



*sostravel.com S.p.A. Annual Report as
of 31 December 2022*

SOSTRAVEL.COM S.P.A. FINANCIAL

31 December

TABLE OF CONTENTS

A. SOSTRAVEL.COM S.P.A.

1. Presentation of the Company page 4
2. Corporate structure page 13
3. Corporate bodies page 14
4. sostravel.com on the Euronext Growth Milan Stock Exchange and OTCQB in New York page 15

B. REPORT ON OPERATIONS

5. Operational trends and business outlook page 17
6. Economic and financial performance page 22
7. Other information page 26

C. FINANCIAL STATEMENTS OF SOSTRAVEL.COM S.p.A.

AS OF 31 December 2022

8. Financial statements page 31
9. Explanatory notes page 41

SOSTRAVEL.COM S.P.A.



1. Company presentation



The Company was incorporated with a deed dated 27 November 2017, registered in the Registry of Companies on 7 December 2017 through the Conferment - by TraWell Co (previously Safe Bag) - of the company branch named "Sostravel.com".

In November 2022, the reverse take-over operation was completed through the **merger by incorporation of Digital Destination Company S.r.l., a digital provider of solutions in the tourism sector** which operates as an intermediary between tourism service providers and customers by offering the possibility to book online stays in accommodation facilities (hotels - resorts), tourist services (e.g. trains,

airplanes, ferries), experiences (e.g. guided tours, excursions, tasting itineraries) and, more generally, holiday packages.

Sostravel.com S.p.A. is a digital operator that offers digital booking services and itineraries, including information on flights and airports, car rentals as well as experiences and proprietary services. The latter include the Lost Luggage Concierge service through the sostravel and Flio apps and with the following platforms:

- www.sostravel.com
- www.amareitalia.com
- www.amareitalia.es
- www.trawellco.com

December 2022 admission of sostravel.com S.p.A to trading on the American market **OTCQB** - the third largest US market, managed by OTC Markets Group Inc., based in New York (USA); trading of sostravel.com shares began with the **ticker "SOSAF "**. Trading on the OTCQB market provides companies with access to US capital markets. Investors can access the Company profile which includes financial communications and share trading prices at: www.otcm Markets.com/stock/SOSAF/overview

To qualify for trading on the OTCQB, the company had to meet high financial standards by following corporate governance best practices and demonstrating compliance with applicable securities laws.

The objective of the Company is to present itself on the market - through an integrated digital platform (the sostravel App) which has been launched and promoted on primary mobile stores (including Google Play and App Store) as an "aggregator" of a range of passenger assistance services throughout the journey, from departure to arrival at the destination airport.

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

TRADING ON **OTCQB** WITH SYMBOL **SOSAF**

 **sostravel.com**
+ 1 Million Users

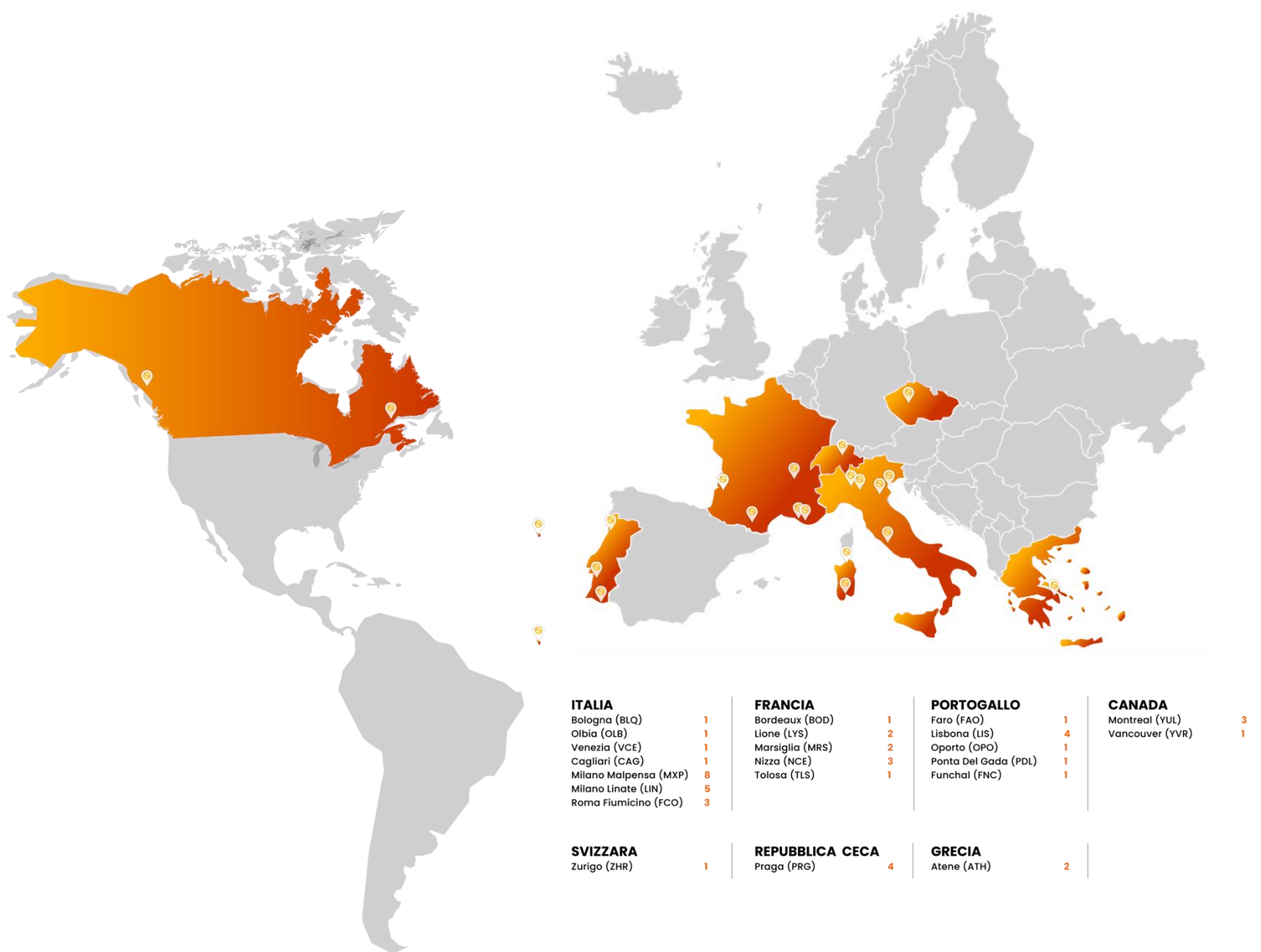
Exposure to the growth of global travel and digital travel services?



International operations

With regard to the sale and distribution of its services, the Company can not only avail itself of the **sostravel App** but also of the **commercial network of the TraWell Co** (previously Safe Bag) which has been operating in the market for wrapping, protection and tracking services for years. The latter is present, with different points of sale, in multiple international airports as well as on the platforms www.amareitalia.com and www.amareitalia.es.

The graph below reports the geographical distribution of the TraWell Co and the location of the airports where, to date, sostravel markets its services.



Services

By means of the App and the Amareitalia portals, the Company offers the services listed below.

Flight Info: this service provides access to useful information regarding flights of interest (flight status, gates, delays, cancellations, etc.). Information on individual flights is made available free of charge.

Airport Info: this service (i) provides free access to various useful information related to the airports of interest (eg. modalities for transfer from or to the infrastructure, maps, food, Wi-Fi) and (ii) allows for the purchase of certain services available there (eg. parking, car rental services, access to VIP lounges, etc.).

Lost Luggage Concierge: this service refers to Sostravel's commitment to tracking customer baggage in cases of loss and/or failed delivery at the destination airports. The service can be purchased before the departure of the flight and is made available either on a pay-per-use basis (with reference, in other words, to individual journeys) or through special subscriptions (which allow users to use the service for all flights performed within a predefined time period).

Telemedicine: The Company has developed a line of business focused on the supply of telemedicine services for travellers directly from its APP, in partnership with the Italian company Net Medicare. The Dr. Travel service will be usable, via the sostravel APP,

directly from your smartphone and will be multilingual, including coverage of 14 days from the departure date. As of this summer, the "Dr. Travel" telemedicine service will also be on sale within the TraWell Co network. The TraWell Co operates, through approximately 48 sales points, in 22 airports and 7 countries.

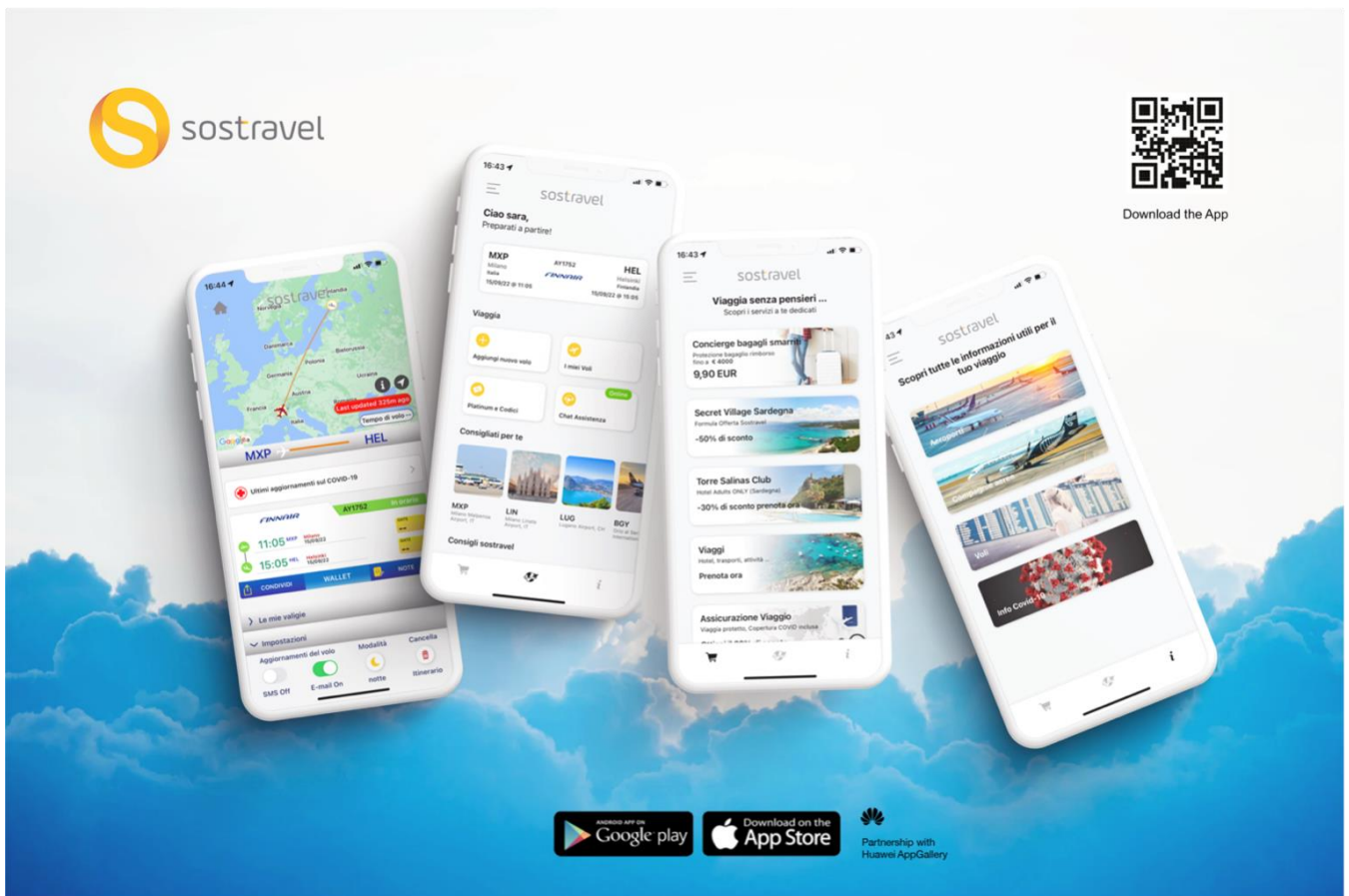
Travel insurance: this service allows users to access - through the Sostravel App - the website of a leading insurance company authorized to sell multi-risk travel insurance policies and to purchase, also through remote communication modalities, products and insurance coverage related to the trip.

Travel Booking: multiple software programs and connections with major global providers in addition to eight search engines offer the traveler the possibility of having access - within a single location - to the booking of hotels, resorts, flights, trains, ferries, buses, theater tickets, museums, and sport events at the best market conditions.

Secret village®, a registered trademark which is distributed digitally and based on a simple mechanism that is appreciated by all parties, both customers and hoteliers given that the customer gains significant savings on the prices of the facilities because he/she will receive confirmation of which facility will host him/her only two days before departure; in this manner, hoteliers are able to optimize occupancy by reaching yield levels never attained before.

