

OTC Markets

Welcome to the OTCQB podcast, where we shine a spotlight on our OTCQB Venture Market companies. I'm your host, Cody Maldonado, Client Relations for EMEA at OTC Markets Group. Joining us today is Eduardo Zarghetta, Head of Investor Relations at SOSTravel.com. SOSTravel is a global leader in luggage tracking and travel-related services. The company offers innovative solutions, including real-time luggage tracking with over 2 million users worldwide.

Edoardo, welcome to the podcast.

Edoardo Zarghetta

Hi, Cody, thank you very much.

OTC Markets

You know, just to sort of kick things off, can you introduce yourself and describe your role and responsibilities at the company?

Edoardo Zarghetta

Yeah, so um, I am an investor relations and I also deal with corporate affairs and and merger and acquisition. So I spend my time talking to investors, and looking after the compliance rules ah um of the two markets where we trade, which are Milan, the Milan Stock Exchange and OTCQB. And then I also support the management team for M&A, which is um quite um quite a hot activity for us at the moment.

OTC Markets

Definitely. And it gives you could give us a brief sort of overview out on the sort of commercial side of SOSTravel, um including some of the primary services that you guys offer ah to the travel industry.

Edoardo Zarghetta

Yeah so, in a broad sense, we are a travel technology company. We operate in travel with two different business units. On one side, we are like an online travel agent where we have some private label resorts that we manage under our own brand called Amare.travel. and They are in Italy, Kenya, and Egypt. We're expanding to other countries such as Turkey and Cuba. And on the second business unit, we do proper travel technology services like a luggage tracking service called Lost Luggage Concierge that helps travelers reconnect with their luggage if they don't find it when they get a destination. So we do a number of

services. This is not an insurance, it's really like the service to help you reconnect you with your luggage. And then we have um a service called Dr. Travel, which is a telehealth solution ah that we sell to travelers so that they can get there ah them themselves and their families covered it for all those little problems that we encounter when we travel, um so not for the major surgery, or but just for them. Like if something goes wrong with your stomach, with your skin, ah you should feel upset and you're not having ah an opportunity to enjoy your holiday.

OTC Markets

Definitely. And you know, with SOSTravel being recognized as a leader in luggage tracking, I mean you guys, like I said, mentioned earlier, have over two million users. What sets your luggage tracking and travel services apart from other competitors?

Edoardo Zarghetta

Well, the travel tech, ah um so then the luggage tracking really, we ah we started long time ago. SOSTravel, we have a very long experience, we've done it for over 10 years. And what we do, we connect with the airlines. We are inside the um airline tracking systems, there is our consortium, SOS we are in there. We are able to follow the luggage and understand where it ended. And then we have um partnerships with the local operators in different airports, that will reroute the luggage to the passenger. And this is quite annoying for the passenger to deal with the airlines. Don't forget that for the airline, this is just a pain. It's just a cost. So, they tend not to invest very much. It's ah it's quite a painful experience. So we take all that pain away. All that the client has to do is to buy the service before the travel. They can buy the service in in the airport, we have a partnership with um with a company called Trawell, which is the wrapping machines and at the check-in you can buy the service through them, you can buy the service on our website sostravel.com or through one of our many B2B agreements. We have agreements with cruise liners, airliners, headline companies and other online travel agents. So, you buy your service, and it's a code, and you put in the size, color and some details about your luggage and then if something goes wrong, we kick in and we take care of your luggage being reconnected with you. Should we fail to do that within 48 hours, we start to pay you um a fee so that that goes on top of the insurance you might have, goes on top of what the airline might give you but it's just a way for us to say we know we're gonna reconnect you within 48 hours if we fail we pay you.

OTC Markets

Well, that sounds awesome. Um, you know, with SOSTravel being sort of ah a multinational and global company, it has a strong market presence already and growing user base. What are your key strategies for sustaining that growth, especially within the competitive travel tech industry?

