

The Glocal Travel Tech Play

ADD | Fair Value: €1.20 | Current Price: €0.26 | Upside: +360%

Initiation of Coverage

April 27th, 2026 – 21.00 h

€ Million	FY24A	FY25A	FY26E	FY27E	FY28E	FY29E
Sales Revenues	52.4	63.1	75.5	98.2	121.9	145.3
Value of Production	57.8	69.2	80.3	103.2	127.0	151.0
Net Intermediation Revenues (NIR)	7.8	9.2	11.2	14.8	18.0	21.6
<i>NIR Margin</i>	7.2%	6.9%	10.3%	11.8%	12.3%	12.7%
EBITDA	0.9	2.0	3.6	6.6	9.2	12.1
<i>margin (% NIR)</i>	12.0%	22%	32%	45%	51%	56%
Net Profit	(1.6)	(2.4)	(1.2)	0.8	2.5	4.6
Free Cash Flows	(3.6)	(2.3)	(0.6)	(0.2)	1.8	3.3
Net Debt (Net Cash)	15.2	17.5	18.1	18.3	16.6	13.3

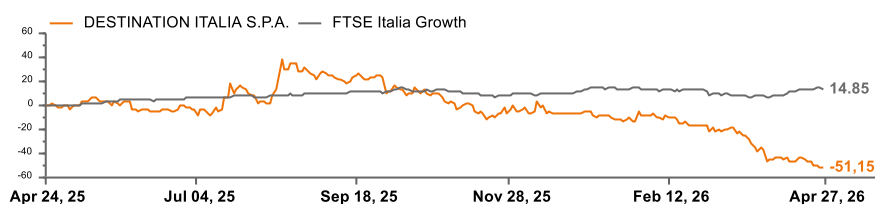
Overview. Founded in 2016, Destination Italia is Italy's leading tech-enabled incoming tour operator, distributing experiential Italian travel packages to more than 1,200 tour operators and travel agencies across 100+ countries, generating approximately 90% of revenues from foreign clients. The Group operates through an omnichannel model spanning B2B, B2C and an emerging B2B2C channel, supported by a network of 50+ Local Experts and HubCore.AI, its proprietary Destination Management Software automating inventory aggregation, package creation and end-to-end booking management.

Investment Thesis. DIT's investment case rests on a structurally differentiated positioning within Italian incoming tourism, combining proprietary technology, curated sourcing and multi-channel distribution through a single integrated platform. HubCore.AI enables scalability and operating leverage across the value chain, while years of operational track record generate institutional credibility that new entrants cannot replicate quickly. The more compelling margin story lies in the adjacencies being built on top of the core business: SaaS licensing and the new business unit Destination Consulting Firm can carry EBITDA margins of 60-70% at scale, well above the tour operating baseline. Within the core, SONO Travel Club targets the luxury segment where intermediation fees are structurally higher and demand is less cyclical. The B2B2C channel, reaching commercial readiness in 2H26, adds a further layer of future upside by eliminating an intermediary layer and improving margin capture.

KT&P's Estimates. We project Sales Revenues of €75.5mn in FY26E (+20% YoY), supported by continued B2B volume growth, an accelerating mix shift toward SONO Travel Club and experiential content, and faster growth in ancillary services. Net Intermediation Revenue is expected to expand to approximately €11.2mn (+22% YoY), as volume growth and an improving channel mix begin to lift intermediation quality simultaneously. EBITDA is projected at €3.6mn, representing approximately 32% on Net Intermediation Revenue, with margin expansion driven by operating leverage on a largely fixed cost base. NFP is expected at €18.1mn, with FY26E representing the last year of meaningful cash absorption before free cash flow turns positive from FY27E-28E.

Valuation. Our valuation is based on a blended approach combining DCF and peers' market multiples (EV/EBITDA) applied to Destination Italia's FY25A–FY27E forecasts. Averaging the two methodologies, the company's fair value stands at €25.1mn, or €1.20ps. The valuation corresponds to an implied EV multiple of 1.6x on FY26E NIR and 6.5x on FY27E EBITDA.

