

sostravel.com

HALF-YEAR REPORT

as of 30 June 2024





A Sostravel.com

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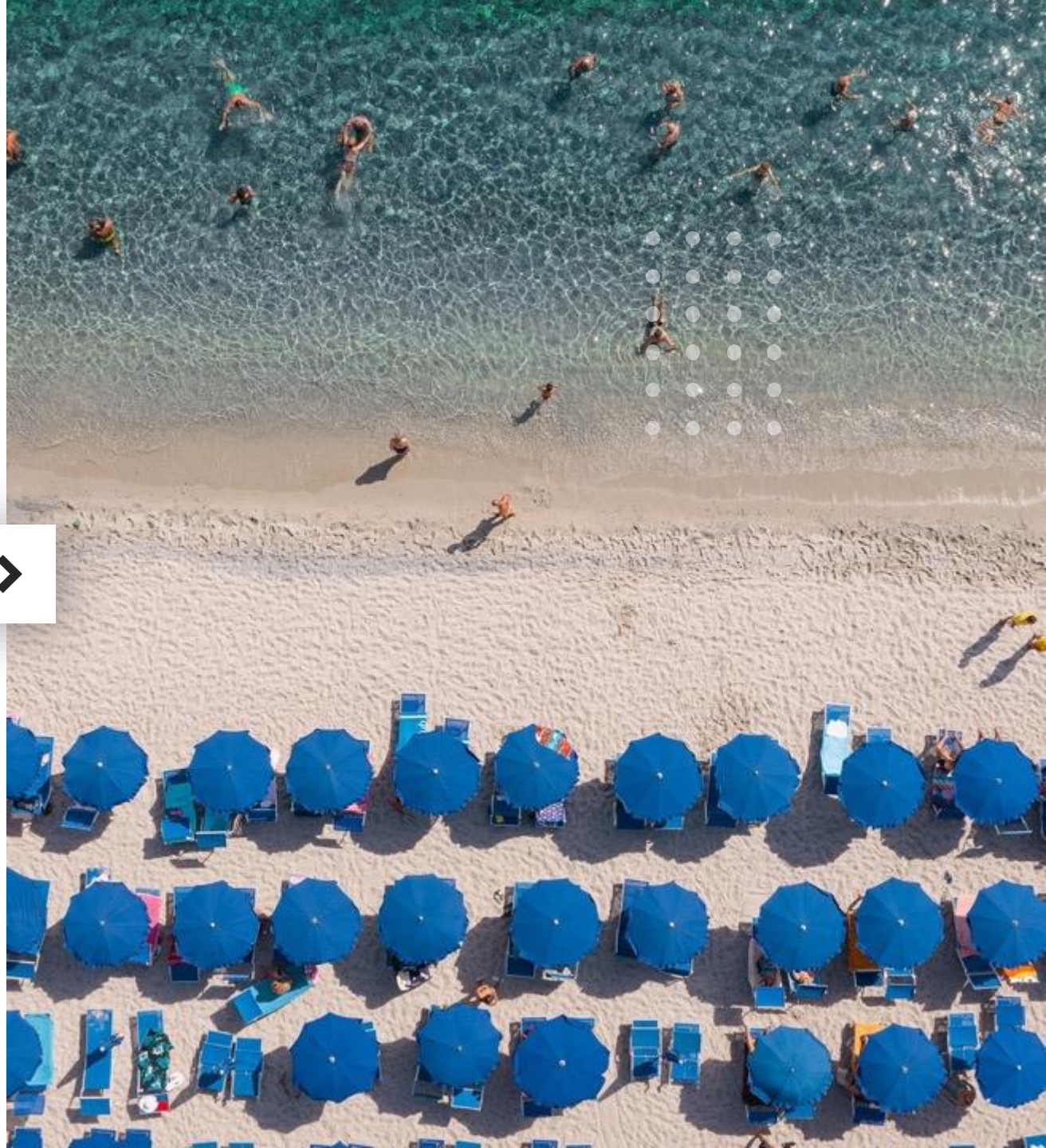
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Sostravel.com S.p.A.



A. ... Sostravel.com





1. The Company

- The Company was established 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 provider of digital services for travelers that is present on the market through integrated platforms: www.sostravel.com; www.amare.travel; and the Apps sostravel and Flio



Titoli azionari

Borsa Italiana
BIT:SOS



OTC Markets, New York
OTCQB:SOSAF



STOCK EXCHANGE

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





The services which are conceived, designed and created within the company include the following:



Lost Luggage Concierge, a service for tracking and returning airline baggage which is lost within 48 hours and **Dr.Travel**, an online medical service available by video call for any destination and at any time.

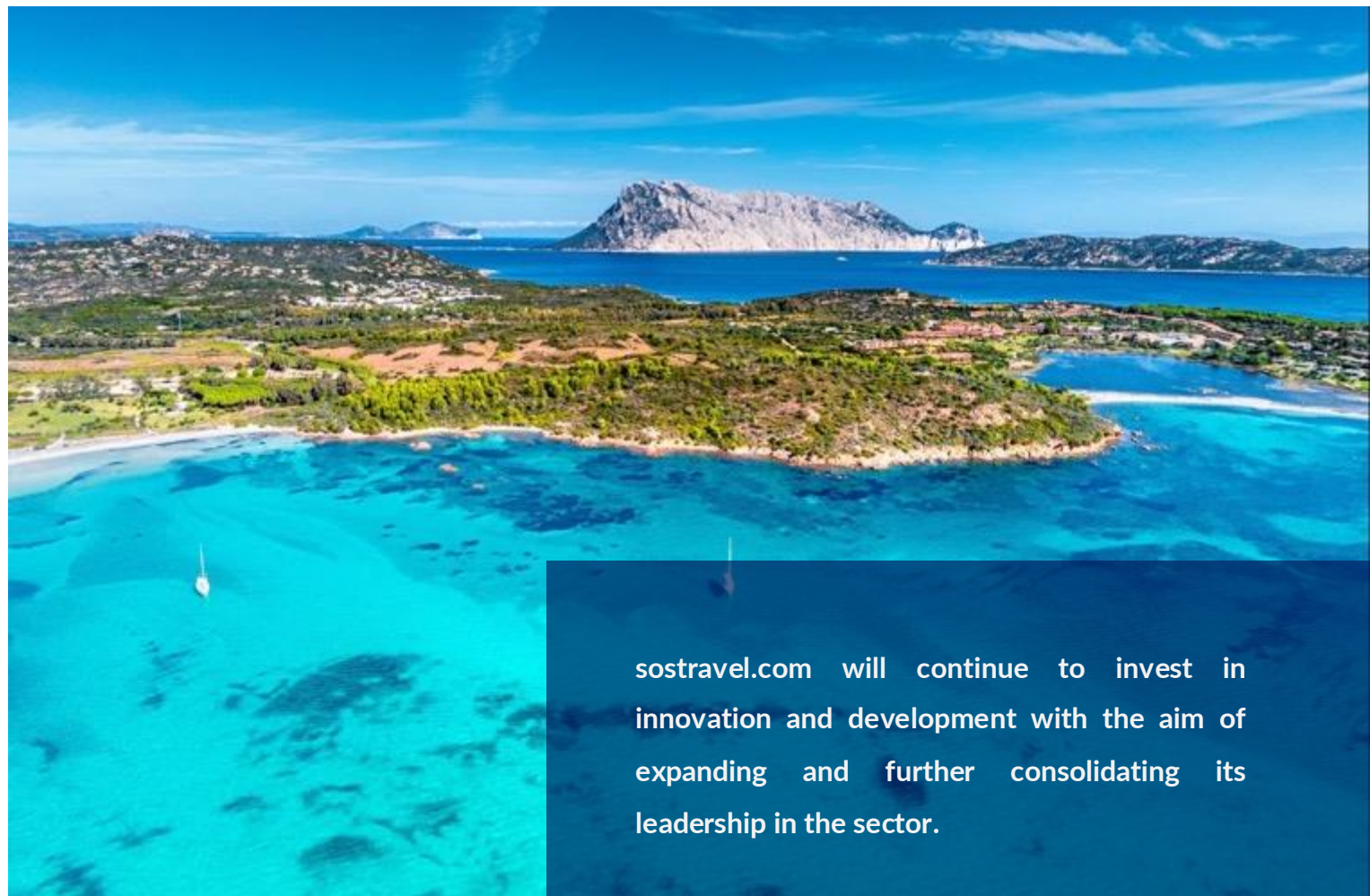
INNOVATIVE SERVICES

The service offer is composed of innovative digital services designed to simplify and improve the journey in all phases: planning, sharing travel ideas, booking of: flights, transfers, accommodation, attractions and visits, purchase of cultural/sporting events until the return to the destination, all while taking care of the traveler and his/her baggage and paying particular attention to potentially critical moments.



Tourist services are acquired through different modalities:

1. Direct contract for total guaranteed volume
2. By means of more than 500 xml connections with major global providers and major travel accommodation wholesalers. Agreements with travel accommodation wholesalers work both ways: it is possible to acquire or sell rooms negotiated on their own within different channels in different countries of the world.