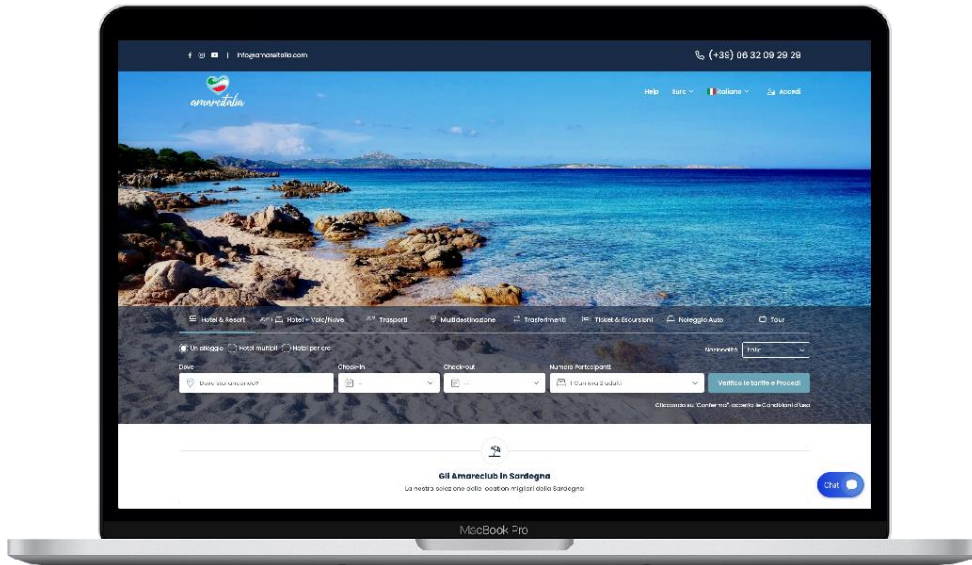
Development of Technological Products

During 2022, the company continued to invest, through new updates, in the development of its App - whose graphic layout is shown below - as well as in an innovative technological development protected by exclusive rights which is linked to the homogenization of the offer of various naval operators for the distribution of comprehensive transport packages by ferry to Sardinia.

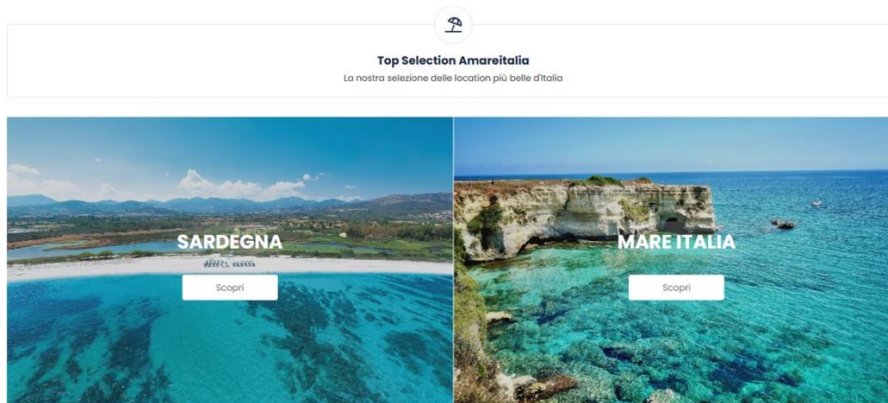


To date, the Flight Info, Airport Info, Lost Luggage Concierge, Dr. Travel (testing) and Travel Insurance services are already developed and active.

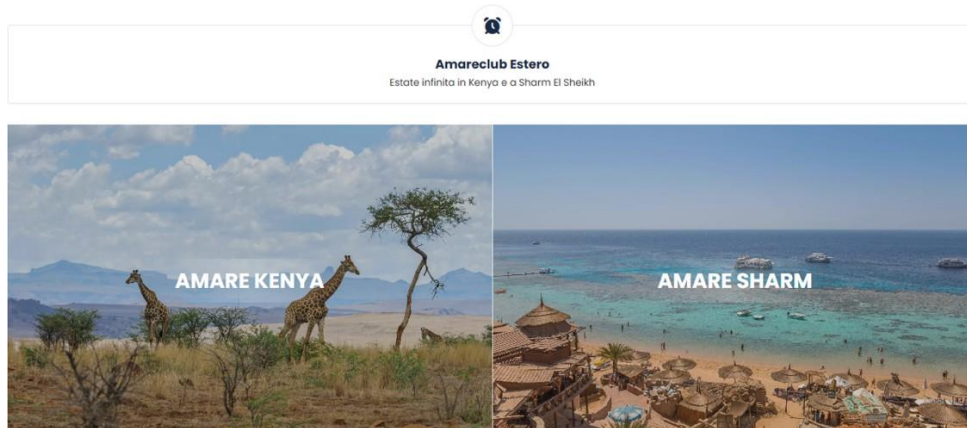
May 2022: implementation of the new homepage of the Amareitalia.com portal and of microsites of hotels with contractual agreements. DDC, in fact, also manages the web profile of the facilities exclusively: Torre Salinas – Janna e Sole – Le Rose – Red Sun Village – Piccolo Hotel.



Specialization on the Italian sea segment and in particular Sardinia.



Introduction of Amarekenya and AmareSharm



Sales channels

Online sales channels

Sostravel aims to offer passengers (mainly those belonging to the "X" and "Millennials" generations) access to an integrated digital platform, the sostravel App and portals which are characterized by an innovative concept aimed at ensuring the possibility of using a variety of information and services linked to the trip.

TraWell-related sales channel

In addition to airline passengers, sostravel also offers its commercial offer to the companies of the TraWell Co.

The offer to the companies of the TraWell Co is based on an agreement between sostravel.com and the group and refers to the supply of the relative services:

(i) the **tracking of the baggage of customers of the TraWell Co companies who purchased the Lost Luggage Concierge Service** in cases of loss and/or non-delivery of this baggage; (ii) assistance offered through the call center to customers of the TraWell Co companies in collecting reports of loss, theft and/or damage to the baggage.

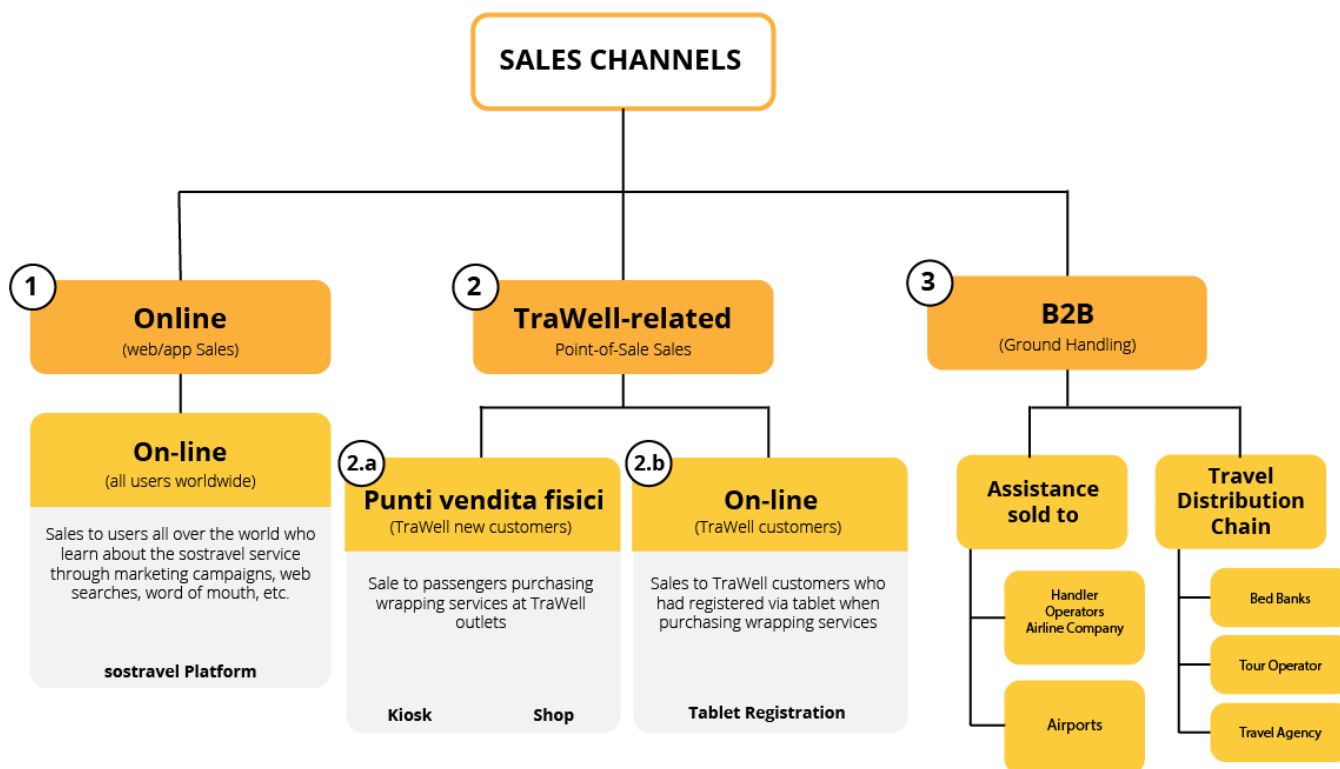
18 November 2022: completion of the transaction concerning the stipulation of a loan agreement with which SOS granted an interest-bearing loan of

700,000 euros (seven hundred thousand) to TraWell Co S.p.A. (Tax code and VAT number: 02389980125), with its registered office in Gallarate (VA), via Olona No. 183/G (a company also listed on the Euronext Growth Milan market). The loan aims to allow for the issue of the guarantees required by the contracting airports for the signing of the license which is the subject of the Tender for the assignment - to TraWell Co S.p.A. - of the areas in the **Milan Linate and Malpensa** airports; this will consequently lead to an increase in the operations of TWL and, consequently - due to the aforementioned commercial relations between SOS and TWL - will result in positive effects on the operations of SOS in addition to a potential increase in SOS revenues in relation to the sale of the Lost Luggage Concierge service in the new airport spaces of Linate and Malpensa.

B2B sales channels

Finally, sostravel provides its commercial offer to airlines and/or airport handlers ("**B2B Customers**"); the latter are proposed the supply of services concerning: (i) the digitization of activities relative to the filling out and forwarding of the PIR to the Lost & Found offices of B2B Customers and (ii) activities required for the tracking of lost baggage. Sostravel products are distributed through xml connections by various global players such as B.com, Hotelbeds, Logitravel, Vayage Privèè as well as by the agency network.

The offer aimed at B2B customers provides for, in particular, that the filling out and forwarding of the PIR - by users who sustained the loss of their baggage - be implemented through interactive totems positioned at (or near) the Lost & Found offices of B2B customers themselves or directly through the sostravel App.

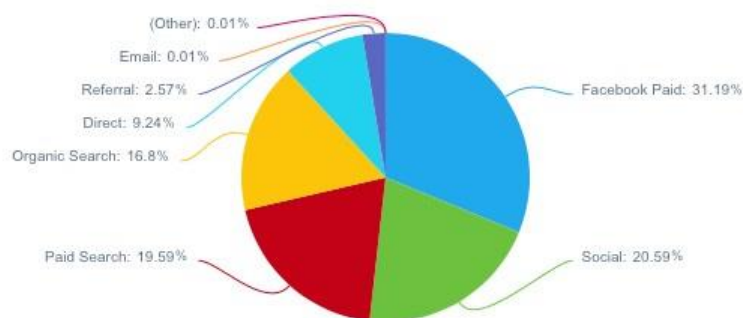


Communications and marketing

Marketing and communication commitments have grown over time and take advantage of the available platforms. The CRM Hubspot offers an increasingly sophisticated and personalized nurturing path, with particular attention to specific travel need which can often be very different for the same person depending on varying motivations. In 2022 - through **Gads and Meta - digital marketing campaigns** amounted to 450,000 euros and an increase proportional to expected results is expected for 2023.



USERS BY CHANNEL GROUPING
AMAREITALIA.COM - [UA] AMAREITALIA.COM - TUTTI I DATI DEL SITO WEB



Human resources

As of 31 December 2022, the Company's total workforce was equal to 16 employees, including two middle managers and eleven office employees.

2. Shareholding structure

The shareholding structure as of 02 March 2023 is therefore the following:

Shareholding structure	No. of owned shares	% of share capital
RG Holding S.r.l.	2.699.374	20,62%
TraWell Co S.p.A.	792.336	6,05%
Rudolph Gentile	12.432	0,09%
Carmine Colella	2.659.032	20,32%
Le terrazze di Porto Ottiolu S.r.l.	2.659.032	20,32%
Giovanni Perrucci	590.896	4,51%
Free Float	3.675.428	28,08%
Total	13.088.530	100%

Data updated as of 2nd March 2023

With the execution of the merger, 9,846,538 warrants were issued and assigned to DDC shareholders with the same characteristics as those already existing and named "SosTravel.com 2021--2024 Warrants".