Relative Performance Chart Last 12 months



Source: FactSet

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Market Data

Mkt Cap (€ mn)	5.5
EV (€ mn)	23.5
Shares out.	21.1
Free Float	49.2%

Market multiples	2025A	2026E	2027E
EV/Sales			
DIT (KT&P Valuation)	0.7x	0.6x	0.4x
DIT (Market Valuation)	0.4x	0.3x	0.2x
Comps Average	1.1x	1.0x	0.9x
DIT vs Comps Average	-58%	-68%	-74%
EV/EBITDA			
DIT (KT&P Valuation)	21.5x	12.0x	6.5x
DIT (Market Valuation)	14.1x	6.5x	3.6x
Comps Average	16.7x	12.9x	10.8x
DIT vs Comps Average	-15%	-49%	-67%

Stock Data

52 Wk High (€)	0.78
52 Wk Low (€)	0.25
Avg. Daily Turnover 90d (€k)	18
Price Change 1w (%)	-9%
Price Change 1m (%)	-23%
Price Change YTD (%)	-50%

Key Figures

Per Share Data	2022	2023	2024	2025	2026E	2027E	2028E	2029E
Shares outstanding (mn)	12.1	17.9	19.3	21.1	21.1	21.1	21.1	21.1
EPS	(0.08)	(0.13)	(0.08)	(0.11)	(0.06)	0.04	0.12	0.22
Profit and Loss (EUR million)								
Sales Revenues	27.1	51.6	52.4	63.1	75.5	98.2	121.9	145.3
Value of Production	28.1	55.4	57.8	69.2	80.3	103.2	127.0	151.0
<i>growth (%)</i>	<i>n.a.</i>	98%	4%	20%	16%	28%	23%	19%
Net Intermediation Revenues (NIR)	1.6	4.5	7.8	9.2	11.2	14.8	18.0	21.6
<i>NIR Margin (%)*</i>	5.5%	3.2%	7.2%	6.9%	10.3%	11.8%	12.3%	12.7%
EBITDA	(1.2)	(0.0)	0.9	2.0	3.6	6.6	9.2	12.1
<i>EBITDA margin (% NIR)</i>	<i>neg.</i>	<i>neg.</i>	12.0%	22%	32%	45%	51%	56%
<i>EBITDA margin (% VoP)</i>	<i>neg.</i>	<i>neg.</i>	1.6%	2.9%	4.5%	6.4%	7.2%	8.0%
EBIT	(1.2)	(2.0)	(1.7)	(1.8)	(0.6)	2.1	4.4	7.3
Net Income	(1.0)	(2.3)	(1.6)	(2.4)	(1.2)	0.8	2.5	4.6
Balance Sheet (EUR million)								
Total fixed assets	6.4	17.2	24.0	28.6	30.9	32.4	33.2	33.9
Trade Working Capital (TWC)	(0.4)	(0.6)	(3.0)	(4.7)	(6.3)	(6.3)	(5.9)	(4.8)
Total Net capital employed	6.5	17.2	20.5	21.5	20.9	22.0	22.7	24.0
Net financial position/(Cash)	1.4	11.6	15.2	17.5	18.1	18.3	16.6	13.3
Total Shareholder's Equity	5.1	5.6	5.4	4.0	2.8	3.6	6.1	10.7
Cash Flow (EUR million)								
Net operating cash flow	(0.8)	1.3	4.2	5.8	6.0	5.8	7.3	8.8
Change in TWC	0.1	0.2	2.5	1.7	1.5	0.0	(0.4)	(1.1)
Capital expenditure	(1.0)	(12.6)	(9.0)	(8.4)	(6.6)	(6.1)	(5.6)	(5.6)
Free cash flow	(1.8)	(10.2)	(3.6)	(2.3)	(0.6)	(0.2)	1.8	3.3
Enterprise Value (EUR million)								
Market Cap	12.9	16.0	9.9	10.4	5.5	5.5	5.5	5.5
Net financial position/(Cash)	1.4	11.6	15.2	17.5	18.1	18.3	16.6	13.3
Minorities	0.0	0.2	0.3	0.0	0.0	0.0	0.0	0.0
Enterprise value	14.3	27.9	25.3	27.9	23.6	23.8	22.1	18.8
Ratios								
ROCE	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	9.4%	19.4%	30%
ROE	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	23%	41%	43%
Interest cover on EBIT	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	2.3x	4.6x	8.5x
NFP/EBITDA	<i>n.a.</i>	<i>n.a.</i>	16.2x	8.7x	5.0x	2.8x	1.8x	1.1x
Gearing - Debt/equity	98%	254%	311%	455%	648%	527%	281%	160%
TWC/Total Revenues	-2%	-1%	-5%	-7%	-8%	-6%	-5%	-3%
Free cash flow yield	-12%	-37%	-14%	-8%	-2%	-1%	7%	14%
Multiples (x)								
EV/Sales	0.5x	0.5x	0.5x	0.4x	0.3x	0.2x	0.2x	0.2x
EV/Net Intermediation Revenue	9.2x	6.2x	3.2x	3.0x	2.1x	1.6x	1.3x	1.1x
EV/EBITDA	<i>n.a.</i>	<i>n.a.</i>	27x	14.1x	6.5x	3.6x	2.6x	1.9x
P/E	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	6.6x	2.2x	1.2x

