpA	**n.m.**	**30.2**	**16.1**	**n.m.**	**43.1**	**23.0**
% premium/(discount) to domestic peers	*n.a.*	*n.m.*	*n.m.*	*n.a.*	*n.m.*	*69.3*
% premium/(discount) to international peers	*n.a.*	*n.m.*	*59.3*	*n.a.*	*n.m.*	*84.7*

Sources: CFO SIM, Refinitiv Workspace

Peer Stock Performance

Sostravel was listed on Euronext Growth Milan on 1-Aug-18 at € 5.60/share corresponding to a post-money market capitalisation of € 33.2m. **Sostravel.com currently trades below the IPO price**, and reached an intraday 1Y maximum price of € 1.07/s on 25-Oct-24 and a minimum level of € 0.43/s on 22-Apr-25.

Table 14 – Sostravel.com, peer group and index absolute performance

%	1D	1W	1M	3M	6M	YTD	1Y
Destination Italia SpA	(0.9)	1.8	(10.1)	3.6	20.3	13.3	(6.1)
Emma Villas SpA	(4.9)	(2.2)	(11.6)	(12.9)	29.4	(20.4)	(29.9)
I Grandi Viaggi SpA	(3.5)	(7.6)	(12.4)	(22.8)	35.4	97.3	100.0
Soges Group SpA	0.6	(1.7)	(5.9)	(13.0)	(15.5)	(19.1)	(11.2)
TraWell Co SpA	-	3.5	3.5	0.9	(12.7)	(14.0)	(16.7)
Domestic Peers Median	**(0.9)**	**(1.7)**	**(10.1)**	**(12.9)**	**20.3**	**(14.0)**	**(11.2)**
Booking Holdings Inc	2.4	(1.8)	(6.9)	(11.1)	10.9	2.0	16.0
eDreams ODIGEO SA	(2.3)	(3.2)	(17.4)	(13.4)	0.1	(17.1)	14.6
Expedia Group Inc	0.6	2.1	(3.4)	16.1	42.1	15.3	35.9
Lastminute.com NV	(0.7)	0.7	(10.2)	(3.3)	17.4	(10.7)	(19.4)
MakeMyTrip Ltd	0.9	(2.9)	(12.6)	(7.4)	(13.8)	(20.7)	(13.2)
Trip.com Group Ltd	(0.1)	0.1	(10.7)	10.3	27.9	2.2	20.9
International Peers Median	**0.2**	**(0.9)**	**(10.4)**	**(5.3)**	**14.1**	**(4.3)**	**15.3**
SosTravel.com SpA	**-**	**(1.1)**	**(17.9)**	**1.9**	**17.3**	**(38.9)**	**(47.6)**
MSCI World Index	0.1	1.4	0.1	5.7	23.6	15.9	14.9
EUROSTOXX	(0.9)	0.9	2.3	4.0	13.9	16.7	14.9
FTSE Italia All Share	(1.4)	(0.8)	(1.3)	3.5	16.3	21.8	19.2
FTSE Italia STAR	(1.2)	(1.4)	(1.0)	2.0	17.3	6.9	3.5
FTSE Italia Growth	(0.3)	(2.0)	(0.1)	3.8	13.9	8.6	5.0

Source: Refinitiv Workspace

Table 15 – Sostravel.com, relative performance

%	1D	1W	1M	3M	6M	YTD	1Y
to MSCI World Index	(0.1)	(2.5)	(18.0)	(3.8)	(6.3)	(54.8)	(62.6)
to EUROSTOXX	0.9	(1.9)	(20.2)	(2.1)	3.4	(55.6)	(62.5)
to FTSE Italia All Share	1.4	(0.3)	(16.6)	(1.6)	1.0	(60.7)	(66.8)
to FTSE Italia STAR	1.2	0.3	(16.9)	(0.1)	(0.0)	(45.8)	(51.1)
to FTSE Italia Growth	0.3	1.0	(17.8)	(2.0)	3.3	(47.5)	(52.6)
to Domestic Peers Median	0.9	0.6	(7.8)	14.7	(3.1)	(24.9)	(36.4)
to International Peers Median	(0.2)	(0.2)	(7.5)	7.2	3.1	(34.6)	(62.9)

Source: Refinitiv Workspace

Risks

The principal investment **risks** associated with Sostravel.com include:

- **IT malfunctions** could disrupt short-term economic results and jeopardise customer loyalty;
- an adverse macroeconomic environment leading to **a sharp decline in travellers' budgets** could have a negative impact on the group's economic performance;
- new **breakthrough technologies enabling more efficient luggage tracking** and handling systems might disrupt the Lost Luggage Concierge service;
- **partial halt of tourist flows** in key regions due to surging geopolitical tensions.

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ANALYST CERTIFICATION

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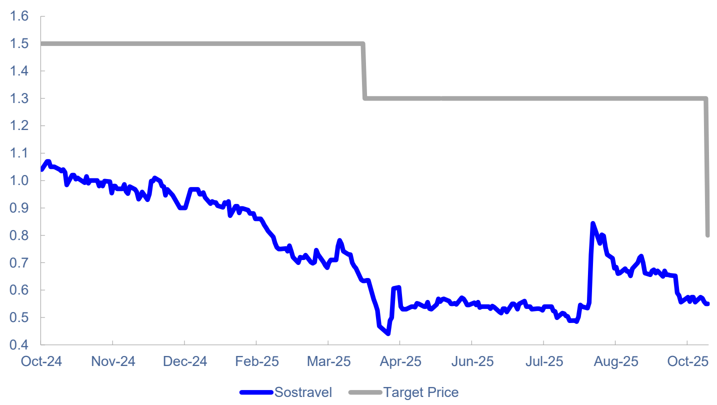

DATE	TARGET PRICE	RATING
20/10/2025	€0.80	BUY
09/04/2025	€1.30	BUY
07/10/2024	€1.50	BUY

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- a **BUY** rating is assigned if the target price is at least 15% higher than the market price;
- a **SELL** rating is assigned if the target price is at least 15% lower than the market price;
- a **NEUTRAL** rating is assigned if the difference between the current price and target price lies within the +/ -15% range identified using the preceding criteria.

The rating is determined on the basis of the **expected absolute return over a 12-month period** and not on the basis of the estimated outperformance or underperformance relative to a market index. Thus, the rating can be directly linked to the estimated percentage difference between current and target prices. The prices of the financial securities mentioned in the report (also used for the calculation of market capitalisation and market multiples) are the reference prices of the stock market trading day preceding the publication date of the report, otherwise stated.