2. Shareholding structure

Shareholding structure of Sostravel.com	No. of shares owned	% Share capital
RG HOLDING S.r.l.	2,699,374	20.49%
Trawell Co	792,336	6.01%
Rudolph Gentile	11,592	0.09%
Carmine Colella	2,659,032	20.18%
Le terrazze di Porto Ottiolu	2,659,032	20.18%
Giovanni Perrucci	519,896	3.95%
Sostravel.com S.p.A.	92,000	0.70%
Market	3,743,588	28.40%
Total	13,112,970	100%

Updated on 28 August 2024



3. Company bodies

BOARD OF DIRECTORS

CHAIRMAN	Rudolph Gentile
Chief Executive Officer	Carmine Colella
Director without proxies	Nicola De Biase
Director without proxies	Umberto Navanzino
Independent director*	Ivan Munarini

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

BOARD OF STATUTORY AUDITORS

CHAIRMAN **Enrico Orvieto**

Statutory auditors **Paolo Natalini / Marco Ambrosini**

Alternate auditors **Andrea De Nigris / Fabrizio Cardinali**

AUDITING COMPANY

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

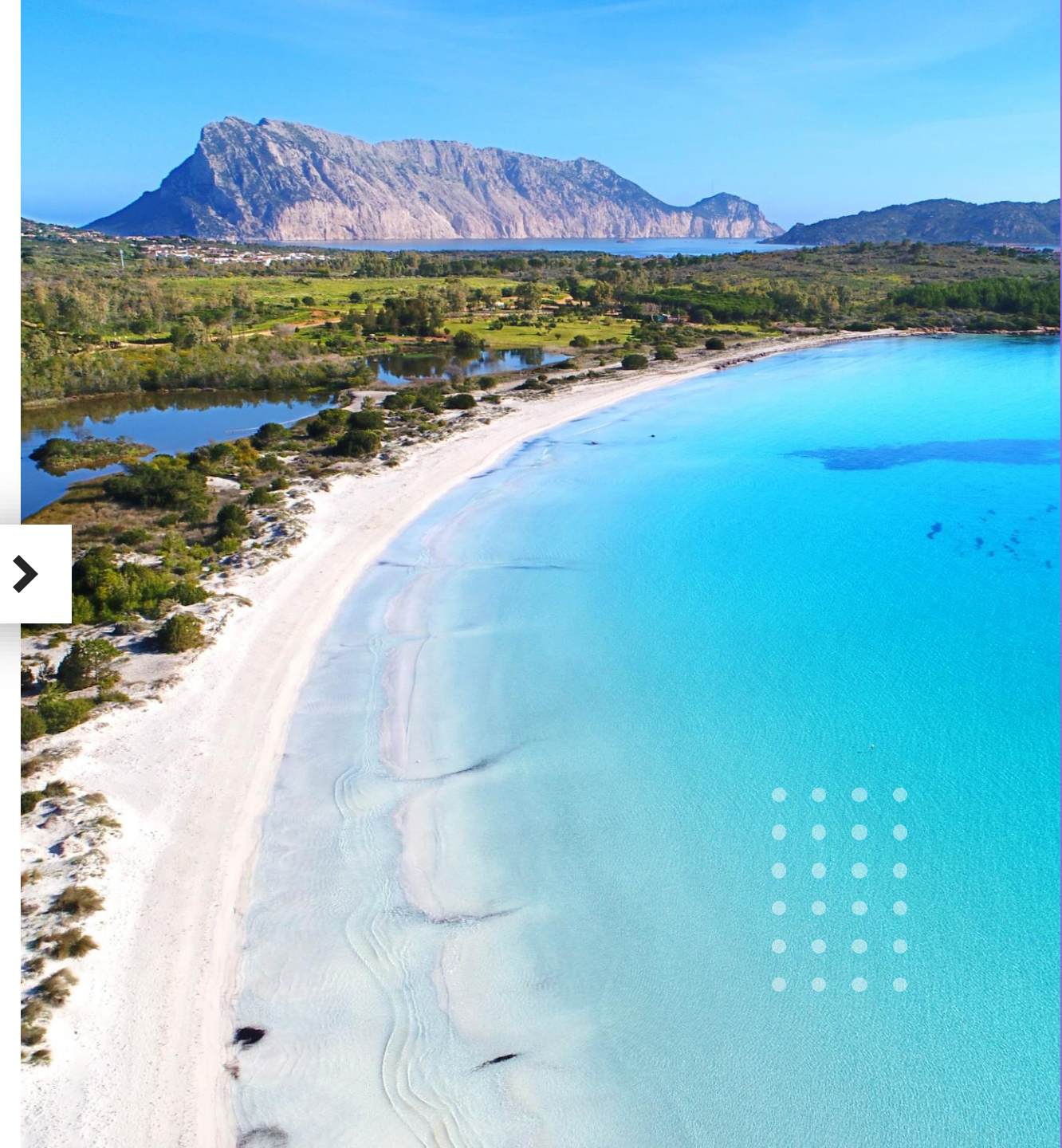
NOMAD*

Nominated Advisor **Corporate Family Office SIM S.p.A**

* As of 1 August 2024



B. ... REPORT ON OPERATIONS





Sostravel.com S.p.A.



4. REPORT ON OPERATIONS

Creating Value Through Innovation and Digitalization

By means of an integrated digital approach and deep expertise, we base our growth on continuous innovation in commercial and distribution processes while constantly refining operations in order to meet changing traveler preferences.

Market Anticipation and Technological Innovation

Due to combined systems and advanced technologies, we are capable of forecasting market dynamics well in advance. The integration of data from heterogeneous sources allows us to forecast demand up to 365 days in advance; this is supported by real-time market heat maps and instant notifications, thereby optimizing operational performance.

Taking Advantage of Evolving Opportunities

Timely access to accurate information allows us to quickly seize new revenue opportunities, thereby effectively adapting to changes in demand. Understanding the complete set of facilities and services - which overlap with those offered by Sostravel.com - guarantees a constant competitive position in the market.





Tourism in Italy in the summer of 2024: A Positive Performance

Overall context

In the second quarter of 2024, the Italian economy reported a growth of +0.2% compared to the previous quarter and +0.9% on an annual basis. Several studies have highlighted the positive contribution of the services sector - particularly tourism - to GDP growth, while other sectors such as construction and manufacturing had a negative impact.



The Travel Industry:

Air passenger demand grew 8% in July 2024 (IATA data). According to the International Air Transport Association (IATA), global air passenger demand - measured in passenger kilometers (RPK) - increased by 8% compared to July 2023. This growth was supported by a 7.4% increase in total capacity; the latter is measured in available seat kilometers (ASK) with a load factor of 86.0%, slightly up 0.5 percentage points from the previous year.

The IT outage of CrowdStrike on 19 July did not have a significant impact on air travel demand. Internationally, demand increased by 10.1%, with capacity reporting growth of 10.5%. The load factor for international flights decreased slightly to 85.9% (-0.3 percentage points). Domestically, demand increased by 4.8% with capacity increasing by 2.8%, thereby bringing the load factor to 86.1%; this was an improvement of 1.7 percentage points compared to the previous year.



Market performance: Summer 2024

Sardinia Sales Block

The sales block that affected Sardinia in August 2023 was not repeated in the summer of 2024, thereby contributing positively to overall performance..

2024 Half-Year Results

In the first half of 2024, we consolidated the profitability achieved in the previous financial year; this was supported by the commercial innovations which were introduced: extreme customization of holidays, no minimum stay and the possibility of traveling on any day of the week with the duration preferred by customers, and in all Amare Club facilities. This flexibility and customization has allowed us to further strengthen the rate positioning since the beginning of the year. For the second half of the year, demand is expected to be higher and stable compared to the levels of 2023.

Revenue Growth for Passenger Services

Revenues from passenger services, in particular for the **Lost Luggage Concierge** service, are reporting double-digit growth due to the agreements signed in the first half of the year. In addition to Italy, Portugal, Canada, France and the Czech Republic are the main sales markets..



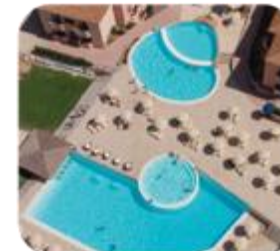


Expansion and Performance of Amareclub Resorts

The resorts - designed to de-seasonalise operations - are showing significant growth:

- **AmareKenya** has exceeded expectations, reporting +21% growth compared to the same period in 2023.
- **Amaresharm**, launched in 2023 and temporarily slowed down by geopolitical events, is gradually resuming its planned path.
- **Amareturchia**, despite a barely satisfactory performance, is finding it difficult to position itself in a market with already consolidated firms.

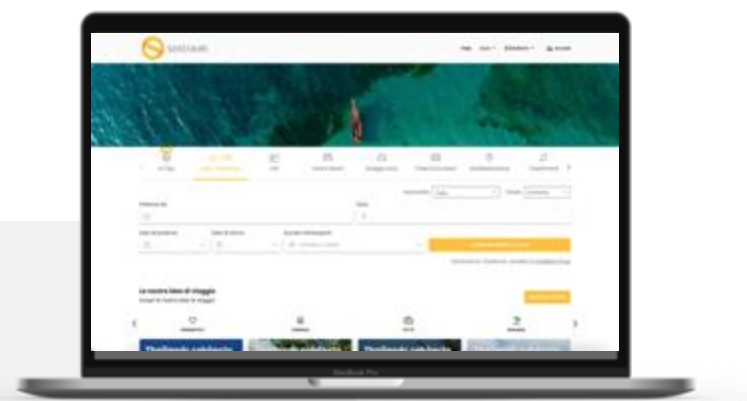
In addition to the Amareclubs, the Amarestyle facilities are introduced; these are selected not exclusively but fully comply with the Amareclub standards, thereby expanding the AmareTravel portfolio without increasing the guarantees that are required.