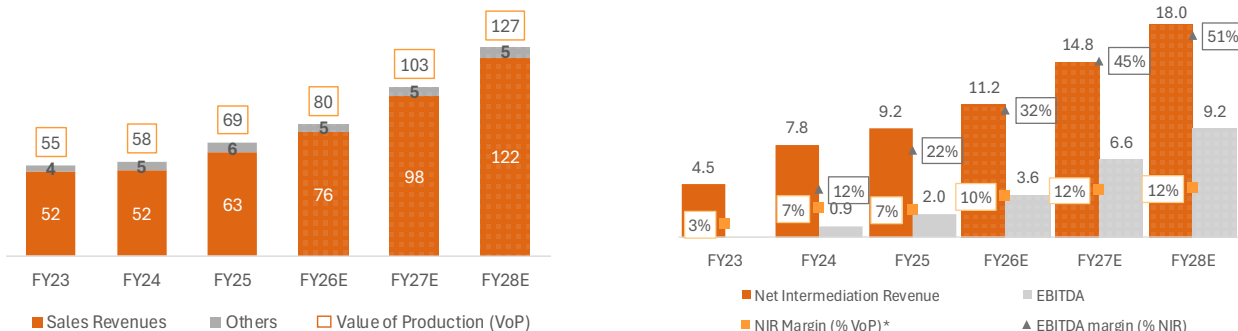
Source: Company Data (2022-2025), KT&Partners' Forecasts (2026E-2029E); (*) Margin calculated net of capitalized costs as (Net Intermediation Revenues – Capitalized Costs) / (Value of Production – Capitalized Costs)

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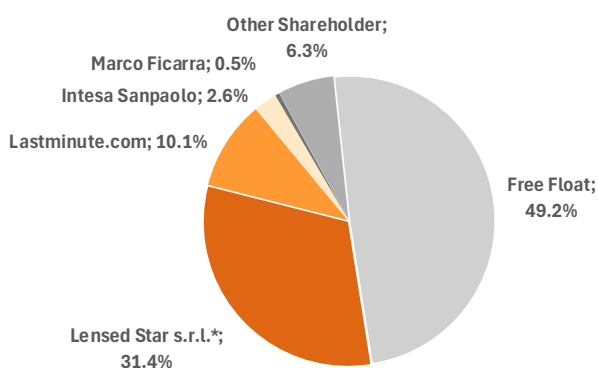
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Key Charts

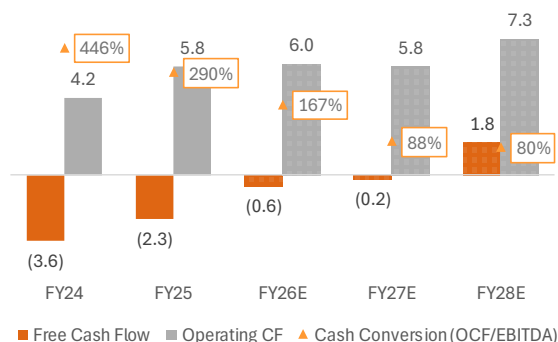
Value of Production and Revenue Breakdown FY23–FY28E (€mn) **NIR and EBITDA Evolution FY23–FY28E (€mn, %)**