3. Company bodies

The composition of company bodies is as follows:

BOARD OF DIRECTORS

<i>Chairman</i>	Rudolph Gentile
<i>CEO</i>	Carmine Colella
<i>Director</i>	Nicola De Biase
<i>Director</i>	Umberto Navanzino
<i>Independent director</i>	Ivan Munarini

BOARD OF STATUTORY AUDITORS

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

AUDITING COMPANY

<i>Auditing company</i>	Audirevi S.p.A.
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NOMAD

<i>Nominated Advisor</i>	Banca Finnat S.p.A.
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4.sostravel.com on the Euronext Growth Milan

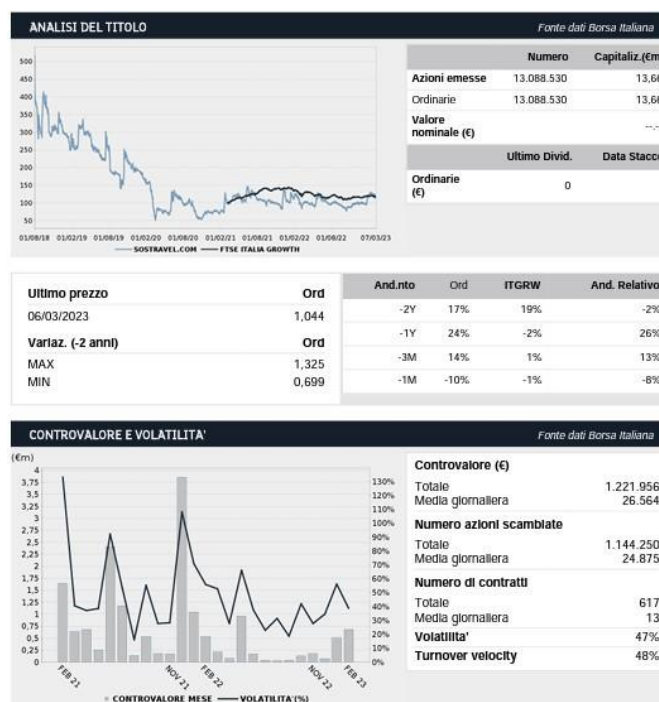
Stock Exchange and OTCQB in New York

SosTravel.com was listed on the Milan Stock Exchange, Piazza Affari, on 1 August 2018 within the AIM Italia segment (currently Euronext Growth Milan).

Euronext Growth Milan is the "Borsa Italiana" stock market dedicated to SMEs and which allows access to stock markets through a simplified listing process; it currently includes about one fifth of the companies listed on the Stock Exchange.

Trading of the sostravel.com share began on 01 December 2022 with the **ticker "SOSAF" on the OTCQB market** which offers companies access to US capital markets.

During 2022, the stock reached a minimum value of 0,7140 euros, a maximum value of 1,1650 euros and, as of the drafting date of this document, the stock price stands at a value of approximately 1,044 euros. Reported below are the trends relative to the volumes and performance of the stock price during the year 2022 compared with that of FTSE Euronext Growth Milan.



The stock profile on the OTCQB market is available at the link <https://www.otcmartets.com/stock/SOSAF/overview>

REPORT ON OPERATIONS

5. Operational trends and business

outlook for sostravel

The Company's goal is to present itself on the market - through an integrated digital platform (the App + sostravel portals) - as an "aggregator" of a range of passenger assistance services throughout the journey, from departure to arrival at the destination airport.

The management of the Company is obviously working to adopt all measures aimed at developing the company's operations and, from this perspective, has worked to:

- approve the 2023-2027 business plan:
<https://www.sostravel.com/sos-travel-business-plan-2027b-eng-2/>
- expand its offer of non-cyclical services (eg. telemedicine);
- contain costs in its current phase through access to certain outsourced services.
- evaluate any potential extraordinary transactions that are synergistic with the Company's core activities.

Primary events of 2022

In April 2022, the system for e-commerce in the United States was completed.

In April 2022, Intesa issued a loan of 992,500 euros to be amortized over 10 years.

In **May 2022**, sostravel.com S.p.A. - with shares and warrants listed on Euronext Growth Milan, a digital operator within the market for assistance services for air transport passengers (ticker: SOS) - undersigned an investment agreement aimed at regulating the main conditions of the merger by incorporation classified as a reverse take over in SOS of Digital Destination Company S.r.l.

The **rationale of the operation** involves the desire of SOS to extend its digital offer to travel booking by integrating - on its platforms - the DDC offer consisting of a series of softwares and algorithms for booking flights, hotels, excursions and experiences across the world.

This allows SOS to:

manage a single platform on which the traveler can buy, plan, book and control all stages of a trip in a personalized manner and will allow for the collection of all documents and related information and/or updates (ranging from tickets to the status of the flight, as well as information on activities, excursions, experiences), even by sending notifications;

integrate the know-how and best practices developed by DDC

with those of SOS, also due to the presence and expertise gained by the latter at an international level, thereby allowing for an expansion of the range of services and integration of their respective customer bases as well as diversifying market risks and expanding cross-selling opportunities;

increase its offer to its users by proposing specific travel-related service packages, even through forms of monthly or annual subscription, and with high margins;

Improve post-integration visibility in order to attract new investors, stipulate new financial or commercial partnerships and optimize credit relationships with the financial system as a whole. In particular, SOS intends to implement specific services which will aim to build customer loyalty, thereby integrating the retention capacity of SOS and DDC and guaranteeing repeated cash flows over time while expanding the reference market through the offer of more or less advanced and differentiated packages.

In **June 2022**, sostravel started operating in the Czech Republic and, in December 2022, in the airports of **Milan Linate and Malpensa, thereby** expanding the locations where our service is available through the TraWell Co group.

During the month of June 2022, the Company obtained - from Simest - a second installment of the subsidized loan for the development of e-commerce, and equal to 154,000 euros: The loan has a non-repayable component of 40%, while the remaining 60% will be repaid to the lender.

On **12/09/2022**, an agreement was undersigned for the worldwide exclusive marketing - for three years - of the entire room capacity of the Jumbo Hotel Resort in Watamu, Kenya.

The main events after 31 December 2022 are listed below. Record-breaking prospects for Italian tourism in 2023.

According to the forecasts of the **Demoskopika** institute, there will be over 442 million arrivals with a growth of 12.2% compared to 2022: most of all, this constitutes the highest value ever. With regard to arrivals, almost 127 million could potentially be recorded, the third highest figure, the top was in 2019 with 131 million followed by the year 2018 with 128; this represents an increase of 11.2% with respect to last year.

This could create a driving effect on tourist spending which, in absolute value, would be close to the threshold of about 89 billion euros with an estimated growth of 22.8% compared to 2022.

Geneva - The International Air Transport Association (IATA) has announced that the recovery in demand for air travel will continue in 2023, in accordance with January traffic results.

Total traffic in January 2023 (measured in revenue passenger kilometers or RPK) increased by 67.0% compared to January 2022. Globally, traffic is now at 84.2% of January 2019 levels.

National traffic in January 2023 increased by 32.7% compared to the period of the previous year due to the abolition of the zero-COVID policy in China. Total national traffic in January 2023 was 97.4% of the January 2019 level.

International traffic increased by 104.0% compared to January 2022, with all markets reporting strong growth, led by airlines from the Asia-Pacific region. International RPKs reached 77.0% of January 2019 levels.

“Demand for air travel is off to a very strong start in 2023. The swift lifting of COVID-19 restrictions on domestic and international travel in China bodes well for the industry's continued strong recovery from the pandemic throughout the year. And it is important to note that the numerous economic and geopolitical uncertainties of these days have not dampened the demand for travel,” stated Willie Walsh, IATA Director General.

Signs of recovery in 2023 for tourism in Italy are also on the incoming side:

almost 61 million foreigners will choose Italy for holidays, equal to just under half of the total figure for expected arrivals, thereby generating as many as 215 million overnight stays.

All regional destinations are expected to report a positive trend in tourist flows in 2023. In particular, nine territorial tourist systems are above the Italian average in the forecasting model of the research institute, in descending order with respect to the percentage variation of overnight stays: **Sardinia with 14.2 million stays (+11.9%) and with 3 million arrivals (+10.2%).**

During the first quarter of 2023, the Company completed the restructuring project by outsourcing the APP development department to a leading company listed on the Spanish market, Making Science.

During the **first quarter**, the volumes of collaboration with the largest companies of the global market were increased, such as: Booking.com, Agoda and Logitravel.

Two new agreements were signed with two of the major banks, leaders in the distribution of hotel offers: www.hotelbeds.com www.hotelstone.com. In addition, the first agreement was stipulated with a group company of the third British airline www.jet2.com, www.jet2holidays.com for the online marketing of sostravel.com facilities.

02 February 2023 approval of the 2023 – 2027 industrial plan which illustrates the strategies that the Company intends to undertake for business growth, focusing on the development of proprietary digital travel solutions named Private Labels which include the digital conception and online distribution of travel with the AmareItalia, AmareSharm and AmareKenya brands. In particular, the Company intends: (i) continue the online marketing of the Secret Village® offers for Sardinia, (ii) increase the revenues of the newly created **amareitalia.es** platform, (iii) increase the flexibility for departures, stays and the duration of the offers for the Red Sea, and distribute the offers relating to Kenya through third-party platforms, (iv) increase revenues in relation to the sale of the Lost Luggage Concierge service in the new airport spaces of Linate and Malpensa. In addition, the Company, in the forecast period 2023–2027,

also intends to increase the offer of digital services to travelers by adding – to its portfolio, in addition to the Lost Luggage Concierge service for the protection and recovery of baggage – the Dr. Travel telemedicine service for travellers whose commercial launch is confirmed for the first half of 2023. Taking into consideration the average growth of the online travel market, estimated at 14.9% in the period (Source: Facts & Factors Report, September 2022), and having also considered risks and possible adverse effects, the Company announced that the activities described above aim to achieve positive results for the entire period of the plan.

10 February 2023: undersigning of the contract with the Alpitour group for the Edenviaggi brand for a quota of rooms at the Jumbo resort in Watamu until December 2023.

15 March 2023: sales offer – following development started in 2022 – of an innovative online package system for tourist trips, including ferry and accommodation services, created in collaboration with TravelCompositor and Navitalia. The system which was created was protected by contractual exclusive rights.

03 March 2023 The agreement with Making Science, an international company specialized in digital acceleration and historic partner of AmareItalia.com, has a positive forecast. Making Science – after supporting Sostravel in the integration process between AmareItalia booking services and the apps

SOSTRAVEL E FLIO for the purposes of improving user experience - has developed a digital marketing strategy which also integrates marketing automation tools. Due to Making Science, which is a Google partner, the **Google Marketing Platform** was also implemented; this is the most complete platform on the market that allows you to create, analyze and optimize digital campaigns.

23/03/2023

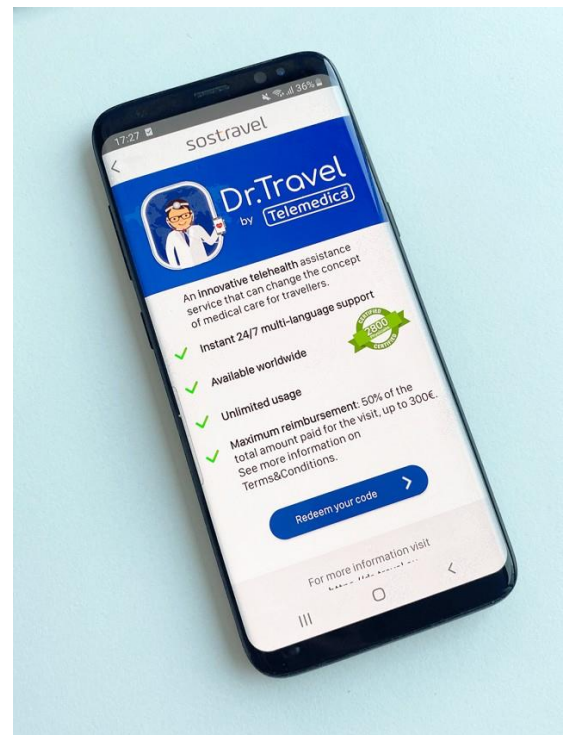
Agreement signed for the sale of the "Dr. Travel" telemedicine service, initially on the TraWell Co network and subsequently on all digital channels. The service will allow you to have a doctor and a pediatrician available 24/7 for a video call

consultation. This service is not included in the insurance policies dedicated to travelers which cover catastrophic events but not the slightest but more frequent causes of medical attention.

The TraWell Co Group operates, through approximately 48 sales points, in 22 airports and 7 countries. This agreement is correlated to the spread of telemedicine services for travelers, in partnership with the company Net Medi Care.