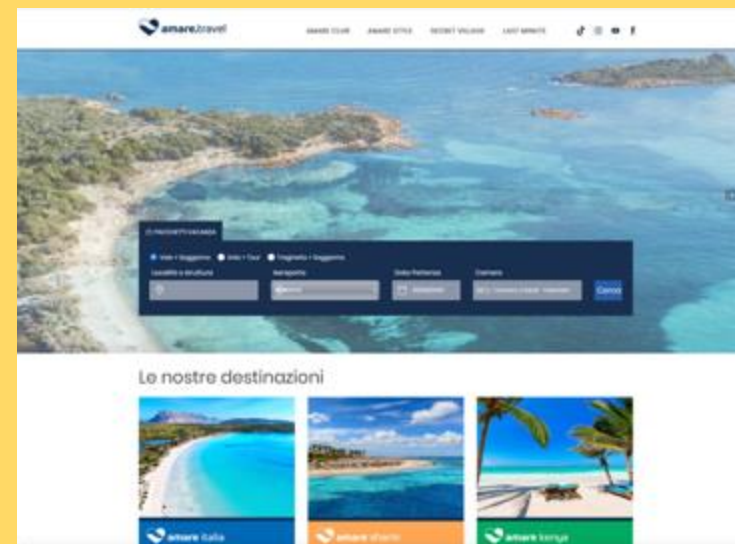


Distribution Strategy

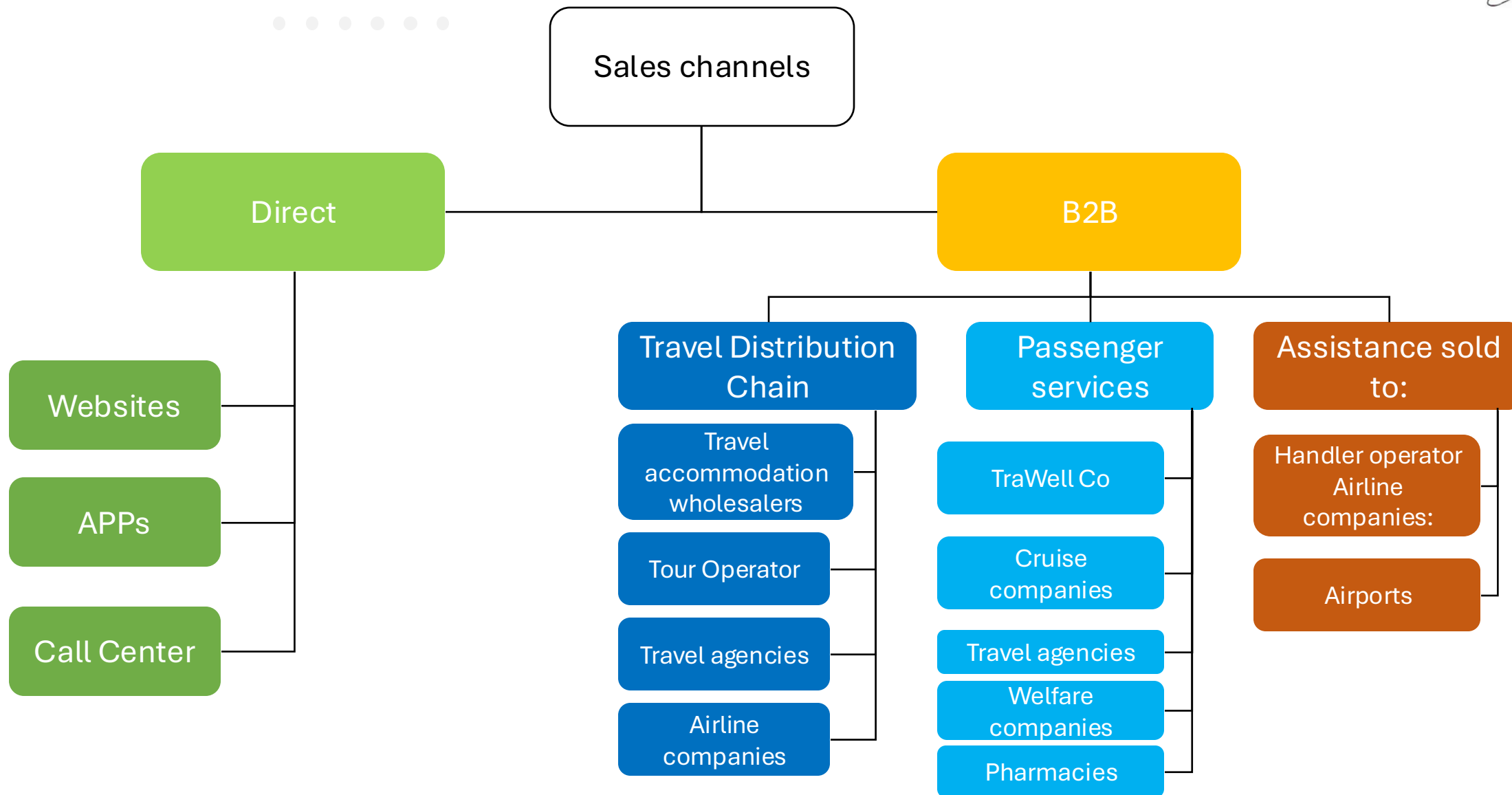
A multi-channel distribution path has begun based on the constant expansion of connections in the various continents in order to reach each customer with the preferred online booking system of each individual country.



New Package Area



Being a point of reference for all types of travel means being responsive to new market trends: these are moving towards extreme customization with tailor-made trips created through the dynamic area of the portal while not neglecting the consolidated segment of all-inclusive package lovers.





Some of the digital services available in the Amare.travel and sostravel apps and portals:



Flight information

Service that provides access to information relating to flights, flight status, gates, delays, cancellations, and the possibility of sending such communications also to third parties chosen by the traveler. Information on flights is made available free of charge.



Airport information

A service that allows free access to a series of useful information relative to the airports of interest when travelling as well as the transfer methods to or from the infrastructure, internal maps of airports, locations of refreshment points, and Wi-Fi in addition to allowing one to purchase certain services which are available there: parking, car rental services, access to VIP Lounges.



LOST LUGGAGE CONCIERGE

Lost Luggage Concierge: the service used to track down baggage in case of loss and/or failure to return it to the destination airports within 48 hours. The service can be purchased before the flight departure.



Dr.Travel

Online medicine service for travellers. Directly from your APP - in partnership with the Italian company Net Medicare - you can receive a video visit at any time, given that a doctor and/or a paediatrician are available.



Travel Booking

Nine search engines connected with the major global suppliers of: Flights - other transport buses, ferries - hotels & resorts - tourist packages - Itineraries and multi-destinations - transfers - excursions, events/museums - car rentals - Aitrips is the latest arrival and is the artificial intelligence engine that allows you to write your needs in free text to obtain proposals that can be purchased in a few clicks.



Secret Village®

As a registered trademark, it ensures significant savings to the customer on prices of facilities; 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 owners are able to optimize occupancy, thereby reaching performance levels never experienced before.

Certain hotel facilities have entrusted sostravel with the exclusive management of their web profile and online sales of their facilities.



Innovative Digital Services



Lost Luggage Concierge

Passenger services

Lost Luggage Concierge and Dr.Travel

The Lost Luggage Concierge and Dr.Travel services are sold on online platforms through apps and at international airports due to the strategic partnership with TrawellCo S.p.A. with which Sostravel has signed a commercial distribution agreement.



Dr . Travel

In 2024, sales have further expanded to include new channels such as tour operators, travel agencies, agency networks, welfare companies and cruise lines; these can integrate or directly offer the services to their customers.

In addition, Sostravel is also extending its offer to airlines and airport managers by offering services for the digitalization of the operations of compiling and sending PIRs to Lost & Found offices as well as advanced solutions for tracking and recovering lost baggage.



The **25 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
Palermo (PMO) 1
Verona (VRN) 1

SVIZZERA

Zurigo (ZHR) 1

FRANCIA

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

REPUBBLICA CECA

Praga (PRG) 4

PORTOGALLO

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

GRECIA

Atene (ATH) 2

CANADA

Montreal (YUL) 3
Vancouver (YVR) 1

CROAZIA

Zagabria (ZAG) 1



INNOVATION AND INVESTMENT

In the first half of 2024, technological innovation and investments were mainly concentrated in the area of revenue management for products that were purchased with total guaranteed volume. The introduction of the Pricelabs system - acquired at the beginning of 2024 - has revolutionized price management, thereby allowing for continuous monitoring of a panel of facilities with overlapping characteristics called "sponsors", and in specific geographical areas. This system cross-references - in real time - the data relative to the availability and prices of the main European airline connections for the selected destinations, thereby allowing for greater precision in pricing decisions.

In the initial phase, the system has been implemented on a limited number of facilities with extremely positive results. Starting from the next season, it will be extended to all facilities, thereby further improving the effectiveness of our pricing strategies. The combination of this system with those already in use allows us to optimize the online offer, thereby making it consistent with the increase in demand and the availability of transportation and accommodation.

Powerful Demand Segmentation Technology

Our technology analyzes billions of data points in real time, including availability rates, meta searches, GDS, online reviews, rankings, flight data, events and holidays as well as alternative accommodation inventories. This data is used to segment demand by sub-location, accommodation patterns and hotel types, thereby generating immediate and highly accurate alerts in changes in demand.





Main results of the sostravel and FLIO websites and apps:

Data relative to the growth of App and Web assets, and which are relevant for an overall evaluation of the Sostravel.com business:



In the period from 01/01/24 to 30/06/24

390,558 Users visited Amare Travel sites
359,255 are New users

There was an increase in repeaters from 2 to 9%
as well as a growth in foreign users.