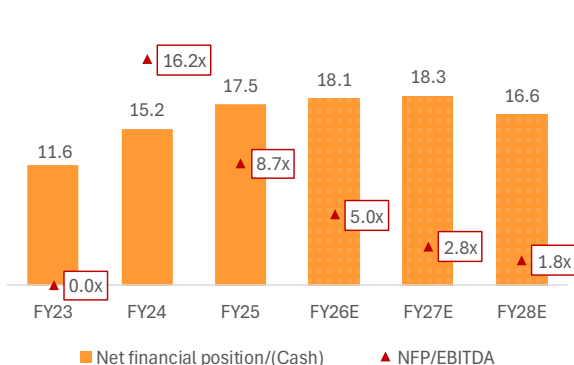
DIT's Shareholder Structure (as of March, 2026)



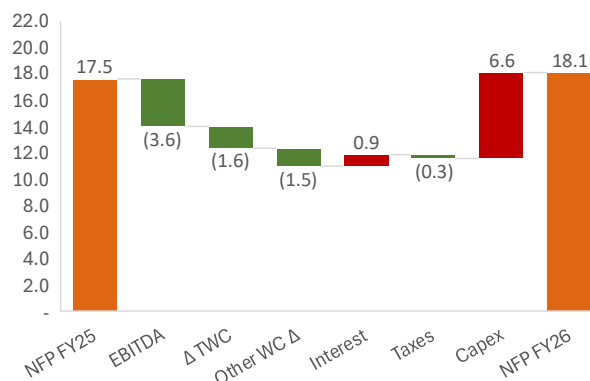
Operating Cash Flow and FCF Generation FY24–FY28E (€mn)



Net Financial Position and NFP/EBITDA FY23–FY28 (€mn, x)



Net Financial Position Bridge FY25–FY26E (€mn)



*Lensed Star s.r.l.: the management vehicle of Chairwoman Secondina Ravera and Executive Director Giulio Valiante, commands 57.9% of voting rights.

Source: KT&Partners' Elaboration on Company Data

Investment Case

Tech-enabled control of the chain. Destination Italia's competitive positioning rests on an integrated model combining proprietary technology, curated sourcing and multi-channel distribution in Italian incoming tourism. Through HubCore.AI, the Group enables standardization, automation and scalability across product creation, packaging and booking management, while leveraging a network of local expertise and an inventory of more than 10,000 accommodation solutions to deliver personalized travel products to customers in over 100 countries. The strategic advantage lies in controlling a broader portion of the value chain: sourcing, digital inventory, travel design, payment processing and business intelligence are managed within a single platform, supporting operating leverage and reducing exposure to pure price competition. Replicating this model is harder than it appears. The primary barrier is not capital or technology in isolation, but the complexity of executing low-margin operations at scale while investing in a proprietary platform simultaneously, a combination that requires years of track record to sustain. That track record, in turn, generates institutional credibility with tourism boards and public programs, progressively opening mandates and funding opportunities unavailable to new entrants.

SaaS and advisory: margin-accretive growth layered on existing capabilities. The core tour operating business carries structural profitability constraints, with sector EBITDA margins rarely exceeding 10%. The more compelling margin story lies in two adjacency businesses built on Destination Italia's proprietary assets: (i) SaaS licensing of HubCore.AI, monetizing the Group's technology stack through recurring software revenues; and (ii) strategic consulting under the Destination Consulting Firm (DCF) brand, which combines technology, marketplace access, destination-centric distribution capabilities and c.25 years of market experience to support institutions, airports and tourism operators. Importantly, the advisory proposition is not separate from the technology layer: HubCore.AI is embedded in the service model whenever relevant, making consulting and software mutually reinforcing rather than independent offerings. Both business units are expected to reach EBITDA margins of 60-70% at scale, with DCF potentially representing the higher-value strategic layer. Reference clients including Italcres, the Luxury Sicily District and one of the largest European Airport, validate the proposition and create cross-selling opportunities. These streams currently account for less than 5% of group revenues, but we project their contribution to grow at approximately 30% CAGR through FY29, supporting a re-rating case increasingly based on asset monetisation rather than volume growth alone.