Edoardo Zarghetta

Yeah, that's interesting because that's something um it's at the core of the current corporate structure. So, before we started as a travel tech company where we had these app assets on Google and iOS where you could download our app and you could access our services. But it was very hard to promote these services to consumers. It would require a huge um advertising budget that we really didn't have. But we realized, as you might appreciate, that people are very interested in traveling. They really like to look at the holidays, offers, resorts. All of us would probably open a small ad if we see like a party, a pool party in Las Vegas, just for the fun of looking what's going on there, right? So we decided to get involved into the online travel, a part of the business opening this um a private label brand of resorts that we manage and opening a travel supermarket where you can book anything regarding travel: transfers, concerts, pool parties and of course hotels and flights. Um, so, what happens? We advertise those. We advertise our travel capacity, our booking capacity, because that gets a much better return on investment in terms of advertising. And then the customers become our client, become travelers. once they are travelers they are offered our travel technology services; so the telehealth solution and the lost luggage concierge and that allows us to ah make a better margin than a standard online travel agent but also the opposite is true in the sense that we still have a global presence of sales presence in the airport just to sell travel technology services via Trawell, our partner, also listed on OTCQX um from OTC Markets. So they have 33 airports where they sell our service and then we have this B2B agreements, I just mentioned one we closed recently with company called Costa Crociere, it's a company with seven cruise liners where people buy the lost luggage conserved and use it to join the ship. Once they become client of the travel technology business unit, then they receive the offers for traveling with us in the future. So, we have kind of created this um ecosystem where if you are a traveler, you get the services. If you buy the services, you get the travel.

OTC Markets

Interesting. I mean, you sort of touched on my next question with between, you know, SOSTravel being listed on OTCQB and Trawell being listed on OTCQX. But, you know, for SOSTravel as an OTCQB Venture Market company, how's the company access U.S. capital markets and how is this access supported your growth and investor relations?

Edoardo Zarghetta

So first of all, we were a bit of a guinea pig for the OTCQB because we're coming from the Italian Growth Market. And we were the first company that came from the Italian Growth Marketing to OTCQB. I think the listing process was straightforward. We got a lot of help from the team over at OTC. And ah, since then, since we accessed this market, um it has allowed us to talk to a broader range of investors, and it has provided a lot of credibility with stakeholders in general. I'm talking about banks, I'm talking about providers for our services, just to be able to spend the fact that we are listed in the US and in Europe with a partner like Costa Crociere or an airline, you know, it gives quite a bit of clout to our brand. And um and therefore, it has helped us um ah getting in some strategic partnerships, I guess, And we are now trying to leverage it also on the acquisition on the M&A side ah because um we have this liquidity via the OTCQB in the United States and in dollars that could come at hand at ah the time of an M&A.

OTC Markets

Definitely. And you know, sort of looking towards the future, what are some key objectives and expectations for the coming years? And how does SOSTravel plan on continuing innovating within the travel tech space?

Edoardo Zarghetta

That's an interesting question because we have a good and very interesting business plan that we um published last year and we have updated recently and that shows a 90% growth for revenues in EBITDA and that's all organic, but we're really not satisfied with it. And also, we think that you know we need to reach a much higher market cap before we become relevant in this market. So in order to do that, the only way is really M&A. So we are focusing and we are doubling down on our effort to find a suitable uh targets for our M&A strategy, it's a tough um it's a tough industry to be in because a lot of companies in that in the travel business have waffle thin margins and they might have accumulated debt during the pandemic so it's not an industry where you put the nose out of the window

and you go and buy anyone because it might be diluting your strength. So we want to strengthen the brand so we are um we are really focused on finding the right targets. A lot of effort is going into it and I think it will bear fruits soon.

OTC Markets

Definitely. And you know pivoting towards more corporate governance and ESG, what are some initiatives that SOSTravel has in place to promote sustainable travel?

Edoardo Zarghetta

Um, so one thing that we do, I'll give you an example in Kenya. In Kenya, we only use ah local staff and we have partnered in order to create a school that can ah form staff to ah work in resorts. So, we are um providing education and we are paying for it. We are paying for you know for um the furniture in in the school and anything that that allows this school to ah to prepare young people to work in the travel business so that they can ah benefit from having these resorts in Kenya. And so the people can then go and work for any resort, not just the SOSTravel ones. And we think this is ah an extremely interesting um or initiative to source locally, not just um the food, the material, but also the people and make them grow so that they can become managers and enjoy the economic success.

OTC Markets

Well, that sounds fantastic, Eduardo. Thank you so much again for taking the time to be on our podcast today. SOSTravel for our listeners, SOSTravel trades underneath the US ticker symbol SOSAF on our OTC QB venture market. And like I said again, Eduardo, it was a pleasure having you.

Edoardo Zarghetta

Thank you very much, Cody, and thank you for listening.

**This is an autogenerated transcript and may contain typos.*