Dr.Travel
Telemedica



6. Financial performance of sostravel

Economic performance as of 31 December 2022:

- **Total revenues** equal to 17.296 euros, an improvement of 1,220% compared to the total of 31 December 2021 which was equal to 1,311,000 euros following the incorporation of the company DIGITAL DESTINATION COMPANY S.R.L.;
- **EBITDA** equal to 23,000 euros, a significant increase compared to the total of 31 December 2021 which was equal to -353,000 euros;
- **EBIT** equal to -815,000 euros, a significant increase compared to the total of 31 December 2021 which was equal to -1,383,000 euros;
- **Net LOSS** of -616,000 euros (which includes prepaid taxes which accrued during the year);
- **Adjusted net financial position (NFP)** equal to -29,000 euros, worsening compared to the same total of 31 December 2021 which was equal to -1,320 euros and was mainly due to the costs incurred for the merger (479,000 euros) as well as due to changes in working capital for the remaining quota; these changes were partially offset by the cash inflow following the merger which was equal to 494,000 euros.

Main economic and operational results as of 31 December 2022:

In addition to the economic-financial data reported above, data relative to the growth of the App and Web assets - and relevant for the purposes of an overall assessment of the Sostravel.com business - is provided below:

- **Amareitalia.com platform**

The company communicated the first results of the Amareitalia.com platform as of 31 December 2022:

- Reserved rooms: 170,000
- Total Web Users: 704,794

- **Sostravel.com platform**

- Total downloads of the app: 2,368,871 +7.4% (equal to 2,205,397 as of 31.12.2021);

Geographical breakdown of sales as of 31 December 2022:

Revenues from sales as of 31 December 2022 amounted to 17,118 euros, a net improvement with respect to the figure of 31 December 2021 which was equal to 643,000 euros.

The geographical distribution of the sales shown above reported a geographical concentration within Italy with 96.59% of sales, followed by the rest of Europe at 2.99%, and the rest of the world at 0.43%.

Operational performance

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.

Reclassified income statement	31/12/2022	31/12/2021
Revenues from sale	17,117,652	642,821
Contributions for operating expenses	112,761	608,199
Other revenues and proceeds	65,820	59,731
Total operational revenues	17,296,233	1,310,751
External operating costs	16,447,220	1,279,668
Added value	849,013	31,083
Personnel costs	825,981	383,720
Gross operating margin	23,032	(352,637)
Amortization/depreciation and provisions	696,860	991,311
Operating result	(673,828)	(1,343,948)
Non-ordinary operations	6,062	0
- Write-downs	71,172	30,000
Result of the financial division	(64,173)	(9,258)
EBIT	(815,235)	(1,383,206)
Income taxes of the year	(199,452)	0
Net result	(615,783)	(1,383,206)

Financing indicators of fixed assets	31/12/2022	31/12/2021
Fixed asset to equity capital margin	452,648	1,601,380
Fixed asset to equity capital ratio	1.16	1.92
Fixed asset to equity capital and medium-long term debt margin	3,258,349	3,695,071
Fixed asset to equity capital and medium-long term debt ratio	2.13	3.11

Debt ratios and leverage indicators	31/12/2022	31/12/2021
Debt to equity ratio	1.25	0.79
Debt (long-term interest bearing) to equity ratio	0.93	0.61

Balance sheet by functional area	31/12/2022	31/12/2021
Loans		
Invested operating capital	6,457,378	5,897,842
- Operating liabilities	1,065,263	608,634
Net invested operating capital	5,392,115	5,289,208
Non-operational loans	1,037,926	108,910
Net invested capital	6,430,041	5,398,118
SOURCES		
Own assets	3,326,349	3,349,892
Financial payables	3,103,692	2,048,226
Financing capital	6,430,041	5,398,118

Return indicators	31/12/2022	31/12/2021
Net ROE	-18.51 %	-41.29 %
Gross ROE	-24.51 %	-41.29 %
ROI	-9.99 %	-22.73 %
ROS	-4.37 %	-212.4 %

BALANCE SHEET - ASSETS	31/12/2022	31/12/2021
FIXED ASSETS	2,873,701	1,748,512
Intangible fixed assets	1,306,149	804,465
Tangible fixed assets	870,885	872,875
Financial fixed assets	696,667	71,172
CURRENT ASSETS	4,621,603	4,258,240
Warehouse	0	0
Deferred liquidity	2,486,646	963,555
Immediate liquidity	2,134,957	3,294,685
INVESTED CAPITAL	7,495,304	6,006,752
Own assets	3,326,349	3,349,892
Share capital	1,308,834	717,826

Reserves	2,017,515	2,632,066
CONSOLIDATED LIABILITIES	2,805,701	2,093,691
CURRENT LIABILITES	1,363,254	563,169
Financing capital	7,495,304	6,006,752

Solvency ratios	31/12/2022	31/12/2021
Net working capital / net current assets	3,315,148	3,764,631
Current ratio	353.75 %	862.67 %
Treasury margin	3,315,148	3,764,631
Cash ratio	353.75 %	862.67 %

Net Financial Position

Value in euros	31/12/2022	31/12/2021
A Liquid funds	32	64
B Other liquid funds	2,134,925	3,294,621
C Securities held for trading	0	0
D Liquidity (A+B+C)	2,134,957	3,294,685
Current financial receivables	0	0
F Current financial payables	0	0
G Current portion of non-current debt	324,206	15,750
H Other Current financial payables	0	0
Current financial debt (F + G + H)	324,206	15,750
J Net current financial debt (I-E-D)	(1,810,751)	(3,278,935)
K Non-current bank payables	2,711,544	1,958,750
L Bonds issued other non-current payables	0	0
M Other non-current payables	0	0
N Non-current financial debt (K + L + M)	2,711,544	1,958,750
O Net financial debt (cash) (J + N)	900,793	(1,320,185)
P Adjustment for security deposits	230,000	0
Q Adjustment for active loan to TraWell Co	700,000	0
R Adjusted net financial position (O-P-Q)	(29,207)	(1,320,185)

7. 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 services that will be launched, with the exception of activities for tracking lost baggage which were already carried out in the past by the company TraWell Co. SpA;
- 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, its performance and the result of operations - the reporting of non-financial indicators is not considered relevant.

Workplace environment and safety

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.

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.

The costs incurred for these activities were partly capitalized and partly directly expensed.

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.

The directors therefore believe they can approve the financial statements with a view to business continuity due to the current capitalization of the company, its organizational and managerial capacity and the actions that the directors are taking to prevent the occurrence of situations that may have negative effects in the short to medium term. In addition, the Directors have assessed the economic and financial situation for the next 12 months and the going concern assumption is still deemed appropriate.

The Company's management is obviously working to adopt all measures to preserve the company's economic and financial solidity and, from this perspective, worked in order to:

- expand its offer of non-cyclical services (eg. telemedicine);
- contain costs in the current phase, including those relative to employees, by outsourcing various services;
- increase the available sources of financing, including own and third party capital as well as bank and/or subsidized finance (Sace-Simest).
- evaluate any potential extraordinary transactions that are synergistic with the Company's core activities.

Use of financial instruments relevant for evaluating the financial situation and the economic result of the year

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. Finally, the Code of Ethics is an integral part of the Model; it encompasses a set of rules aimed at ensuring that the behavior of the recipient parties - including collaborators and suppliers of sostravel.com S.p.A. - are always inspired by the principles of fairness, collaboration, loyalty, transparency and mutual respect. It also aims to prevent conduct which can be classified under the types of crimes and administrative offences included in the list of Legislative Decree 231/2001.

Profit (loss) per share

The loss per share as of 31 December 2022, in accordance with the procedures set out in IAS 33, was equal to - 0,0470 euros.

The methods for calculating the basic profit (loss) per share and diluted earnings (loss) per share are defined by IAS 33 - Earnings per share.

The basic profit (loss) per share is defined as the ratio of the economic result of Sostravel.com S.p.A. for the period attributable to holders of ordinary capital instruments as of 31 December 2022 (13,088,338 shares as of 31 December 2022).

On 28/3/2023, the Board of Directors approved the proposal for the purchase and disposal of treasury shares to be submitted to the shareholders' meeting convened for the upcoming 27 and 28 April.

Secondary offices

In compliance with the provisions of Art. 2428 of the Civil Code, it is hereby certified that the company, in addition to the registered office, has two other secondary offices in San Teodoro (SS) Piazzetta Del Porto and in Rome (RM) in Viale Europa 98.

Organizational aspects

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

The Board of Directors -

Gallarate, 28 March 2023

Financial statements as of 31 December 2022

8. FINANCIAL STATEMENTS

Financial statements for the year ended 31/12/2022

Company data	
Registered office in	GALLARATE
Tax ID No.	03624170126
Economic & Administrative Index No.	VARESE366690
VAT No.	03624170126
Share capital in EUR	1.308.853 i.v. fully paid up
Legal form	Italian joint stock company
Primary activity sector (ATECO)	522300
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 - LIABILITIES

ASSETS	31/12/2022	31/12/2021
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	383,188	11,155
2) Development costs	445,566	651,404
5) Goodwill	340,109	0
6) Tangible assets in progress and advances	19,700	141,906
7) Other	117,586	0
Total intangible fixed assets	1,306,149	804,465
II - Tangible fixed assets		
1) Land and buildings	816,057	843,018
4) Other assets	49,148	26,737
5) Tangible assets in progress and advances	5,680	3,120
Total tangible fixed assets	870,885	872,875
III - Total financial fixed assets		
1) Shareholdings in:		
D-bis) Other companies	0	71,172
Total shareholdings (1)	0	71,172
2) Receivables		
D-bis) Due from others		
Due beyond next year	230,000	0
Total receivables due from others	230,000	0
Total receivables	230,000	0
Total financial fixed assets (III)	230,000	71,172
Total fixed assets (B)	2,407,034	1,748,512
C) CURRENT ASSETS		
I) Inventories		
Total inventories	0	0

II - Receivables		
1) Trade receivables		
Due within next year	827,714	12,457
Total receivables due from customers	827,714	12,457
4) receivables due from parent companies		
Due within next year	0	527
Total receivables due from parent companies	0	527
5) Due from companies subject to the control of the parent companies		
Due within next year	0	434,362
Total Receivables due from companies subject to the control of the parent companies	0	434,362
5-bis) tax receivables		
Due within next year	234,804	478,471
Total tax payables	234,804	478,471
5-ter) prepaid taxes	199,452	0
5-quater) due to others		
Due within next year	416,750	0
Due beyond next year	466,667	0
Total receivables due from others	883,417	0
Total receivables	2,145,387	925,817
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	2,134,925	3,294,621
3) Cash and cash equivalents	32	64
Total Liquid funds	2,134,957	3,294,685
Total current assets (C)	4,280,344	4,220,502
D) Accruals and deferrals	807,926	37,738
Total assets	7,495,304	6,006,752

BALANCE SHEET - LIABILITIES

Liabilities	31/12/2022	31/12/2021
A) SHAREHOLDERS' EQUITY		
I - Share capital	1,308,834	717,826
II - Share premium reserve	6,253,893	6,252,661
III - Revaluation reserves	0	0
IV - Legal reserve	100,000	100,000
V - Statutory reserves	0	0
VI - Otherreserves, distinctly specified		
Misc. other reserves	869,684	869,684
Total other reserves	869,684	869,684
VII - Reserve for transactions to cover expected cash flows	0	0
VII - Profit (loss) carried forward	(4,590,279)	(3,207,073)
IX - Profit (loss) of the year	(615,783)	(1,383,206)
Loss covered during the year	0	0
X - Negative reserve for own shares in portfolio	0	0
Total shareholders' equity	3,326,349	3,349,892
B) Provisions for risks and charges		
4) other	48,050	78,442
Total provisions for risks and charges B	48,050	78,442
C) Employee termination indemnities	46,107	56,499
D) Payables		
4) Payables due to banks		
Due within next year	324,206	15,750
Due beyond next year	2,711,544	1,958,750
Total payables due to banks (4)	3,035,750	1,974,500
6) Advances		
Due within next year	273,931	0
Total Advances (6)	273,931	0
7) Payables due to suppliers		
Due within next year	496,484	265,354

Total payables due to suppliers (7)	496,484	265,354
11) payables due to parent companies		
Due within next year	0	12,999
Total payables due to parent companies (11)	0	12,999
11-bis) Due to companies subject to the control of the parent companies		
Due within next year	0	68,854
Total payables due to companies subject to the control of the parent companies (11-bis)	0	68,854
12) Tax payables		
Due within next year	59,521	18,640
Total tax payables (12)	59,521	18,640
13) Payables due to social security institutions		
Due within next year	38,520	32,397
Total payables due to social security institutions (13)	38,520	32,397
14) Other payables		
Due within next year	102,650	75,449
Total other payables (14)	102,650	75,449
Total payables (D)	4,006,856	2,448,193
E) Accruals and deferrals	67,942	73,726
Total liabilities	7,495,304	6,006,752