SONO: premium focus, better resilience. SONO Travel Club is one of management's top strategic priorities, reflecting its structurally higher spending profile and greater resilience in volatile conditions. Luxury demand is less exposed to macroeconomic and geopolitical headwinds than mainstream travel, and the current environment is accelerating the pivot. The margin profile is also superior to the core Destination Italia brand, which operates on a more commoditized, volume-driven basis. This focus is rooted in the Group's founding mission: quality travellers spend 8-10x more than mass-market counterparts, and Italy's differentiated, experience-led offering carries genuine pricing power in that segment.

B2B2C adds future upside. The B2B2C channel, operating under the Charming Italy brand, was firstly developed in 2025 and is currently in beta. The architecture is conceptually straightforward: rather than reaching the end traveler through traditional tour operators, the Group contracts directly with companies and associations that distribute the product to their employees and clients. This model eliminates an intermediary layer that typically absorbs 10+ of transaction value and provides greater control over promoted destinations and customer targeting. Management now expects commercial readiness in 2H26 for the 2027 season. DIT is currently targeting €2-3mn revenues in FY27, and we expect it to growth from there on a high-double-digits CAGR.

Key Risks to the Investment Thesis

Macroeconomic and geopolitical exposure. Destination Italia operates in international incoming tourism, a sector inherently exposed to fluctuations in discretionary travel demand. Changes in macroeconomic conditions in key source markets, geopolitical instability or shifts in consumer confidence can translate into lower booking volumes or delayed demand, particularly in the mainstream B2B segment. The Group has expanded its commercial presence across multiple geographies, including North America, Europe and Asia-Pacific, partially mitigating concentration risk. At the same time, the strategic focus on higher-quality and premium tourism segments provides a mitigating factor, as these segments tend to be more resilient to adverse macroeconomic conditions than mass-market travel. Recent performance trends, including double-digit growth in the latest results, support the relative strength of this positioning compared to the broader Italian tourism market. However, travel demand remains cyclical by nature, and a prolonged slowdown in one or more core markets could still negatively impact revenues and operating leverage.

Low-margin industry and execution risk. The incoming tourism sector is characterized by structurally low intermediation margins and high operational complexity. Managing a highly fragmented supplier base of more than 10,000 partners across hotel accommodation, transfers, guides and experiences, while handling the operational complexity of fully customized itineraries at scale, requires significant technological investment and tight cost control. In FY25, over sales revenues of €63mn, the Net Intermediation Revenues (what DIT retains after paying suppliers) were €9.2mn, while EBITDA reached €2mn, and this is gross of €4.7mn of capitalized expenses reflecting the ongoing investment phase. Margin expansion is dependent on the successful execution of several initiatives, including mix shift toward higher-margin ancillary services and premium segments, as well as the scaling of new business lines. Any delay in execution or lower-than-expected contribution from these initiatives could limit profitability improvement.

Competitive pressure and structural disintermediation. The expansion of online travel agencies and digital distribution models continues to increase price transparency and competition, particularly in standardized travel products. More structurally, the continued growth of generalist OTAs and AI-driven travel planning tools could compress the role of traditional DMC intermediaries over time, particularly in the mainstream segment. Destination Italia's mitigants include its proprietary technology stack, the depth of its local supplier relationships built over years of operational track record, and its deliberate positioning in the tailor-made and luxury segments where personalization and trusted curation remain difficult to commoditize.