Sostravel and Flio platform

Total
downloads of
the app

➤ **2,550,947** +4,3%
compared to 30.06.23

New user profiles
in the first half of
2024:

➤ **27,529**

The community is composed of **1,067,342**
customers

Customers who used the **Flight info** service in
the first half of 2024 were **102,042**



SOSTRAVEL



FLIO



TOP 5 departure airports in the first half of 2024

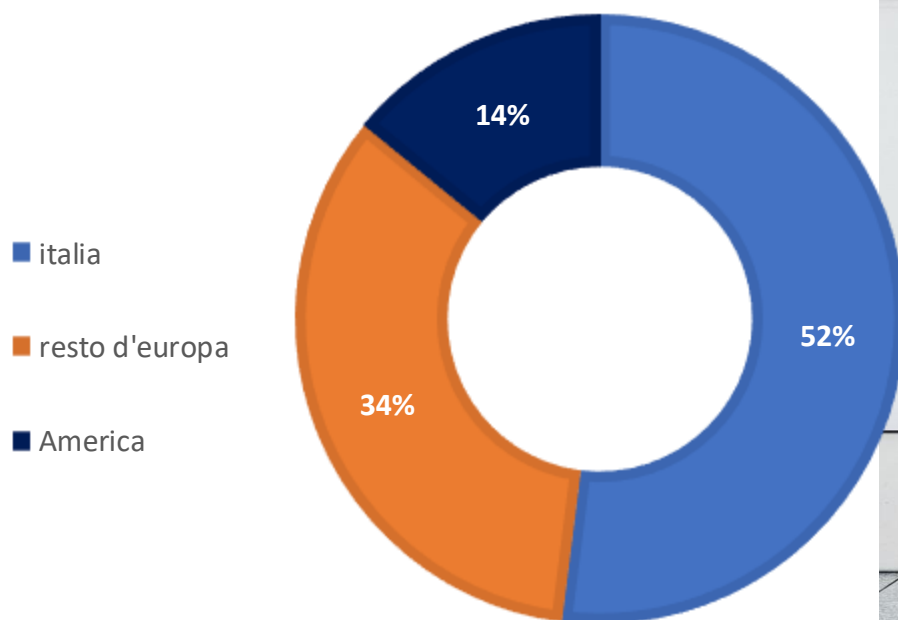
(flights included in the apps):

1. Lisbon
2. Porto
3. Frankfurt
4. London – Heathrow Airport
5. MXP – Milan Malpensa



The geographical distribution of sales of the Lost Luggage Concierge service

reported excellent geographical diversification with Italy at 52% of sales, the rest of Europe at 34% and finally America at 14%





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.

Booking.com



lastminute.com



hotelbeds

Airline companies:



Italian tour operators:



All iours.it



Foreign tour operators:



FRAM



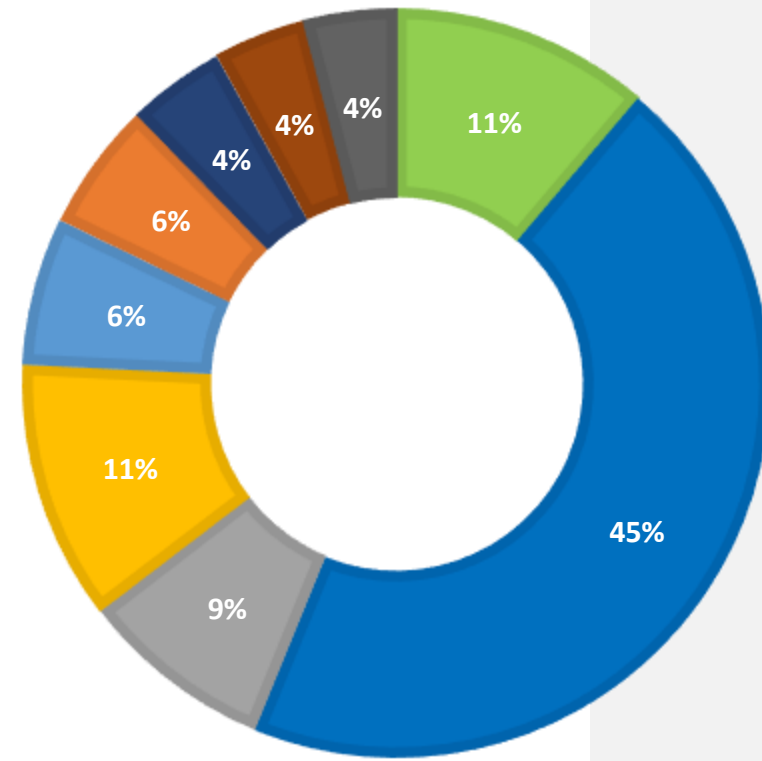


The hubs of digital sales

distribution platform locations

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

PLATFORM COUNTRY





Communications and marketing

In the first half of 2024, Sostravel.com focused on calibrating digital marketing expenses for equivalent revenue levels.

Due to positioning strategies as well as brand strengthening, the daily monitoring of digital campaigns and strategically distributing resources across various media channels, Sostravel significantly optimized the ratio between sales and advertising expenses.

A novelty includes one of the most interesting tools in this context: the CPA Target which helped identify the most effective marketing channels in generating conversions at lower costs, thereby allowing the budget to be allocated more efficiently and new strategies to be tested without exceeding established spending limits.

Sostravel has also experimented with new channels such as Tiktok, an app that has become a global phenomenon, particularly for younger audiences. The creation of dedicated and attractive content aims to conquer and retain this audience; this therefore offers a very interesting investment even in the long term.

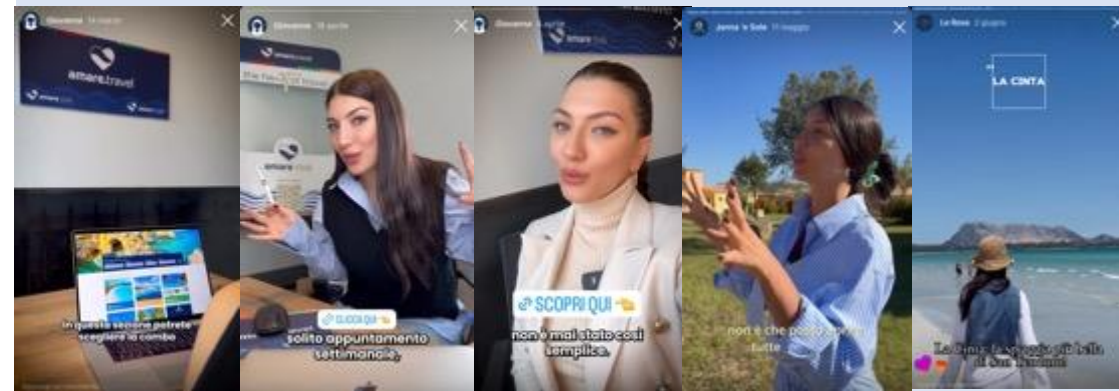


Use of influencer marketing

In October 2023, we initiated a partnership with a well-known influencer who is known for her participation in successful television programs and is now a testimonial for national and international brands.

In this way, the “face of Amaretravel” was born: an influential and recognized figure whom- through weekly stories and travel reports in our resorts - has created a strong emotional bond with the public, thereby generating great interest and direct interactions with followers.

This initiative has already made it possible to reach a new segment of the public and strengthen the bond with existing customers. Travel experiences told by a familiar face are increasing engagement: this renders our products and services more accessible and transparent for customers.





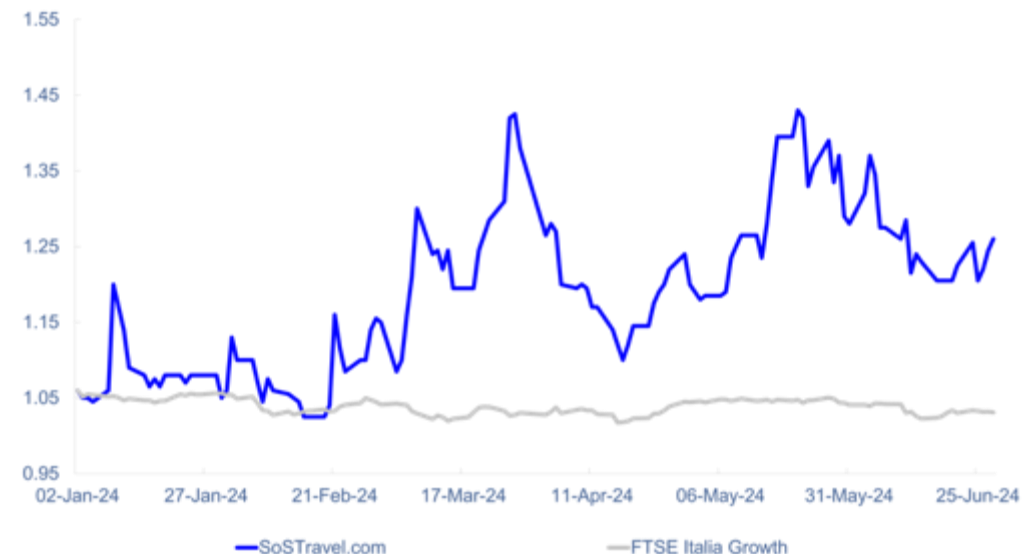
Human resources

During the first half of 2024, the Company focused on efficiency by exploiting synergies. As of 30 June 2024, the total workforce was 18: one executive, 17 employees.



The Stock Price

During the first half of 2024, the SoSTravel.com stock reported greater appreciation than the index to which it belongs, thereby reaching a minimum closing value of approximately 1.05 and a maximum closing value of approximately 1.50 while recording a maximum increase of 42.9% compared to the initial levels of the year. At the date of compilation of this document, the stock price had a value of approximately 1.07. Below are the dynamics relative to the performance of the stock price (blue line) during the first half of 2024, compared with that of the FTSE Italia Growth index (grey line)



Primary events in the first half of 2024

New Commercial Agreements: In January and February, Sostravel signed new agreements for the **Lost Luggage Concierge** and **Dr.Travel** services with **Aciblue team** (ACI network with 43 travel agencies in Italy), as well as the **Glamour** and **Futura Vacanze** services (Italian tour operators). In addition, an agreement was stipulated with **Costa Crociere** for fly&Cruise customers.

A major Italian tour operator and hotel manager with revenues of approximately 100 million Euro has entrusted Sostravel with the online marketing of part of its products.

In order to support this expansion, a new specific system for the sale of all-inclusive travel packages was acquired.



2024 Budget Approval:

A handwritten signature in black ink, appearing to be 'C' followed by a flourish.

The Board of Directors approved the 2024 budget, in accordance with plan forecasts both in terms of revenues and EBITDA.