Income statement

	31/12/2022	31/12/2021
A) TOTAL REVENUES:		
1) Revenues from sales and services	17,117,652	642,821
5) Other revenues and proceeds		
Contributions for operating expenses	112,761	608,199
other	65,820	59,731
Total other revenues and proceeds	178,581	667,930
Total revenues	17,296,233	1,310,751
B) Cost of production		
6) For raw and ancillary materials, consumables and goods	9,511	399
7) For services	16,333,222	1,055,536
8) Costs for use of third party assets	78,799	53,996
9) Total personnel costs		
a) salaries and wages	630,597	283,624
b) social security charges	149,008	77,347
c) termination indemnities	35,825	22,749
D) Retirement indemnities and similar items	4,814	0
e) other costs	5,737	0
Total personnel costs	825,981	383,720
10) amortization/depreciation and write-downs		
a) amortization of intangible fixed assets	626,135	743,806
b) depreciation of tangible fixed assets	37,186	34,164
d) Writedown of receivable current assets and liquid funds	0	162,077
Amortization/depreciation and write-downs	663,321	940,047
12) allocations for risks	33,539	51,264
14) other operating charges	31,750	169,737
Total cost of production	17,976,123	2,654,699
Difference between value and cost of production (A-B)	(679,890)	(1,343,948)
C) Financial proceeds and charges		
16) other financial proceeds		

d) proceeds other than the above		
other	3,423	0
Total proceeds other than the above	3,423	0
Total other financial proceeds	3,423	0
17) interest and other financial charges		
other	66,397	17,873
Total interest and other financial charges	66,397	17,873
17-bis) net income and exchange rate losses	(1,199)	8,615
Total financial proceeds and charges (15 + +16 - -17 + - -17-bis)	(64,173)	(9,258)
d) Value adjustments of financial assets and liabilities		
19) Write-downs:		
A) Of equity investments	71,172	30,000
Total write-downs	71,172	30,000
Total value adjustments of financial assets and liabilities (18-19)	(71,172)	(30,000)
Result before taxes (A - B + - C + - D)	(815,235)	(1,383,206)
20) Income taxes for the year, current, deferred and prepaid		
Deferred and prepaid taxes	(199,452)	0
Total income taxes for the year, current, deferred and prepaid	(199,452)	0
21) Profit (loss) of the year	(615,783)	(1,383,206)

CASH FLOW STATEMENT - INDIRECT METHOD

	Current year	Previous year
A. Cash flows from operating activities (indirect method)		
Profit (loss) of the year	(615,783)	(1,383,206)
Income taxes of the year	(199,452)	0
Payable/(receivable) interest	62,974	17,873
(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	(752,261)	(1,365,333)
<i>Adjustments for non-monetary items that are not offset in net working capital</i>		
Allocations to provisions	69,364	136,145
Amortization/depreciation of fixed assets	663,321	777,970
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	71,172	0
<i>Total adjustments for non-monetary items that are not offset in net working capital</i>	803,857	914,115
2. Cash flows before changes in net working capital	51,596	(451,218)
<i>Changes in net working capital</i>		
Decrease/(Increase) in inventories	0	0
Decrease/(Increase) in receivables due from customers	(815,257)	14,527
Increase/(Decrease) in payables due to suppliers	185,110	(123,468)
Decrease/(Increase) in accrued income and deferred charges	(761,613)	23,676
Increases/(Decreases) in accrued liabilities and deferred income	(56,356)	(135,630)
Other decreases/(Other increases) in net working capital	(255,292)	542,681
<i>Total changes in net working capital</i>	(1,703,408)	321,786
3. Cash flows after changes in net working capital	(1,651,812)	(129,432)
<i>Other changes</i>		
Interest collected/(paid)	(62,974)	(17,873)

(Paid income taxes)	0	0
Collected dividends	0	0
(Use of provisions)	(113,803)	(68,586)
Other collections/(payments)	0	0
<i>Total other changes</i>	(176,777)	(86,459)
Cash flows from operating activities (A)	(1,828,589)	(215,891)
B) Cash flows from investment activities		
<i>Tangible fixed assets</i>		
(Investments)	(35,196)	(4,179)
Divestments	29,777	2,369
<i>Intangible fixed assets</i>		
(Investments)	(652,508)	(141,905)
Divestments	0	0
<i>Financial fixed assets</i>		
(Investments)	(230,000)	(16,793)
Divestments	0	0
<i>Current financial assets</i>		
(Investments)	0	0
Divestments	0	0
(Acquisition of company branches net of liquid funds)	494,194	0
Sale of company branches net of liquid funds	0	0
Cash flows from investment activities (B)	(393,733)	(160,508)
C. Cash flows from financing activities		
<i>Third party financing</i>		
Increase / (Decrease) of short-term payables to banks	308,456	0
Acquisition of financing	752,794	1,974,500
(Reimbursement of financing)	0	0
<i>Own assets</i>		
Paid share capital increase	1,344	1,240,086
(Capital reimbursement)	0	0
Sale (purchase) of own shares	0	0
(Dividends and advances on paid dividends)	0	0

Cash flows from financing activities (C)	1,062,594	3,214,586
Increase (decrease) in liquid funds (A ± B ± C)	(1,159,728)	2,838,187
Exchange rate effect on liquid funds	0	0
Liquid funds at the start of the year		
Bank and postal deposits	3,294,621	456,498
Checks	0	0
Cash and cash equivalents	64	0
Liquid funds at the start of the year	3,294,685	456,498
Of which not freely usable	0	0
Liquid funds at the end of the year		
Bank and postal deposits	2,134,925	3,294,621
Checks	0	0
Cash and cash equivalents	32	64
Liquid funds at the end of the year	2,134,957	3,294,685
Of which not freely usable	0	0

9. Explanatory notes to the financial statements as of 31/12/2022

INTRODUCTION

The financial statements as of 31/12/2022 – 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.

The company was founded at the end of 2017 from the transfer of a company branch operated by the shareholder TraWell Co S.p.A. for the purpose of operating in the tourism sector, offering services to travellers which include, amongst other items, assistance in the search for mishandled baggage, baggage protection, detailed information on departure and arrival airports, weather at destination, information on booking and transfers from/to airports of departure and arrival, wayfinding and the marketing of services on the web and through mobile devices. The main activities that were implemented since the initiation of operations concern the management and technological development of the website and the app through which the aforementioned services are provided in addition to the planning of marketing and commercial initiatives aimed at increasing the number of users.

In the first half of 2022, the project for the merger by incorporation (the "Merger") of the company Digital Destination Company Srl ("DDC") into Sostravel.com SpA ("SOS") was approved; it was drafted in accordance with Article 2501-ter of the Italian Civil Code and approved by the administrative bodies of SOS and DDC on 5 May 2022 and subsequently on 14 June 2022 by the extraordinary shareholders' meeting of the two companies. The operation aims to create an integrated organization which is synergistically active in providing digital services within the tourism sector.

The Merger was completed with a deed dated 29 September 2022; this transaction had statutory effects as of 1 November 2022 and accounting and tax effects backdated to 1 January 2022.

The two merged companies had no shareholding links. For the purposes of determining the

respective economic values of the participating companies and the consequent determination of the exchange ratio of the Merger (the "Exchange Ratio"), the respective administrative bodies availed themselves of the assistance of KPMG Advisory S.p.A. ("KPMG") as financial advisor.

The administrative bodies – also on the basis of a fairness opinion issued by KPMG – calculated the exchange ratio to be used as a basis for the Merger; this ratio is defined as the number of SOS shares which were assigned to the shareholders of DDC in exchange for the relative shareholdings – totaling 590.9 ordinary shares of SOS, with no indication of nominal value and with the same dividend date as the ordinary shares of SOS circulating on the effective date of the Merger – for every 1 euros of share capital of DDC.

A share capital increase of 590,896 euros was therefore carried out in service of the Merger, following which a share swap deficit was determined which was fully allocated to goodwill.

Shown below is a table with the main balance sheet data of the merger operation and the details of the calculation of the deficit.

<i>Value in EUR</i>	
Fixed assets	127,188
Intangible fixed assets	97,411
Tangible fixed assets	29,777
CURRENT ASSETS	494,392
Receivables	198
Receivables due from social security institutions	198
Liquid funds	494,194
Bank and postal deposits	493,818
Cash and cash equivalents	376
Accruals and deferrals	8,575
Total assets (A)	630,155
Employee termination indemnities	(3,655)
Payables	(362,931)
Payables due to other financiers	(5,080)
Advances	(22,923)
Payables due to suppliers	(46,020)
Tax payables	(252,342)
Payables due to social security institutions	(6,527)
Other payables	(30,039)
Accruals and deferrals	(50,572)
Total liabilities (B)	(630,155)
SHAREHOLDERS' EQUITY C = (A + B)	212,997
SHARE CAPITAL INCREASE USED FOR THE MERGER (D)	590,896
SHARE SWAP DEFICIT (D - C)	377,899

General preparation principles

In order to clearly prepare the financial statements and provide a true and fair report of the financial position and the economic performance – in accordance with the provisions of Article 2423 bis of the Italian Civil Code – the following was provided for:

- valuating the individual items according to the principle of prudence and on the basis of a going concern assumption;
- including only the profits that were effectively generated during the year;
- determining income and costs in compliance with the accruals principles and regardless of their cash flows;
- understanding all the risks and losses which accrued, even if they become known after the end of the year;
- separately considering, for the purposes of the relative assessment, the heterogeneous elements included in the various items of the financial statements;
- maintaining the applied valuation criteria unchanged with respect to the previous year.

The following financial statement postulates pursuant to OIC 11 par. 15 were also complied with.

- a)** prudence;
- b)** assumption of a going concern;
- c)** substantial representation;
- d)** accruals principle;
- e)** consistency of valuation principles;
- f)** relevance;
- g)** comparability;

Assumption of a going concern;

With regard to this assumption, the valuation of the items in the financial statements was implemented on the basis of a going concern assumption and therefore by taking into account the fact that the company constitutes a functioning economic organization which is expected – at least for a foreseeable future period of time of twelve months from the closing date of reference of the financial statements – to generate income.

When assessing the future of the going concern assumption, no significant uncertainties emerged, nor were there reasonable alternatives to terminating business operations.

The financial statements were drawn up in euros.

EXCEPTIONAL CASES PURSUANT TO ART. 2423, PARAGRAPH FIVE OF THE ITALIAN CIVIL CODE

No exceptional events occurred which made it necessary to resort to derogations pursuant to Article 2423, paragraph five of the Italian Civil Code.

CHANGES TO ACCOUNTING PRINCIPLES

There were no changes in accounting principles in the year.

CORRECTION OF RELEVANT ERRORS

No relevant errors committed in previous years emerged.

COMPARABILITY AND ADJUSTMENT ISSUES

There were no assets and liabilities that fell under more than one item in the financial statements. In accordance with Art. 2423 ter, fifth paragraph of the Italian Civil Code, no problems of comparability and adjustment of the financial statement items of the current year with those relating to the previous year have arisen.

It should however be noted that, following the Merger illustrated in the Introduction, the Company has adopted a new chart of accounts.

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.

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.

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 tangible 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 was made to a specific risk provision with reference to the estimate - based on experience and on any other useful information - of returns of goods or products by customers and of discounts and rebates that are assumed to be granted at the time of collection.

Tax receivables and deferred tax assets

The item 'Tax receivables' includes the certain and determined amounts deriving from receivables for which a realization right has arisen through reimbursement or compensation.

The item "Prepaid taxes" includes deferred tax assets determined on the basis of deductible timing differences - or of the carrying forward of tax losses - by applying the estimated rate in force at the time when it is deemed such differences will occur.

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

Liquid funds

Liquid funds are reported at their nominal value.

Accruals and deferrals

Accruals and deferrals have been booked on the basis of the accruals principle and contain the revenues/costs pertaining to the year which are payable in subsequent years as well as revenues/costs incurred by the end of the year but pertaining to subsequent years.

As a result, only the portions of costs and revenues which are common to two or more years - whose amount which varies over time - are booked.

At the end of the year it was determined that the conditions that led to the initial recognition were respected while making the necessary value adjustments, if necessary, and taking into account not only the timing factor but also potential recoverability.

Accrued income, similar to operating loans, was valued at estimated realizable value, by applying, if this value was lower than the book value, a write-down in the income statement.

Accrued liabilities, similar to payables, were valued at their nominal value.

With regard to deferred charges, the valuation of the future economic benefit relative to the deferred costs was implemented while applying, if this benefit was lower than the rediscounted portion, a value adjustment.

Provisions for risks and charges

Provisions for risks represent liabilities relative to situations existing on the date of the financial statements but whose occurrence is only probable.

With reference to risks for which the emergence of a liability is only possible or if the cost cannot be reliably estimated, provisions for risks have not been allocated.

Provisions for charges represent certain 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.

With reference to untaxed reserves that would be subject to taxation in the event of distribution to shareholders, deferred taxes have not been calculated given that, pursuant to OIC 25 par. 64, there are reasonable grounds for believing that they will not be used in ways that give rise to conditions of taxability.