Social sustainability and Smart Management:

The Smart Management program continues successfully, and continues to invest in local staff. In the first half of the year, the second property - the **Twiga Beach Resort** in Kenya - was also marketed. The start-up of the resort was managed by international temporary managers in the first four months, and then completely transferred to local management under the supervision of the head office in Rome.



Primary events following 30 June 2024

Expansion of Commercial Partners:

In July 2024, Sostravel further expanded its commercial network. For the first time, the Dr.Travel product is now available for purchase in certain pharmacies, thereby giving life to the new Farma channel. A commercial agreement was also signed with an aggregator of welfare platforms - both for the travel sector and for digital services - by means of gift cards.

Lost Luggage Concierge Service for Costa Crociere:

The first six months of operation of the baggage reclaim service on board Costa Crociere ships have recorded positive feedback, thereby confirming the appreciation of customers ALL OVER THE WORLD.

Technological Investments:

Other technological investments of Sostravel include a system for the online sale of thematic

gift boxes. In addition - in the summer of 2024 - the Lost Luggage Index, an innovative tool for tracking baggage, was launched.

Backend Re-design Project:

In July, the project to redesign the Backend of the Sostravel website and app began. The objective is to increase distribution and commercial possibilities, thereby improving the creation of new products. This project aims to reduce development and maintenance times by simplifying the management of app and e-commerce components; this will reduce operating costs and create a solid foundation for future projects.

New Gift Box Engine and Be Safe Rate Insurance:

The new »Gift Box« engine has been implemented; it will allow you to give away travel packages and themed experiences. In addition, a new agreement has been signed with Be Safe Rate for the sale of an insurance valid worldwide and, which covers expenses up to 1 million Euro.

New Package Sales System:

At the beginning of September, the implementation of a new system for the sale of tourist packages at a fixed price for Italy and abroad was approved; it is more efficient than the one used in the past summer.



A handwritten signature in black ink.



5. Financial performance of sostravel

Economic performance as of 30 June 2024

- **Revenues:** 5.4 million Euro, in line with the figure for the same period of 2023 (5.49 million Euro).
- **EBITDA:** 389 thousand Euro, up 27% compared to the 306 thousand Euro recorded as of 30 June 2023.
- **EBIT:** 139 thousand Euro, a strong improvement compared to the 13 thousand Euro of the same period of 2023.
- **Adjusted Net Financial Position (NFP):** -1.67 million Euro, an improvement compared to -27 thousand Euro as of 31 December 2023.*

* The minus sign indicates that the NFP is positive.

Advances

a look at summer sales in
2024 vs. 2023 as of 30 June

TRAVEL:

No. of sold packages:	+37%
Number of travelers	+ 32%
Online sales	+ 57%
Highest-growing foreign destination:	Kenya + 21%

Passenger services:

Lost Luggage Concierge sales	+14%
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Economic situation

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.

Income statement	30/06/2024	30/06/2023
Revenues	5,402,985	5,491,987
Own work capitalized	0	0
Other revenues	52,599	111,482
Total revenues	5,455,584	5,603,469
Costs for raw materials	0	-4,900
Costs for services	-4,471,654	-4,761,813
Costs for use of third party assets	-82,496	-77,464
Personnel costs	-401,365	-388,482
Change in inventories	0	0
Other costs	-110,994	-64,400
EBITDA	389,075	306,410
Amortization/depreciation	-213,633	-244,965
- Write-downs	0	0
Allocations	-36,323	-48,478
EBIT	139,119	12,967
Financial proceeds and charges (net)	-42,455	-40,580
Revaluations/write-downs of financial assets	0	0
Profit (loss) before taxes	96,664	-27,613
Taxes	-46,428	24,050
Net result	50,236	-3,563

Financing indicators of fixed assets	30/06/2024	31/12/2023
Fixed asset to equity capital margin	1,442,902	1,179,348
Fixed asset to equity capital ratio	1.46	1.36
Fixed asset to equity capital and medium-long term debt margin	3,326,466	3,350,901
Fixed asset to equity capital and medium-long term debt ratio	2.06	2.03

Debt ratios and leverage indicators	30/06/2024	31/12/2023
Debt to equity ratio	1.9	0.92
Debt (long-term interest bearing) to equity ratio	0.55	0.62

BALANCE SHEET - ASSETS	30/06/2024	31/12/2023
FIXED ASSETS	2,891,197	3,031,127
Intangible fixed assets	1,492,746	1,626,669
Tangible fixed assets	822,475	828,482
Financial fixed assets	575,976	575,976
CURRENT ASSETS	10,391,805	5,513,061
Warehouse	0	0
Deferred liquidity	7,303,467	3,817,252
Immediate liquidity	3,088,338	1,695,809
INVESTED CAPITAL	13,283,002	8,544,188



Return indicators	30/06/2024	30/06/2023
ROE	1.10%	-0.08%
ROI	1.39%	0.67%
ROS	3.41%	1.04%

Solvency ratios	30/06/2024	31/12/2023
Net working capital / net current assets	3,394,346	3,373,101
Current ratio	150.31%	276.91%
Treasury margin	3,394,346	3,373,101
Cash ratio	150.31%	276.91%

NFP		
Values in Euro	30/06/2024	31/12/2023
A Liquid funds	0	0
B Other liquid funds	3,088,338	1,695,809
C Securities held for trading	0	0
D Liquidity (A+B+C)	3,088,338	1,695,809
Current financial receivables	0	0
F Current financial payables	0	0
G Current portion of non-current debt	690,921	625,642
H Other Current financial payables	0	0
Current financial debt (F + G + H)	690,921	625,642
J Net current financial debt (I-E-D)	-2,397,417	-1,070,167
K Non-current bank payables	1,769,113	2,085,902
L Bonds issued other non-current payables	0	0
M Other non-current payables	0	0
N Non-current financial debt (K + L + M)	1,769,113	2,085,902
O Net financial debt (cash) (J + N)	-628,304	1,015,735
P Adjustment for security deposits	575,976	575,976
Q Adjustment for active loan to Trawell Co	466,667	466,667
R Adjusted net financial position (O-P-Q)	-1,670,947	-26,908



Operational trends and business outlook for Sostravel.com

- expand the offer to countercyclical services; LLC; Dr.Travel, Kenya, Turkey, Cuba and Egypt;
- evaluate any potential extraordinary transactions that are synergistic with the Company's core activities.

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.

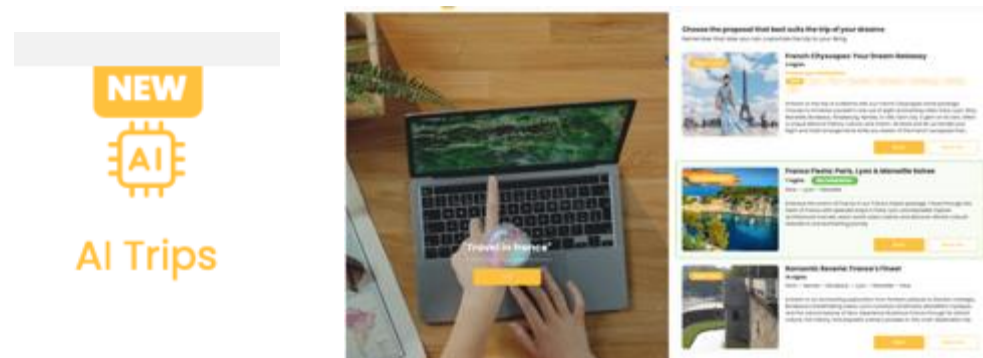
With regard to regulations concerning the protection of privacy as well as workplace health and safety, all the required obligations have been promptly fulfilled or are being completed.

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 portals - **#AITrips**, a 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. Despite the persistence of less than ideal geopolitical situations, the half-year ended with an improvement in traffic volume and revenues compared to 2023. 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 half-year financial report 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 30 June 2024, according to the modalities of IAS 33, were equal to 0.0038 Euro. The method of calculating basic earnings per share and diluted earnings per share are defined by IAS33-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 30 June 2024 (13,176,850 shares as of 30 June 2024). 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.

Registered offices:

In compliance with the provisions of Art. 2428 of the Italian Civil Code, it is hereby certified that the company has moved its registered office to 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.



Sostravel.com S.p.A.



C. ...

FINANCIAL STATEMENTS AS OF 30/06/2024





7. HALF-YEAR FINANCIAL STATEMENTS AS OF 30/06/2024

Company data	
Registered office in	ROME
Tax ID No.	03624170126
Economic & Administrative Index No.	ROMA 1683616
VAT No.	03624170126
Share capital Euro	1,317,685.00 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	30/06/2024	31/12/2023
A) RECEIVABLES FROM SHAREHOLDERS FOR PAYMENTS STILL DUE		
Total receivables from shareholders for payments still due A)	0	0
B) Fixed assets		
I- Intangible fixed assets		
1) Start up and expansion costs	841,806	959,247
2) Development costs	128,003	150,300
4) Authorizations, licenses, trademarks and similar rights	7,487	6,481
5) Goodwill	283,424	302,319
6) Tangible assets in progress and advances	26,250	0
7) Other	205,776	208,322
Total intangible fixed assets	1,492,746	1,626,669
II - Tangible fixed assets		
1) Land and buildings	775,614	789,095
3) Industrial and commercial equipment	5,074	0
4) Other assets	41,787	39,387
Total tangible fixed assets	822,475	828,482
III - Total financial fixed assets		
1) Shareholdings in:		
2) Receivables		
D-bis) Due from others		
Due beyond next year	575,976	575,976
Total receivables due from others	575,976	575,976
Total receivables	575,976	575,976
Total financial fixed assets (III)	575,976	575,976
Total fixed assets (B)	2,891,197	3,031,127