Employee termination indemnities

Employee termination indemnities are booked in compliance with the provisions of current legislation and correspond to the actual commitment of the Company towards individual employees on the closing date of the financial statements after deducting any disbursed advances.

Payables

Payables pursuant to Art. 2426, paragraph 1 number 8 of the Italian Civil Code are booked in accordance with the amortized cost criterion, except for payables for which the effects of application of the amortized cost – pursuant to Art. 2423 paragraph 4 of the Italian Civil Code – are irrelevant (maturity less than 12 months). With regard to the aforementioned relevance principle, payables have not been discounted if the interest rate that can be deduced from the contractual conditions is not significantly different from the market interest rate.

The "time factor" pursuant to in Art. 2426, paragraph 1 number 8, was also taken into account by discounting receivables falling due beyond 12 months and in the case of a significant difference between the effective interest rate and the market rate.

Payables for which the amortized cost criterion was not applied have been recognized at their nominal value.

The breakdown of the amounts due within and beyond the financial year is implemented with reference to the contractual or legal expiration date while also taking into account facts and events that may determine a change in the original expiration date.

Payables originating from acquisitions of assets are booked at the time the risks, charges and benefits are transferred; those relative to services are booked at the time the service is provided; those of financial and other natures are booked at the time when the obligation with the counterparty arises.

Tax payables include liabilities for certain and determined taxes as well as the withholdings made as a withholding agent and not yet paid on the financial statements date; if compensation is allowed, they are recorded net of advances, withholding taxes and tax receivables.

Values in foreign currency

Monetary assets and liabilities denominated in foreign currencies are booked at the spot exchange rate at the end of the year, with the relative exchange rate gains and losses booked to the income statement. Any potential net income deriving from adjustment to exchange rates is booked - for the portion not absorbed by any loss for the year - in a special reserve that cannot be distributed until it is realized.

Non-monetary assets and liabilities denominated in foreign currencies are booked at the exchange rate in force at the time of their purchase, and - pursuant to OIC 26 par. 31, and at the time of preparing the financial statements - this cost is compared, according to accounting principles of reference, with the recoverable value (fixed assets) or with the value deducible from the market trend (current assets).

Costs and revenues

They are reported according to the principles of prudence and accruals.

Economic and financial transactions with group companies and related parties are carried out at normal market conditions.

With reference to "Revenues from sales and services", it should be noted that adjustments of revenues, pursuant to OIC 12 par. 50, are deducted from the item "revenues", but excluding those referring to previous years and deriving from corrections of errors or changes in accounting principles which are recognized, pursuant to OIC 29, within the opening balance of shareholders' equity.

OTHER INFORMATION

The specific sections of the explanatory notes illustrate the criteria with which the Article 2423, fourth paragraph was implemented in the case of failure to comply with the reporting, valuation, presentation and disclosure requirements and when their compliance has irrelevant effects on truthful and correct reporting.

The principles and recommendations published by the Italian Accounting Body (OIC) have been complied with and integrated, where required, by generally accepted international principles (IAS/IFRS) in order to provide a true and fair representation of the financial situation and economic performance of the year.

INFORMATION ON THE BALANCE SHEET

ASSETS

The valuation of financial statement items was implemented by taking into account the principle of prudence and with a view to a going concern as well as by taking into account the economic function of the asset and liability item in question. The accruals principle was also applied and, as a result, the effect of transactions and other events was booked and recorded to the financial year to which these transactions and events refer, and not to the year in which the relative cash flows occurred.

Fixed assets

The valuation criteria for fixed assets comply with the provisions of Art. 2426 of the Italian Civil Code. Fixed assets are booked at cost or internal production value, including all directly ascribable costs.

The tables below report changes in fixed assets, as required by point 2 of Article 2427 of the Italian Civil Code.

It should be noted that the amounts for 2022 include the balances of the fixed assets of the incorporated company DDC.

Intangible fixed assets

Intangible fixed assets amounted to 1,305,149 euros (804,465 euros 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	1,384,683	2,035,722	300,000	0	141,906	0	3,862,311
Amortization (provisions for amortization)	1,373,528	1,384,318	300,000	0	0	0	3,057,846
Book value	11,155	651,404	0	0	141,906	0	804,465
Changes during the year							
Increase for acquisitions	0	172,500	0	0	0	0	172,500
Reclassifications (of the book value)	0	0	0	0	(122,206)	0	(122,206)
Depr. of the year	106,952	456,338	0	37,790	0	25,055	626,135
Other changes	478,985	78,000	0	377,899	0	142,641	1,077,525
Total changes	372,033	-205,838	0	340,109	(122,206)	117,586	501,684
Value at year end							
Cost	1,863,669	2,286,222	300,000	377,899	19,700	172,954	5,020,444
Amortization (provisions for amortization)	1,480,481	1,840,656	300,000	37,790	0	55,368	3,714,295
Book value	383,188	445,566	0	340,109	19,700	117,586	1,306,149

The item Start-up and expansion costs includes costs of incorporation, listing and the costs relating to the Merger operation.

Development costs include proprietary software developed by the company as well as purchased software licenses. The item Authorizations, licenses and trademarks only includes the cost for the purchase of FLIO brands, the amortization process of which ended in 2021.

Intangible fixed assets mainly refer to investments implemented for the purposes of developing and increasing the functionality of the software, and both for web and mobile services.

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

Assets under construction - amounting to 19,700 euros - refer to the development of software for managing Navi Italia reservations directly on the amareitalia.com website; the latter is expected to be completed within the first half of 2023.

Tangible fixed assets

Tangible fixed assets amounted to 870,855 euros (872,875 euros 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	Tangible fixed assets	Assets in progress and advances	Total tangible fixed assets
Value at year start					
Cost	898,725	203	49,758	3,120	951,806
Amortization (provisions for amortization)	55,707	203	23,021	0	78,931
Book value	843,018	0	26,737	3,120	872,875
Changes during the year					

Depr. of the year	26,962	0	10,224	0	37,186
Other changes	1	0	32,635	2,560	35,196
Total changes	(26,961)	0	22,411	2,560	(1,990)
Value at year end					
Cost	898,725	203	86,378	5,680	990,986
Amortization (provisions for amortization)	82,668	203	37,230	0	120,101
Book value	816,057	0	49,148	5,680	870,885

Finance lease operations

Pursuant to Art. 2427, paragraph 1, number 22 of the Italian Civil Code, it should be noted that no financial leasing operations have been implemented.

Financial fixed assets

Equity investments, other securities and financial derivative assets

Equity investments included in financial fixed assets amounted to 0 euros (71,172 euros in the previous year).

Pursuant to art. 2427, paragraph 1, number 5 of the Italian Civil Code, it should be noted that the Company does not own any shareholdings in subsidiaries or affiliates for which the obligation to provide the information provided therein exists.

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

	Shareholdings in other companies	Total shareholdings
Value at year start		
Cost	101,172	101,172
- Write-downs	30,000	30,000
Book value	71,172	71,172
Changes during the year		
Write-downs during the year	71,172	71,172
Total changes	(71,172)	(71,172)
Value at year end		
Cost	101,172	101,172
- Write-downs	101,172	101,172

It should be noted that, during the 2020 financial year, 40,000 shares of the HEALTH POINT PLUS Company were acquired for a total value of 84,379 euros. During the 2021 financial year, a further investment was made for 16,793 euros for the purchase of 40,000 shares at the price of 0.50 USD per share.

The equity investment is valued at cost but - following the prospective valuation of the Company - steps were taken to fully write it down.

Non current receivables

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

Receivables included in financial fixed assets were equal to 213,000 euros (0 euros in the previous year) and are represented by security deposits. In particular, there is a security deposit of 210,000 euros disbursed to Yessa Srl for a room contract in the Jumbo resort of Watamu in Kenya as well as a deposit of 20,000 euros disbursed to Worldwide for a room contract in the Jacaranda Beach resort of Watamu in Kenya.

CURRENT ASSETS

Receivables

Receivables booked under current assets were equal to 2,145,387 euros (925,817 euros 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	827,714	0	827,714	0	827,714
Tax receivables	234,804	0	234,804		234,804
Prepaid taxes			199,452		199,452
Due to others	416,750	466,667	883,417	0	883,417
Total	1,479,268	466,667	2,145,387	0	2,145,387

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	12,457	815,257	827,714	827,714	0	0
Receivables booked under current assets due from parent companies	527	(527)	0	0	0	0
Receivables booked under current assets due from companies subject to control by parent companies	434,362	(434,362)	0	0	0	0
Tax receivables booked under current assets	478,471	(243,667)	234,804	234,804	0	0
Prepaid tax assets booked under current assets	0	199,452	199,452			
Receivables booked under current assets due from others	0	883,417	883,417	416,750	466,667	0
Total receivables booked under current assets	925,817	1,219,570	2,145,387	1,479,268	466,667	0

Trade receivables mainly include receivables deriving from the supply of core business services.

It should be noted that during the year the allowance for doubtful accounts present as of 31 December 2021 was used in full, and equal to 195,138 euros

Tax receivables include 17,753 euros for IRES receivables and 217,050 euros for VAT receivables which are also relative to the incorporated company and deriving from the merger.

Receivables from others include 182,194 euros in advances from suppliers, 1,223 euros in INAIL advances and 700,000 euros in receivables for an interest-bearing loan granted to TraWell Co S.p.a., including 233,333 euros within the year and 466,667 euros beyond the year.

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	827,714	199,454	421,533	206,727
Tax receivables booked under current assets	234,804	234,804	0	0
Prepaid tax assets booked under current assets	199,452	199,452	0	0
Receivables booked under current assets due from others	883,417	883,417	0	0
Total receivables booked under current assets	2,145,387	1,517,127	421,533	206,727

Receivables – operations with repurchase agreements

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

Liquid funds

Liquid funds booked under current assets amounted to 2,134,957 euros (3,294,685 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
Bank and postal deposits	3,294,621	(1,159,696)	2,134,925
Cash and cash equivalents	64	(32)	32
Total Liquid funds	3,294,685	(1,159,728)	2,134,957

Accrued income and deferred charges

Accrued income and deferred charges were equal to 807,926 euros (37,738 euros 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
Deferred charges	37,738	770,188	807,926
Total accrued income and deferred charges	37,738	770,188	807,926

Composition of accrued income

There was no accrued income as of 31/12/2022.

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 3,326,349 euros (3,349,892 euros in the previous year).

The following tables report the changes during the year of the individual items that constitute shareholders' equity as well as details of the item 'Other reserves':

	Value at year start	Assignment of dividends	Other allocations	Increases
Share capital	717,826	0	0	591,008
Share premium reserve	6,252,661	0	0	1,232
Legal reserve	100,000	0	0	0
Other reserves				
Misc. other reserves	869,684	0	0	0
Total other reserves	869,684	0	0	0
Profit (loss) carried forward	(3,207,073)	0	1	0
Profit (loss) of the year	(1,383,206)	0	1,383,206	0
Total shareholders' equity	3,349,892	0	1,383,207	592,240

	Decreases	Reclassifications	Result of the year	Value at year end
Share capital	0	0		1,308,834
Share premium reserve	0	0		6,253,893
Legal reserve	0	0		100,000
Other reserves				
Misc. other reserves	0	0		869,684
Total other reserves	0	0		869,684
Profit (loss) carried forward	1,383,206	(1)		(4,590,279)
Profit (loss) of the year	0	0	(615,783)	(615,783)
Total shareholders' equity	1,383,206	(1)	(615,783)	3,326,349

	Description	Amount
	Contribution reserve	869,684
Total		869,684

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 euros in 2022 and an increase in the share premium reserve of 1,232 euros.

The share capital at the end of the year was equal to 1,308,834 euros and the share premium reserve was equal to 6,253,893 euros.

As of 31 December 2022, there were still 21,807,080 warrants in circulation.

For the purposes of better comprehension of the changes in shareholders' equity, the movements of the previous year of the items of shareholders' equity are highlighted below:

	Value at year start	Assignment of dividends	Other allocations	Increases
Share capital	598,123	0	0	119,703
Share premium reserve	5,132,278	0	0	1,120,383
Legal reserve	100,000	0	0	0
Other reserves				

Misc. other reserves	869,684	0	0	0
Total other reserves	869,684	0	0	0
Profit (loss) carried forward	(1,213,899)	0	(1,993,174)	0
Profit (loss) of the year	(1,993,174)	0	1,993,174	0
Total shareholders' equity	3,493,012	0	0	0

	Decreases	Reclassifications	Result of the year	Value at year end
Share capital				717,826
Share premium reserve				6,252,661
Legal reserve	0	0		100,000
Other reserves				
Misc. other reserves	0	0		869,684
Total other reserves	0	0		869,684
Profit (loss) carried forward		0		(3,207,073)
Profit (loss) of the year	0	0	(1,383,206)	(1,383,206)
Total shareholders' equity			(1,383,206)	3,349,892

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:

	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	1,308,834	Share capital		0	0	0
Share premium reserve	6,253,893	Share capital	A - B - C	6,253,893	0	0
Legal reserve	100,000	Profit	A - B	100,000	0	0
Other reserves						
Misc. other reserves	869,684	Share capital - net income	A - B - C	869,684	0	0
Total other reserves	869,684			869,684	0	0
Profit carried forward	(4,590,279)			0	0	0
Total	3,942,132			7,223,577	0	0
Non-distributable				6,296,583		

quota						
Residual distributable quota				926,994		
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	869,684	Share capital - net income	A - B - C	869,684	0	0	
Total		869,684						

The non-distributable portion of shareholders' equity consists of the legal reserve for 100,000 euros; the amount of start-up and expansion costs and development costs not yet amortized pursuant to Art. 2426, paragraph 1, 1 No. 5, of the Italian Civil Code totaling 828,754; the losses carried forward for 4,590,279 euros; the loss for the year totaling 615,783 euros; and the quota of the legal reserve necessary (161,767 euros) for it to reach the limit of 20% of the share capital .

Provisions for risks and charges

Provisions for risks and charges are booked under liabilities for a total of 48,050 euros (78,442 euros in the previous 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	78,442	78,442
Change in the year					
Changes during the year	0	0	0	48,050	48,050
Utilization during the year	0	0	0	78,442	78,442
Total changes	0	0	0	(30,392)	(30,392)
Value at year end	0	0	0	48,050	48,050

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 46,107 euros (56,449 euros in the previous year).

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

	Employee termination indemnities
Value at year start	56,499
Changes during the year	
Changes during the year	35,825
Utilization during the year	12,808
Other changes	(33,409)
Total changes	(10,392)
Value at year end	46,107

Payables

Payables are booked under liabilities for a total of 4,006,856 euros (2,448,193 euros 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	1,974,500	1,061,250	3,035,750
Advances	0	273,931	273,931
Payables due to suppliers	265,354	231,130	496,484
Payables due to parent companies	12,999	(12,999)	0
Total payables due to companies subject to the control of the parent companies	68,854	(68,854)	0
Tax payables	18,640	40,881	59,521
Payables due to social security	32,397	6,123	38,520

institutions			
Other payables	75,449	27,201	102,650
Total	2,448,193	1,558,663	4,006,856

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

Trade payables and advances 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.

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

Other payables consist mainly of payables to employees for the 14th monthly salary wage as well for holidays accrued and not taken.

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	1,974,500	1,061,250	3,035,750	324,206	2,711,544	0
Advances	0	273,931	273,931	273,931	0	0
Payables due to suppliers	265,354	231,130	496,484	496,484	0	0
Payables due to parent companies	12,999	(12,999)	0	0	0	0
Total payables due to companies subject to the control of the parent companies	68,854	(68,854)	0	0	0	0
Tax payables	18,640	40,881	59,521	59,521	0	0
Payables due to social security institutions	32,397	6,123	38,520	38,520	0	0
Other payables	75,449	27,201	102,650	102,650	0	0
Total payables	2,448,193	1,558,663	4,006,856	1,295,312	2,711,544	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	3,035,750	3,035,750	0	0
Advances	273,931	273,931	0	0
Payables due to suppliers	496,484	387,814	49,922	58,748
Tax payables	59,521	59,521	0	0
Payables due to social security institutions	38,520	38,520	0	0
Other payables	102,650	102,650	0	0
Payables	4,006,856	3,898,186	49,922	58,748

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 67,942 euros (73,726 euros 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	4,166	6,977	11,143
Deferred income	69,560	(12,761)	56,799
Total accrued liabilities and deferred income	73,726	(5,784)	67,942

The residual quotas of the tax receivables relative to research and development expenses and the tax receivable for adapting workplaces which the incorporated company had used were recognized under deferred income. These deferrals were accounted for in compliance with the accrual principle in order to correlate the economic effect of the revenues with the relative costs (amortization of start-up and expansion costs and development costs).

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 current year
	Revenues for services to travelers	734,794
	Revenues for travel agency activities	16,382,858
Total		17,117,652

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	16,533,713
	EU	511,077
	Extra-EU	72,862
Total		17,117,652

Other revenues and proceeds

Other revenues and proceeds are booked under total revenues within the income statement for a total of 178,581 euros (667,930 euros 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	608,199	(495,438)	112,761
other			
Receivable commissions	0	55,046	55,046
Other revenues and proceeds	59,731	(48,957)	10,774
Total other	59,731	6,089	65,820
Total other revenues and proceeds	667,930	(489,349)	178,581

Other revenues and income primarily include the following:

- 9,600 euros tax receivable for adapting workplaces;
- 41,561 euros of tax credit for R&D costs proportional to the amortization rates calculated during the year on the same subsidized expenses;
- 61,600 euros of non-repayable grants, the so-called capitalization loan pursuant to Art. 72, letter d) of Legislative Decree 18/2020;
- 55,046 euros of receivable commissions;
- 10,774 euros of contingent assets;

Cost of production:

Service costs

Expenses for services are booked under the cost of production within the income statement for a total of 16,333,222 euros (1,055,536 euros in the previous year). The composition of the individual items was as follows:

	Value of previous year	Change	Value of current year
Services for purchases	0	14,831,907	14,831,907
Transportation	8	444	452
Maintenance and repairs	1,036	(1)	1,035
Technical services and consulting	15,891	(9,671)	6,220
Compensation to directors	106,539	201,512	308,051
Compensation to auditors	44,551	(1,171)	43,380
Payable commissions	0	894	894
Advertising	2,239	(151)	2,088
Legal expenses and consulting	88,768	(35,816)	52,952
Fiscal, administrative and commercial consulting	388,128	141,835	529,963
Telephone expenses	6,605	1,794	8,399
Services from financial companies and banks of non-financial nature	9,246	33,062	42,308
Insurance	9,674	(8,474)	1,200
Entertainment expenses	46	35,276	35,322
Travel expenses	68	13,439	13,507
Updating, education and training expenses	537	(487)	50
other	382,200	73,294	455,494
Total	1,055,536	15,277,686	16,333,222

Costs for use of third party assets

Costs for the use of third party assets are booked under the cost of production within the income statement for a total of 78,799 euros (53,996 euros in the previous year).

The composition of the individual items was as follows:

	Value of previous year	Change	Value of current year
Rents and leases	14,431	62,872	77,303
other	39,565	(38,069)	1,496
Total	53,996	24,803	78,799

Other operating charges

Other operating charges are booked under the cost of production within the income statement for a total of 31,750 euros (169,737 euros in the previous year).

The composition of the individual items was as follows:

	Value of previous year	Change	Value of current year
Subscriptions to magazines, newspapers...	4,656	2,532	7,188
Contingencies and non-existent liabilities	0	6,062	6,062
Other operating charges	165,081	(146,581)	18,500
Total	169,737	(137,987)	31,750

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:

	Currency portion	Effective portion	Total
Exchange rate gains	20	648	668
Exchange rate losses	35	1,832	1,867

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

On the closing of the year, there was no taxable income for IRES or IRAP purposes. Prepaid taxes of 199,452 euros were recognized in relation to the amount of the tax loss for the year, non-deductible payable interest and the amount of ACE to be carried forward.

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
Mid-level managers	2
Office employees	14
Total employees	16

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	243,536	22,880

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	17,000
Other implemented auditing activities	3,500
Total compensation paid to the regulatory auditor or the auditing company	20,500

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	7,178,258	717,826	5,910,080	591,008	13,088,338	1,308,834
Total		7,178,258	717,826	5,910,080	591,008	13,088,338	1,308,834

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

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

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

Information on assets and financing allocated to a specific transaction

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

Operations with related parties

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

The main transactions completed with related parties are as follows:

- **RG HOLDING:** as at 31 December 2022 there is a payable to the related party of 7,557 euros relative to the electricity balance for 2019/2020 and an insurance payable for 2021/2022; in addition, there is a payable for 2022 insurance equal to 3,552 euros and a payable of 12,500 euros for the remuneration of the Board of Directors relative to the month of December 2022; finally, there is also a receivable of 527 euros relative to the registration and deregistration of the 2020/2021 rental contract;
- **TraWell Co Group:** transactions with the companies of the TraWell Co Group are based on commercial agreements concerning the supply of the related services: (i) the tracking of baggage of customers of TraWell Co 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 companies during the collection of reports of loss, theft and/or damages to the baggage. The financial statements include a loan of 700,000 euros issued to TraWell Co and expiring in November 2025 as well as interest receivable on the loan for 3,552 euros;
- Shareholder **Rudolph Gentile:** there is a payable due to him of 432 euros for various expenses; in addition, transactions have been implemented with other parties such as:
- **Yessa S.r.l.** The financial statements report a receivable for a security deposit of 210,000 euros paid following the contract for the rooms in the Jumbo Hotel in Watamu Kenya.

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:

- 9,500 euros tax receivable for adapting workplaces;
- 41,561 euros of tax credit for R&D costs proportional to the amortization rates calculated during the year on the same subsidized expenses;
- 61,600 euros of non-repayable grants, the so-called capitalization loan pursuant to Art. 72, letter d) of Legislative Decree 18/2020;

Allocation of the result of the year

Pursuant to Art. 2427, paragraph 1, number 22-septies of the Italian Civil Code, it is hereby proposed to carry forward the loss accrued in 2022, equal to -615,783 euros, to the new financial year.

On behalf of the Board of Directors

CARMINE COLELLA



Declaration of compliance

The undersigned Carmine Colella - as DIRECTOR, aware of the criminal liability envisaged in the event of a false declaration - hereby certifies, pursuant to Art. 47 of Italian Presidential Decree 445/2000, the correspondence of the IT document in XBRL format containing the balance sheet, the income statement and the explanatory notes to those kept in the company's records.

SosTravel.com Spa

*Registered office VIA MARSALA, 34/A— Gallarate (VA) Zip code 21013
Registration number in the Varese Registry of Companies, tax code and VAT number 03624170126
Fully paid-up share capital USD 1,396,022.61
Registered under number VA - 366690 of the Economic & Administrative Index of Varese*

REPORT OF THE BOARD OF STATUTORY AUDITORS PURSUANT TO ART. 2429, no. 2, of the Italian Civil Code.

To the attention of: shareholders' meeting of the company SosTravel.com Spa

Dear Shareholders, the Board of Statutory Auditors, in the financial year ended 31.12.2022, has implemented the functions pursuant to Articles 2403 et sequitur of the Italian Civil Code.

A1) Supervisory activities pursuant to Art. Articles 2403 et sequitur of the Italian Civil Code.

Company knowledge, risk assessment and task assignment report

- Given the consolidated knowledge that the Board of Statutory Auditors declares to have in relation to the company and with regard to the type of operations that are conducted as well as its organizational and accounting structure, and while also taking into account the size and problems of the company, it should be noted that the phase of "planning the supervisory activity" - in which it is necessary to evaluate intrinsic risks and critical issues with respect to the two parameters mentioned above - was implemented through positive feedback with respect to what was already known and based on information acquired over time.
- Following the merger with Digital Destination Company S.r.l. (DDC), the Board of Statutory Auditors conducted audits regarding the knowledge of the organizational and accounting structure in relation to the new online Tour Operator and Travel Agency activities.
- This report therefore summarizes the informational disclosures required by Art. 2429, paragraph two of the Italian Civil Code, and more specifically reporting on: the results of the financial year; operations carried out in the fulfillment of the duties established by the law; observations and proposals regarding the financial statements, with specific reference to the potential use - by the administrative body - of the derogation pursuant to Art. 2429, paragraph five of the Italian Civil Code; the potential receipt of complaints from shareholders pursuant to Art. 2408 of the Italian Civil Code. In any case, we remain at your complete disposal to analyze in depth any further topics discussed during the shareholders' meeting. The activities conducted by the Board concerned, from a temporal point of view, the entire financial year; during the same financial year, the meetings pursuant to Art. 2404 of the Italian Civil Code here regularly held and minutes of these meetings were drawn up and duly signed with unanimous approval.

Activities conducted

- During the periodical audits, the board took note of the development of activities by the company, paying particular attention to problems of a contingent and/or extraordinary nature in order to identify the economic and financial impact on the result for the year and on the financial situation as well as any risks, such as those deriving from credit losses which are monitored on a regular basis. Discussions were also held with the professional studio that provides the company with consultancy services as well as accounting and tax assistance on issues of a technical and specific nature: the generated feedback provided a positive outcome.
- The Board therefore periodically assessed the adequacy of the company's organizational and functional structure as well as potential changes with respect to the minimum requirements for operations. The Board was able to ascertain that, after the merger, the organizational, administrative and "internal control" system is adequate for the new corporate situation. Relations with personnel operating in the aforementioned structure - directors, employees and external consultants - are based on a spirit of mutual collaboration with respect to the roles entrusted to each person, and after having clarified those of the Board of Statutory Auditors. For the entire duration of the financial year, it was noted that the level of technical preparation of the internal administrative personnel - entrusted with reporting operational events - is adequate and retains sufficient knowledge of company problems. External consultants and professionals assigned to accounting, fiscal, legal, corporate and labor law consulting are substantially unchanged. Some positions have been

integrated with external professionals of the incorporated company (DDC); as a result, it is hereby noted that all parties have historical knowledge of conducted activities and of management problems, including extraordinary ones and which influenced the results of the financial statements.