C) CURRENT ASSETS		
I) Inventories		
Total inventories	0	0
II - Receivables		
1) Trade receivables		
Due within next year	2,660,171	1,526,053
Total receivables due from customers	2,660,171	1,526,053
5-bis) tax receivables		
Due within next year	19,423	19,011
Total tax payables	19,423	19,011
5-ter) prepaid taxes	1,585,387	1,612,749
5-quater) due to others		
Due within next year	328,892	322,292
Due beyond next year	250,565	233,333
Total receivables due from others	579,457	555,625
Total receivables	4,844,438	3,713,438
III - Financial assets that are not fixed assets		
Total financial assets that are not fixed assets	0	0
IV - Liquid funds		
1) Bank and postal deposits	3,088,338	1,695,809
Total Liquid funds	3,088,338	1,695,809
Total current assets (C)	7,932,776	5,409,247
D) Accruals and deferrals	2,459,029	103,814
Total assets	13,283,002	8,544,188
C) CURRENT ASSETS		



BALANCE SHEET – LIABILITIES

Liabilities	30/06/2024	31/12/2023
A) SHAREHOLDERS' EQUITY		
I - Share capital	1,317,685	1,309,289
II - Share premium reserve	6,351,256	6,258,898
III - Revaluation reserves	0	0
IV - Legal reserve	100,000	100,000
V - Statutory reserves	0	0
VI - Other reserves, distinctly specified		
Misc. other reserves	869,685	869,681
Total other reserves	869,685	869,681
VII - Reserve for transactions to cover expected cash flows	0	0
VII - Profit (loss) carried forward	-4,036,440	-5,206,062
IX - Profit (loss) of the year	50,236	1,169,623
Loss covered during the year	0	0
X - Negative reserve for own shares in portfolio	-67,758	-57,621
Total shareholders' equity	4,584,664	4,443,808
B) Provisions for risks and charges		
2) Provisions for taxes, including deferred taxes	12	0
4) other	59,749	42,206
Total provisions for risks and charges B	59,761	42,206

D) Payables		
4) Payables due to banks		
Due within next year	690,921	625,642
Due beyond next year	1,769,113	2,085,902
Total payables due to banks (4)	2,460,034	2,711,544
6) Advances		
Due within next year	2,939,982	204,155
Total Advances (6)	2,939,982	204,155
7) Payables due to suppliers		
Due within next year	2,260,373	564,022
Total payables due to suppliers (7)	2,260,373	564,022
12) Tax payables		
Due within next year	194,624	212,883
Total tax payables (12)	194,624	212,883
13) Payables due to social security institutions		
Due within next year	58,862	45,022
Total payables due to social security institutions (13)	58,862	45,022
14) Other payables		
Due within next year	598,617	251,005
Due beyond next year	5,000	5,000
Total other payables (14)	603,617	256,005
Total payables (D)	8,517,492	3,993,631
E) Accruals and deferrals	71,395	26,098
Total liabilities	13,283,002	8,544,188



Income statement

	30/06/2024	30/06/2023
A) TOTAL REVENUES:		
1) Revenues from sales and services	5,402,985	5,491,987
5) Other revenues and proceeds		
Contributions for operating expenses	5,475	18,799
Other	47,124	92,682
Total other revenues and proceeds	52,599	111,481
Total revenues	5,455,584	5,603,469
B) Cost of production		
6) For raw and ancillary materials, consumables and goods	0	4,900
7) For services	4,471,654	4,761,813
8) Costs for use of third party assets	82,496	77,464
9) Total personnel costs		
a) salaries and wages	298,307	291,443
b) social security charges	84,041	82,161
c) termination indemnities	19,017	14,878
Total personnel costs	401,365	388,482
10) amortization/depreciation and write-downs		
a) amortization of intangible fixed assets	190,165	225,090
b) depreciation of tangible fixed assets	23,468	19,875
Amortization/depreciation and write-downs	213,633	244,965
12) allocations for risks	36,323	48,478
14) other operating charges	110,994	64,400
Total cost of production	5,316,465	5,590,502
Difference between value and cost of production (A-B)	139,119	12,967

C) Financial proceeds and charges		
16) other financial proceeds		
d) proceeds other than the above		
other	8,116	12,149
Total proceeds other than the above	8,116	12,149
Total other financial proceeds	8,116	12,149
17) interest and other financial charges		
other	50,272	52,592
Total interest and other financial charges	50,272	52,592
17-bis) net income and exchange rate losses	-299	-137
Total financial proceeds and charges (C) (15+16-17+-17-bis)	-42,455	-40,580
d) Value adjustments of financial assets and liabilities		
Total value adjustments of financial assets and liabilities (18-19)	0	0
Result before taxes (A - B + - C + - D)	96,664	-27,613
20) Income taxes for the year, current, deferred and prepaid		
Current taxes	19,054	6,638
Taxes relative to previous years	0	0
Deferred and prepaid taxes	27,374	-30,688
Total income taxes for the year, current, deferred and prepaid	46,428	-24,050
21) Profit (loss) of the year	50,236	- 3,563



CASH FLOW STATEMENT

(CASH FLOWS WITH INDIRECT METHOD)

A. Cash flows from operating activities (indirect method)	30/06/2024	30/06/2023
Profit (loss) of the year	50,236	-3,563
Income taxes of the year	46,428	-24,050
Payable/(receivable) interest	42,156	40,443
(Dividends)	0	0
Capital (gains) / losses deriving from the sale of assets	0	0
1. Profit / (loss) of the year before income taxes, interest, dividends and capital gains/losses from transfers	138,820	12,830
<i>Adjustments for non-monetary items that are not offset in net working capital</i>		
Allocations to provisions	78,766	79,615
Amortization/depreciation of fixed assets	213,633	244,965
Write-downs for permanent impairment	0	0
Value adjustments of financial assets and liabilities of derivative financial instruments that do not involve cash flow movements	0	0
Other increases/(decreases) for non-monetary items	299	137
<i>Total adjustments for non-monetary items that are not offset in net working capital</i>	292,698	324,717
2. Cash flows before changes in net working capital	431,518	337,547
<i>Changes in net working capital</i>		
Decrease/(Increase) in inventories	0	0
Decrease/(Increase) in receivables due from customers	-1.134.118	-1.262.327

Increase/(Decrease) in payables due to suppliers	1,696,351	929,104
Decrease/(Increase) in accrued income and deferred charges	-2,355,215	-1,210,802
Increases/(Decreases) in accrued liabilities and deferred income	45,297	31,047
Other decreases/(Other increases) in net working capital	3,054,368	2,095,279
<i>Total changes in net working capital</i>	1,306,683	582,301
3. Cash flows after changes in net working capital	1,738,201	919,848
<i>Other changes</i>		
Interest collected/(paid)	-42,156	-40,443
(Paid income taxes)	-18,942	0
Collected dividends	0	0
(Use of provisions)	-49,978	-77,635
Other collections/(payments)	0	0
<i>Total other changes</i>	-111,076	-118,078
Cash flows from operating activities (A)	1,627,125	801,770
B) Cash flows from investment activities		
<i>Tangible fixed assets</i>		
(Investments)	-17,461	-94,501
Divestments	0	0
<i>Intangible fixed assets</i>		
(Investments)	-56,242	0
Divestments		0
<i>Financial fixed assets</i>		
(Investments)	0	-10,050
Divestments	0	0
<i>Current financial assets</i>		
(Investments)	0	0
Divestments	0	0



CASH FLOW STATEMENT

(CASH FLOWS WITH INDIRECT METHOD)

(Acquisition of company branches net of liquid funds)	0	0
Sale of company branches net of liquid funds	0	0
Cash flows from investment activities (B)	-73,703	-104,551
C. Cash flows from financing activities		
<i>Third party financing</i>		
Increase / (Decrease) of short-term payables to banks		
Acquisition of financing	0	0
(Reimbursement of financing)	-251,510	-75,290
<i>Own assets</i>		
Paid share capital increase	100,754	0
(Capital reimbursement)	0	0
Sale (purchase) of own shares	-10,137	0
(Dividends and advances on paid dividends)		0
Cash flows from financing activities (C)	-160,893	-75,290
Increase (decrease) in liquid funds (A ± B ± C)	1,392,529	621,929
Exchange rate effect on liquid funds		

Liquid funds at the start of the year		
Bank and postal deposits	1,695,809	2,134,925
Checks	0	0
Cash and cash equivalents	0	32
Liquid funds at the start of the year	1,695,809	2,134,957
Of which not freely usable		
Liquid funds at the end of the year		
Bank and postal deposits	3,088,338	2,781,252
Checks	0	0
Cash and cash equivalents	0	64
Liquid funds at the end of the year	3,088,338	2,781,316
Of which not freely usable		



8. Explanatory notes

INTRODUCTION

The half-year financial statements as of 30/06/2024 - 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, as supplemented by the OIC (Italian accounting body) standards required for the preparation of an interim report (OIC 30).

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.

The income statement in the financial statements compares the performance as of 30/06/2024 with that as of 30/06/2023; while the balance sheet compares the situation as of 30/06/2024 with that of the last financial year ended 31/12/2023.



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.

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 the course of 2023, the company sustained costs of €695,422 relative to the launch of new facilities and new destinations with the primary objective of promoting its corporate image and legitimizing its operations or corporate purpose within its economic and social environment.

These costs have been capitalized and will be amortized over five financial years in relation to the years in which the company will be able to enjoy future benefits related to the natural increase in revenues.

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

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 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; these were supplemented by the OIC accounting principles relative to the preparation of an interim report (OIC 30).

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 € 1,492,746 (€ 1,626,669 in the previous year).

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

	Start up and expansion costs	Development costs	Authorizations, licenses, trademarks and similar rights	Goodwill	Assets in progress and advances	Other intangible fixed assets	Total intangible fixed assets
Value at year start							
Cost	2,559,092	2,286,222	306,580	377,899	0	295,756	5,825,549
Amortization (provisions for amortization)	1,599,845	2,135,922	300,099	75,580	0	87,434	4,198,880
Book value	959,247	150,300	6,481	302,319	0	208,322	1,626,669
Changes during the year							
Increase for acquisitions	0	3,200	1,358	0	26,250	25,434	56,242
Depr. of the year	117,441	25,497	352	18,895	0	27,980	190,165
Total changes	-117,441	-22,297	1,006	-18,895	26,250	-2,546	-133,923
Value at year end							
Cost	2,559,092	2,289,422	307,938	377,899	26,250	321,190	5,881,791
Amortization (provisions for amortization)	1,717,286	2,161,419	300,451	94,475	0	115,414	4,389,045
Book value	841,806	128,003	7,487	283,424	26,250	205,776	1,492,746



The item Start-up and expansion costs includes the costs of incorporation and listing as well as the costs relative to the merger by incorporation of Digital Destination Company Srl into Sostravel.com which was completed in 2022 (hereinafter the "Merger") in addition to digital advertising costs for the start-up of new tourist destinations.

Development costs include proprietary software developed by the company as well as purchased software licenses; the latter are fully amortized.

The item Authorizations, licenses and trademarks only includes the cost for the purchase of FLIO brands - whose amortization process ended in 2021 - and the costs for the purchase of the Amareclub, AmareSharm, AmareCuba, AmareTurchia and AmareKenya trademarks.

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

Other intangible fixed assets mainly refer to investments made with the aim of developing and increasing the functionality of software for both web and mobile services as well as improvements to third-party assets that involved renovation work on non-owned properties.

Tangible fixed assets

Tangible fixed assets amounted to 822,475 (€ 828,482 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:

	Land and buildings	Industrial and commercial equipment	Other tangible fixed assets	Total tangible fixed assets
Value at year start				
Cost	898,725	0	74,815	973,540
Amortization (provisions for amortization)	109,630	0	35,428	145,058
Book value	789,095	0	39,387	828,482
Changes during the year				
Increase for acquisitions	0	8,696	8,765	17,461
Depr. of the year	13,481	3,622	6,365	23,468
Total changes	-13,481	5,074	2,400	-6,007
Value at year end				
Cost	898,725	8,696	83,580	991,001
Amortization (provisions for amortization)	123,111	3,622	41,793	168,526
Book value	775,614	5,074	41,787	822,475



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 are equal to € 0 (€ 0 in the previous financial year) given that they were fully written down during the 2022 financial 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 report the information provided therein exists.

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

	Shareholdings in other companies	Total shareholdings
Value at year start		
Cost	101,172	101,172
- Write-downs	101,172	101,172
Changes during the year		
Value at year end		
Cost	101,172	101,172
- Write-downs	101,172	101,172

Non current receivables

Receivables included in financial fixed assets total €575,976

(€575,976 in the previous financial year) and are represented by security deposits.

The composition and movements of the individual items were as follows:						
	Value at year start	Changes during the year	Value at year end	Quota expiring within the year	Quota expiring after the year	With a residual duration of more than five years
Non current receivables due from others	575,976	0	575,976	0	575,976	0
Total non current receivables	575,976	0	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.

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



CURRENT ASSETS

Receivables

Receivables booked under current assets were equal to € 4,844,438 (€ 3,713,438 in the previous year).

The composition is as follows:

	Due within next year	Due after next year	Total nominal value	(Provisions for risks/write-downs)	Net value
Trade receivables	2,660,171	0	2,660,171	0	2,660,171
Tax receivables	19,423	0	19,423		19,423
Prepaid taxes			1,585,387		1,585,387
Due to others	328,892	250,565	579,457	0	579,457
Total	3,008,486	250,565	4,844,438	0	4,844,438

Receivables – Subdivision by expiration date

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

	Value at year start	Changes during the year	Value at year end	Quota expiring within the year	Quota expiring after the year	With a residual duration of more than five years
Trade receivables booked under current assets	1,526,053	1,134,118	2,660,171	2,660,171	0	0
Tax receivables booked under current assets	19,011	412	19,423	19,423	0	0
Prepaid tax assets booked under current assets	1,612,749	-27,362	1,585,387			
Receivables booked under current assets due from others	555,625	23,832	579,457	328,892	250,565	0
Total receivables booked under current assets	3,713,438	1,131,000	4,844,438	3,008,486	250,565	0

Receivables from customers mainly include receivables derived from the provision of services pertaining to ordinary operations, while tax receivables consist exclusively of IRES receivables and paid IRAP advances. Receivables from others essentially include €466,666 of receivables for interest-bearing financing granted to Trawell Co S.p.a., including €233,333 due within the financial year and €233,333 due beyond the financial year. Prepaid taxes were equal to €1,585,387 (€1,612,749 in the previous year). For details on prepaid taxes, please refer to the specific paragraph within the income statement. It should be noted that estimates relative to the recoverability of the booked amount are based on the forecast of future taxable income as per 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.

	Total			
Geographical area		Italy	EU	Extra-EU
Trade receivables booked under current assets	2,660,171	1,126,277	1,197,094	336,800
Tax receivables booked under current assets	19,423	19,423	0	0
Prepaid tax assets booked under current assets	1,585,387	1,585,387	0	0
Receivables booked under current assets due from others	579,457	536,764	37,890	4,803
Total receivables booked under current assets	4,844,438	3,267,851	1,234,984	341,603

Receivables – operations with repurchase agreements

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

Liquid funds

Receivables booked under current assets were equal to € 3,088,338 (€ 1,695,809 in the previous financial year).

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

	Value at year start	Changes during the year	Value at year end
Bank and postal deposits	1,695,809	1,392,529	3,088,338
Total Liquid funds	1,695,809	1,392,529	3,088,338



Accrued income and deferred charges

Accrued income and deferred charges were equal to € 2,459,029 (€ 103,814 in the previous year).

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

	Value at year start	Changes during the year	Value at year end
Accrued income	4,000	-3,872	128
Deferred charges	99,814	2,359,087	2,458,901
Total accrued income and deferred charges	103,814	2,355,215	2,459,029

Composition of accrued income

Accrued income is represented by the balancing of condominium expenses relative to the previous 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 € 4,584,664 (€ 4,443,808 in the previous financial 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	1,309,289	0	0	8,396
Share premium reserve	6,258,898	0	0	92,358
Legal reserve	100,000	0	0	0
Other reserves				
Misc. other reserves	869,681	0	0	0
Total other reserves	869,681	0	0	0
Profit (loss) carried forward	-5,206,062	0	0	1,169,622
Profit (loss) of the year	1,169,623	0	-1,169,623	0
Negative reserve for own shares in portfolio	-57,621	0	0	0
Total shareholders' equity	4,443,808	0	-1,169,623	1,270,376

	Decreases	Reclassifications	Result of the year	Value at year end
Share capital	0	0		1,317,685
Share premium reserve	0	0		6,351,256
Legal reserve	0	0		100,000
Other reserves				
Misc. other reserves	0	4		869,685
Total other reserves	0	4		869,685
Profit (loss) carried forward	0	0		-4,036,440
Profit (loss) of the year	0	0	50,236	50,236
Negative reserve for own shares in portfolio	0	-10,137		-67,758
Total shareholders' equity	0	-10,133	50,236	4,584,664

	Description	Amount
	Contribution reserve	869,685
Total		869,685

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.

During the course of 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.

Finally, it should be noted that - during the first half of 2024, and following the exercise of the previously issued warrants, -the share capital increased by €8,396 with a simultaneous increase in the share premium reserve of €92,358.

The share capital as of 30 June 2024 was equal to €1,317,685 and the share premium reserve was equal to €6,351,256. As of 30 June 2024, there were still 21,718,568 warrants in circulation.

During 2023, the Company had acquired 52,000 own shares for an amount equal to €57,621. This amount was booked in a negative shareholders' equity reserve. In the first half of 2024, an additional 8,250 own shares were purchased for an amount equal to €10,137.



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 following: 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, 1 n. 5, of the Italian Civil Code for €969,809; losses carried forward for €4,036,440; the portion of the legal reserve necessary for it to reach the limit of 20% of the share capital for €163,537; and the amount of the negative reserve for own shares in the portfolio equal to €67,758.

	Amount	Origin/nature	Possibility of use	Available quota	Summary of uses in the previous three years - for coverage of losses	Summary of uses in the previous three years - for other reasons
Share capital	1,317,685	Share capital		0	0	0
Share premium reserve	6,351,256	Share capital	A - B - C	6,351,256	0	0
Legal reserve	100,000	Profit	A - B	100,000	0	0
Other reserves						
Misc. other reserves	869,685	Share capital - net income	A - B - C	869,685	0	0
Total other reserves	869,685			869,685	0	0
Profit carried forward	-4,036,440			0	0	0
Negative reserve for own shares in portfolio	-67,758			0	0	0
Total	4,534,428			7,320,941	0	0
Non-distributable quota				5,337,544		
Residual distributable quota				1,983,397		
Legend: A: for share capital increase B: to cover losses C: for distribution to shareholders D: for other statutory restrictions E: other						

	Description	Amount	Origin/nature	Possibility of use	Available quota	Summary of uses in the previous three years: for coverage of losses	Summary of uses in the previous three years - for other reasons	Legend: A: for share capital increase B: to cover losses C: for distribution to shareholders D: for other statutory restrictions E: other
	Contribution reserve	869,685	Share capital - net income	A - B - C	0	0	0	
Total		869,685						



Provisions for risks and charges

Provisions for risks and charges are booked under liabilities for a total of € 59,761 (€ 42,206 in the previous financial year).

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

	Provision for pensions and similar obligations	Provisions for taxes, including deferred taxes	Financial derivative liabilities	Other provisions	Total provisions for risks and charges
Value at year start	0	0	0	42,206	42,206
Changes during the year					
Changes during the year	0	12	0	59,749	59,761
Utilization during the year	0	0	0	42,206	42,206
Total changes	0	12	0	17,543	17,555
Value at year end	0	12	0	59,749	59,761

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 € 49,690 (€ 38,445 in the previous year).