- The information required by Art. 2381, paragraph 5 of the Italian Civil Code, was periodically provided by the Chairman of the Board both during scheduled meetings as well as through telephone and digital contacts/information flows with members of the Board of Directors.
- In conclusion, as far as it was possible to ascertain during the activities carried out during the year, the Board of Statutory Auditors hereby declares that:
 - the resolutions approved by the shareholders and by the Board of Directors have complied with the law and with the Articles of Association and have not been clearly imprudent or capable of definitively compromising the integrity of the company's assets;
 - sufficient information has been acquired in relation to general management trends and the business outlook as well as on the most significant transactions, in terms of size or characteristics, carried out by the company;
 - implemented transactions were also compliant with the law and the Articles of Association and not in potential conflict with the resolutions approved by the shareholders' meeting or capable of compromising the integrity of the company's assets; no specific observations are made regarding the adequacy of the company's organizational structure, nor regarding the adequacy of the administrative and accounting system, or on the reliability of the latter in correctly reporting operational events;
 - during the supervisory activity, as described above:
 - no further significant facts have emerged such as to require disclosure in this report;
 - no action had to be taken due to omissions by the administrative body pursuant to Art. 2406 of the Italian Civil Code;
 - no complaints were received pursuant to 2408 of the Italian Civil Code;
 - no complaints were filed pursuant to 2409, no. 7, of the Italian Civil Code.

A2) Observations regarding the financial statements of the year

Financial statements of the year

- We have reviewed the draft financial statements for the year ended 31.12.2022 which were made available to us in accordance with Article 2429 of the Italian Civil Code, and in relation to which we report the following. Given that we are not responsible for auditing the financial statements, we have monitored the general structure of the latter as well as its general compliance with the law as regards its formation and structure; in this regard, we have no specific observations to report.
- The draft financial statements for the year ended 31.12.2022 were approved by the administrative body and consist of the balance sheet, the income statement, the cash flow statement and the explanatory notes, in compliance with the provisions of Art. 2423 of the Italian Civil Code and in accordance with the outlines provided by Articles 2424 and 2425 of the Italian Civil Code.

The **balance sheet** groupings of assets and liabilities envisaged by Art. 2424 of the Italian Civil Code are summarized in the following statement:

- A) Receivables from shareholders for payments still due 0
- B) Fixed assets 2,407,034
- C) Current assets 4,280,344
- D) Accrued income and deferred charges

Total assets 7,495,304

- A) Shareholders' equity 3,326,349
- B) Provisions for risks and charges 48,050
- C) Employee termination indemnities 46,107
- D) Payables 4,006,856
- E) Accrued liabilities and deferred income 67,942

Total liabilities and shareholders' equity 7,495,304

The result for the year 01.01.2022 - 12.31.2022 is reported in the income statement according to the summary groupings of the cost and revenue items envisaged by Art. 2425 as follows:

A) Total revenues 17,296,233
B) Cost of production (17,976,123)
Balance (679,890)
C) Financial proceeds and charges (64,173)
D) Value adjustments of financial assets (71,172)
Balance (135,345)
Result before taxes (815,235)
22) Income taxes 199,452
Profit of the year (615,783)

- The administrative body has also prepared the Report on Operations pursuant to Art. 2428 of the Italian Civil Code; these documents were delivered to the Board of Statutory Auditors in time for them to be deposited at the company's registered office along with this report, independently of the deadline established by Art. 2429, no. 1, of the Italian Civil Code.
- The draft financial statements were therefore reviewed, and in relation to which the following additional information is still provided: the criteria used in preparing the financial statements as of 31.12.2022 do not differ from those used for the preparation of the financial statements of the previous year.
- Attention has been given to the structure of the draft financial statements as well as its general compliance with the law as regards its formation and structure; in this regard, there are no observations that should be highlighted in this report.
- Compliance with legal provisions relating to the preparation of the Report on Operations was verified and in this regard there are no observations that need to be highlighted in this report.
- The Board of Directors, when drafting the financial statements, did not derogate from the provisions of the law pursuant to Art. 2423, no. 4, of the Italian Civil Code. Compliance of the financial statements with the facts and information which we acquired - following the performance of the typical duties of the Board of Statutory Auditors - was verified and, in this regard, no further observations are provided.
- Pursuant to Art. 2426, no. 5, of the Italian Civil Code, the significant values registered in points B-I-1) and B-I-2) of the assets have been subject to our specific audit with consequent approval of their booking; it should be noted, for mere reference, that it will not be possible to distribute dividends by drawing from net income reserves beyond the net amount of this item capitalized under assets.
- The correctness of the information contained in the explanatory notes was verified with regard to the absence of financial and monetary assets and liability positions originally arising in currencies other than the Euro.
- We have acquired information from the supervisory body and no critical issues have emerged with respect to the organizational model adopted that need to be highlighted in this report. The Supervisory Body is evaluating changes to the organizational model in order to render it more effective and calibrated with the new size of the Company.
- The net result ascertained by the administrative body for the year ended 31.12.2022 - as also evident from reading the financial statements - is negative for 615,783. The Board agrees with the proposal to defer the decision to cover the loss for the year made by the directors in the explanatory notes. The result of the regulatory audit of the financial statements was the subject of the report issued on 12 April 2023 by the single independent auditor Audirevi S.p.a.

A3) Observations and proposals regarding the approval of the financial statements

Observations

Given the results of the activity which were conducted, the board proposes to the shareholders' meeting to approve the financial statements for the year ended 31.12.2022, as prepared by the directors, kindly calling upon them to also continue to constantly monitor the financial situation in the future, while increasingly adapting and improving the organizational and administrative structures capable of preparing, ever more promptly, effective and understandable informational reports (perhaps with the use of indexes) for all stakeholders.

Rome, 12 April 2023

Enrico Orvieto
Auditors

Paolo Natalini

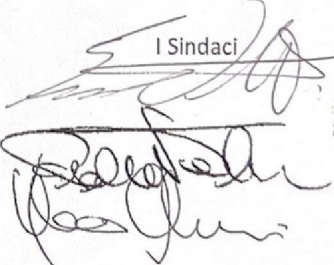
Marco Ambrosini

Chairman of the Board of Statutory

Statutory Auditor

Statutory Auditor

I Sindaci



The image shows three handwritten signatures in black ink. The top signature is the most prominent and appears to be the signature of the Chairman of the Board of Statutory Auditors. Below it are two other signatures, likely of the Statutory Auditors. The text 'I Sindaci' is printed above the signatures. There is a small vertical stamp on the right side of the signatures.

SosTravel. com S.p.A.

**Financial statements for the year ended 31 December 2022
Report of the Independent Auditing company
pursuant to Article 14 of Legislative Decree
39/2010**

Report of the Independent Auditing company pursuant to of Art. 2428 of Legislative Decree No. 39 of 27 January 2010

To the Shareholders of SosTravel.com S.p.A.

Report on the audit of the financial statements of the year

Assessment

We have conducted the audit of the financial statements of the year of the Company SosTravel.com S.p.A (the Company) consisting of the balance sheet as of 31 December 2022, the income statement, the cash flow statement for the year ended on that date and the explanatory notes.

In our view, the financial statements of the year provide a true and accurate representation of the Company's financial position as of 31 December 2022 as well as of the economic result and cash flows for the year ended on that date, in accordance with the Italian regulations which regulate the drafting criteria.

Elements underlying the assessment

We conducted the audit in accordance with international auditing standards (ISA Italia). Our responsibilities under these standards are further described in the section *Responsibilities of the auditing company for auditing the financial statements of the year* of this report. We are independent of the Company, in compliance with rules and principles on ethics and independence applicable in the Italian legal system to the auditing of financial statements. We believe that we have obtained sufficient and appropriate audit evidence upon which to base our assessment.

Legal references

Without changing our assessment, attention is drawn to what is reported by the Directors in the explanatory notes in relation to the completion of the merger by incorporation of the company Digital Destination Company Srl ("DDC") into SosTravel.com SpA ("SOS") .

Responsibility of the Directors and of the Board of Statutory Auditors for the financial statements of the year

The Directors are responsible for drafting financial statements that provide a true and accurate representation of the company's operations, in compliance with Italian regulations governing the preparation criteria and, within the terms established by law, for that part of internal control they deem necessary to allow the preparation of financial statements that do not contain significant errors due to fraud or unintentional behaviors or events.

Directors are responsible for assessing the Company's ability to continue to operate as a going concern and, when preparing the financial statements, for the appropriateness of using the going concern assumption as well as for adequate reporting on this topic. The Directors use the going concern assumption when drafting the financial statements of the year unless they have assessed that conditions exist for the liquidation of the Company or for the interruption of operations or they have no realistic alternatives to such choices.

The Board of Statutory Auditors is responsible for supervising - within the terms established by law - the process of preparing the Company's financial reporting.

Responsibilities of the auditing company for the audit of the financial statements of the year

Our objectives are to acquire reasonable assurance that the financial statements of the year, as a whole, do not contain significant errors due to fraud or unintentional behaviors or events, and to subsequently issue an auditing report that includes our assessment. Reasonable certainty implies a high level of certainty which, however, does not provide the guarantee that an audit carried out in accordance with international auditing standards (ISA Italia) will always identify a significant error, if present. Errors can derive from fraud or from unintentional behaviors or events and are considered significant if it can reasonably be expected that they - individually or as a whole - are able to influence the economic decisions taken by users on the basis of the financial statements.

As part of the audit performed in accordance with international auditing standards (ISA Italy), we exercised our professional judgment and maintained professional skepticism throughout the duration of the audit. In addition:

- we have identified and assessed the risks of significant errors in the financial statements due to fraud or unintentional behaviors or events; we have designed and performed auditing procedures in response to these risks; we have obtained sufficient and appropriate auditing evidence on which to base our assessment. The risk of not detecting a significant error due to fraud is higher than the risk of not detecting a significant error resulting from unintentional behaviors or events given that fraud may involve the existence of collusion, forgery, intentional omissions, misrepresentations or tampering of internal controls;
- we have acquired an understanding of internal controls which is relevant to the audit for the purposes of formulating auditing procedures that are appropriate for the circumstances and not to express an opinion on the effectiveness of the Company's internal control;
- we have assessed the appropriateness of the accounting principles used as well as the reasonableness of the accounting estimates made by the Directors, including the relative disclosures;
- we have reached a conclusion on the appropriateness of the use by the Directors of the going concern assumption and - based on the auditing evidence that was obtained - on the potential existence of a significant uncertainty regarding events or circumstances that may give rise to significant doubts on the ability of the Company to continue to operate as a going concern. In the presence of a significant uncertainty, we are required to draw attention - within the auditing report - to the relative disclosures in the financial statements, or, if such disclosures are inadequate, to reflect this circumstance in formulating our assessment. Our conclusions are based on the auditing evidence obtained up to the date of this report. However, subsequent events or circumstances may cause the Company to cease to operate as a going concern;
- we have evaluated the presentation, structure and content of the financial statements as a whole, including the reporting, and whether the financial statements of the year accurately represent the underlying transactions and events.

We have communicated - amongst other matters, and to the governance authorities identified at an appropriate level, as required by the Italy ISAs- the planned scope and timing of the audit and significant findings, including any significant deficiencies in internal controls which were identified during the course of the audit.

Report on other legal and regulatory provisions

Assessment pursuant to Art. 14, paragraph 2, letter e), of Legislative Decree 39/10

The directors of SosTravel.com S.p.A. are responsible for preparing the Report on Operations of SosTravel.com S.p.A. as of 31 December 2022, including its consistency with the relative financial statements and its compliance with the law.

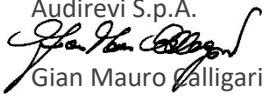
We have conducted the procedures indicated in auditing principle (SA Italia) No. 720B in order to express an opinion on the consistency of the Report on Operations with the financial statements of SosTravel.com S.p.A. as of 31 December 2022 as well as on its compliance with the law in addition to issuing a statement on any significant errors.

In our view, the Report on Operations is consistent with the financial statements of SosTravel.com S.p.A. as of 31 December 2022 and is drafted in compliance with the law.

With reference to the declaration pursuant to Art. 14, paragraph 2, letter e), of Legislative Decree 39/10 - issued on the basis of knowledge and understanding of the company and the relative contextual information acquired during the audit - we have nothing to report.

Milan, 12 April 2023.

Audirevi S.p.A.



Gian Mauro Galligari
Shareholder