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

	Employee termination indemnities
Value at year start	38,445
Changes during the year	
Changes during the year	19,017
Utilization during the year	349
Other changes	-7,423
Total changes	11,245
Value at year end	49,690



Payables

Payables are booked under liabilities for a total of € 8,517,492 (€ 3,993,631 in the previous year).

The composition of the individual items was as follows:

	Value at year start	Changes during the year	Value at year end
Payables due to banks	2,711,544	-251,510	2,460,034
Advances	204,155	2,735,827	2,939,982
Payables due to suppliers	564,022	1,696,351	2,260,373
Tax payables	212,883	-18,259	194,624
Payables due to social security institutions	45,022	13,840	58,862
Other payables	256,005	347,612	603,617
Total	3,993,631	4,523,861	8,517,492

Payables to banks include the portions of loans existing at the end of the half year 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 the 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 VAT and IRAP payables.

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

Other payables mainly consist of payables to employees for year end bonuses as well as accrued and unused holidays, security deposits due within the financial year for €474,400 - contracted to cover the 2023-2024 season - and security deposits due beyond the following financial year in relation to rental contracts for the properties in Gallarate.



Payables- Subdivision by expiration date

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

	Value at year start	Changes during the year	Value at year end	Quota expiring within the year	Quota expiring after the year	With a residual duration of more than five years
Payables due to banks	2,711,544	-251,510	2,460,034	690,921	1,769,113	0
Advances	204,155	2,735,827	2,939,982	2,939,982	0	0
Payables due to suppliers	564,022	1,696,351	2,260,373	2,260,373	0	0
Tax payables	212,883	-18,259	194,624	194,624	0	0
Payables due to social security institutions	45,022	13,840	58,862	58,862	0	0
Other payables	256,005	347,612	603,617	598,617	5,000	0
Total payables	3,993,631	4,523,861	8,517,492	6,743,379	1,774,113	0

Payables- breakdown by geographical area

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

	Total			
Geographical area		Italy	EU	Extra-EU
Payables due to banks	2,460,034	2,460,034	0	0
Advances	2,939,982	2,673,280	174,746	91,956
Payables due to suppliers	2,260,373	1,761,749	380,227	118,397
Tax payables	194,624	194,624	0	0
Payables due to social security institutions	58,862	58,862	0	0
Other payables	603,617	603,617	0	0
Payables	8,517,492	7,752,166	554,973	210,353

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 € 71,395 (€ 26,098 in the previous year).

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

	Value at year start	Changes during the year	Value at year end
Accrued liabilities	3,898	-383	3,515
Deferred income	22,200	45,680	67,880
Total accrued liabilities and deferred income	26,098	45,297	71,395

Deferred income includes the portions of revenue collected in the first half of 2024 but which accrued in the months of July/August 2024 as well as the residual portions of tax receivables relative to the tax credit for workplace adjustment. The latter 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 the costs for TARI pertaining to the 1st half of 2024, and which will be paid by the company during the 2nd half of the year.



INFORMATION ON INCOME STATEMENT

Total revenues:

Revenues from sales and services Breakdown
by category of activity

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

	Category of activity	Value of previous year	Change	Value of current year
	Revenues for services to travelers	512,964	67,231	580,195
	Revenues for travel agency activities	4,979,023	-156,233	4,822,790
Total		5,491,987	-89,002	5,402,985

Revenues from sales and services – Breakdown
by geographical area

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

	Geographical area	Value of current year
	Italy	4,427,955
	EU	196,388
	Extra-EU	778,642
Total		5,402,985



Other revenues and proceeds

Other revenues and proceeds are booked under total revenues within the income statement for a total of € 52,599 (€ 162,588 in the previous year).

The composition of the individual items was as follows:

	Value of previous year	Change	Value of current year
Contributions for operating expenses	18,799	-13,324	5,475
other			
Receivable commissions	58,519	-26,163	32,356
Real estate proceeds	0	8,400	8,400
Other revenues and proceeds	34,164	-27,796	6,368
Total other	92,683	-45,559	47,124
Total other revenues and proceeds	111,482	-58,883	52,599

Other revenues and income primarily include the following:

Euro 4,800 tax credit for adapting workplaces;

- Euro 8,400 of rental revenue from the owned property;
- Euro 32,356 of receivable commissions;
- Euro 5,544 in contingent assets.

COST OF PRODUCTION – Service expenses

Service costs are booked under the cost of production within the income statement for a total of € 4,471,654 (€ 18,212,438 in the previous year and € 4,761,813 in the previous half-year).

The composition of the individual items was as follows:

	Value of previous year	Change	Value of current year
Services for purchases	3,987,924	-361,603	3,626,321
Transportation	40	221	261
Maintenance and repairs	1,447	3,435	4,882
Technical services and consulting	0	673	673
Compensation to directors	209,612	-7,616	201,996
Compensation to auditors	26,480	-1,710	24,770
Payable commissions	0	96	96
Advertising	14,134	-1,683	12,451
Legal expenses and consulting	12,262	15,644	27,906
Fiscal, administrative and commercial consulting	237,261	36,933	274,194
Telephone expenses	1,110	1,697	2,807
Services from financial companies and banks of non-financial nature	8,330	-1,201	7,129
Insurance	6,605	-3,232	3,373
Entertainment expenses	6,194	4,669	10,863
Travel expenses	7,691	9,982	17,673
other	242,723	13,536	256,259
Total	4,761,813	-290,159	4,471,654



Costs for use of third party assets

Service costs are booked under the cost of production within the income statement for a total of € 82,496 (€ 167,311 in the previous year and € 77,464 in the previous half-year). The composition of the individual items was as follows:

	Value of previous year	Change	Value of current year
Rents and leases	36,261	-9,201	27,060
other	41,203	14,233	55,436
Total	77,464	5,032	82,496

Other operating charges

Other operating costs are booked under production costs of the income statement for a total of €110,994 (€153,146 in the previous financial year and €64,400 in the previous half year).

The composition of the individual items was as follows:

	Value of previous year	Change	Value of current year
Subscriptions to magazines, newspapers...	39	2,962	3,001
Contingencies and non-existent liabilities	0	45,358	45,358
Other operating charges	64,361	-1,726	62,635
Total	64,400	46,594	110,994

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:

	Valuation component for previous year	Realized component for previous year	Change in valuated part	Change in realized part	Currency portion	Effective portion	Total
Exchange rate gains	20	253	-68	-218	-48	35	-13
Exchange rate losses	0	410	0	-124	0	286	286

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:

	Current taxes	Taxes relative to previous years	Deferred taxes	Prepaid taxes	Proceeds (charges) from joining the consolidated tax/tax transparency regime
IRES	0	0	12	-27,362	
IRAP	19,054	0	0	0	
Total	19,054	0	12	-27,362	0

Prepaid taxes of €1,413,297 were recognized mainly in relation to the amount of the current year's tax loss and the tax losses prior to 2022 as well as in relation to the amount of ACE (Aid for Economic Growth) to be carried forward and the tax amortization of trademarks.

Information regarding tax losses is reported below:

	Previous year - Amount	Previous year - Tax rate	Previous year - Booked prepaid taxes
Fiscal losses:			
Previous years	6,048,347		
Total fiscal losses	6,048,347		
Tax losses carried forward that are recoverable with reasonable certainty	6,048,347	24.00	1,451,603

OTHER INFORMATION

Employment data

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

	Average number
Executives	1
Office employees	10
Total employees	11

Apprentices and interns were not taken into account 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.

	Directors	Auditors
Remuneration	174,000	18,770

Compensation to the regulatory auditor or auditing company

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

	Value
Regulatory audit	6,000
Total compensation paid to the regulatory auditor or the auditing company	6,000

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:

	Description	Initial amount, number	Initial amount, nominal value	Shares underwritten during the year, number	Shares underwritten during the year, nominal value	Final amount, number	Final amount, nominal value
	Ordinary shares	13,092,888	1,309,289	83,962	8,396	13,176,850	1,317,685
Total		13,092,888	1,309,289	83,962	8,396	13,176,850	1,317,685

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



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

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

Information on assets and financing allocated to a specific transaction

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

Operations with related parties

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

The main transactions completed with related parties are as follows:

- RG HOLDING: as of 30 June 2024, there is a payable to the related party of € 7,557 relative to the 2019/2020 electricity balance and a payable for insurance in 2021/2022; in addition, there is a payable for insurance for 2022/2023 equal to € 4,239 and a payable of € 12,500 for compensation of the Board of Directors relating to the month of June 2024; finally, there is a receivable of € 527 relative to the registration and termination of the 2020/2021 rental contract; costs as of 30 June 2024 are equal to € 75,000.



- 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 contain an active loan of €466,667 issued to Trawell Co. with maturity in November 2025 and a credit for receivable interest on the loan itself for €10,398; finally, a trade receivable is effective towards TraWell Co as shown in the following table:

Trade receivables			
Client	Balance as of 30/06/2024	Invoices to issue	Total
TraWell Co Group	981,973.20	169,004.20	1,150,977.40
Totals as of 30.06.24	981,973.20	169,004.20	1,150,977.40

Trade payables		
Supplier balance	Invoices to receive	Total
-214,857.31	-45,450.40	-260,307.71
-214,857.31	-45,450.40	-260,307.71

Financial receivables	
Invoice to issue for interest	Active loan
10,398.00	466,666.67
10,398.00	466,666.67

Revenues and costs		
Name	Revenues	Costs
TraWell Co Group	506,037.00	139,319.00
Totals as of 30.06.24	506,037.00	139,319.00

- Rudolph Gentile, shareholder: a receivable of € 75.80 is due from him;
- In addition, transactions were implemented with other parties such as:
- Yessa Srl: 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. As of 30 June 2024, and following the transactions between the parties, there are credit notes to be received for €1,811, a receivable due from the Company for €6,449 and a payable of €2,787.



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 4,800 tax credit for adapting workplaces;
- €675 EU contribution for trademark registration.

On behalf of the Board of Directors

CARMINE COLELLA



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