Company Overview

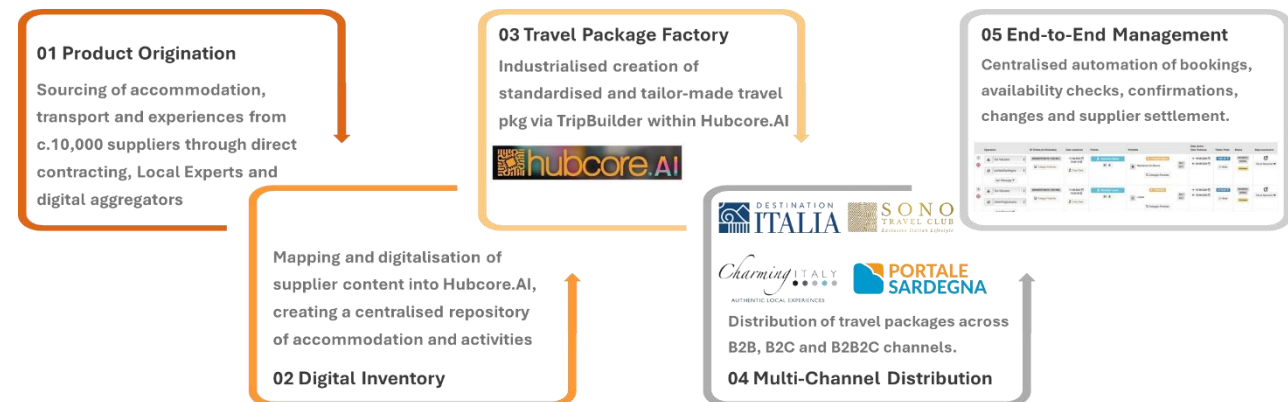
Founded in 2016 and listed on Euronext Growth Milan from 2021, Destination Italia is Italy's leading tech-enabled incoming tour operator, specializing in the distribution of experiential Italian travel packages to international markets. The Group generates approximately 90% of revenues from foreign clients, serving more than 1,200 tour operators and travel agencies across over 100 countries, with North America representing the primary source market at approximately 35% of B2B revenues.

The business model rests on three integrated pillars. The first is HubCore.AI, the Group's proprietary Destination Management Software, which automates inventory aggregation, travel package creation, omnichannel distribution and end-to-end booking management across a supplier network of approximately 10,000 accommodation, transport and experience providers. The platform enables B2B clients to execute up to 50-70% of the booking process autonomously, materially reducing operational workload relative to the prior third-party solution. The second is an omnichannel distribution model spanning B2B, B2C and an emerging B2B2C channel. The third is a network of 50+ Local Experts, freelancers deeply embedded in specific Italian regions, who identify and develop curated local experiences not available through standard distribution platforms.

The B2B channel accounts for approximately 80% of FY25 revenues and is served through three commercial layers: the Destination Italia brand targeting the medium-high segment with average booking values of €1-2k; SONO Travel Club, the Group's luxury brand serving high-net-worth travelers at average booking values of €4-5k with high double-digit intermediation fees; and an API distribution layer connecting the Group's inventory to OTAs and wholesalers at scale. The B2C channel, representing approximately 15-20% of FY25 revenues, operates through Portale Sardegna, Charming Italy, Welcomely and Empeeria. The B2B2C channel, currently in development under the Charming Italy brand, embeds white-label booking engines within corporate welfare platforms and association portals, targeting commercial readiness in 2H26 for the FY27 season.

Alongside its core operations, the Group has developed two ancillary business lines, SaaS licensing of HubCore.AI to third-party operators and advisory mandates under the Destination Consulting Firm, both expected to reach EBITDA margins of 60-70% at scale. Reference clients include Italcares, the national medical tourism platform promoted by Federterme, and Aeroporti di Roma, for whom DIT is developing a stopover tourism model at Fiumicino airport.

The client base is well diversified, with the largest single client accounting for approximately 10% of B2B revenues and the top ten collectively representing approximately 40% of Group revenues. Geographically, the top five source markets, comprising the US, Australia, UK, Israel and Canada, account for approximately 50% of B2B revenues.



Company's History

2016–2018: Foundation and Strategic Repositioning

Destination Italia was founded in September 2016 by lastminute.com NV (57%), Intesa Sanpaolo (38%), and Marco Ficarra (5%). The company initially focused on Italian tourism intermediation targeting international tour operators and travel agencies. In 2018, shareholders initiated a strategic repositioning, appointing Secondina Ravera as a key figure in leading the turnaround, which focused on cost rationalisation, operational efficiency, and a shift toward high-end incoming tourism offerings.

2019–2021: SONO Travel Launch, MBO and IPO

In 2019, the Group launched SONO Travel Club, a luxury B2B brand targeting high-net-worth travellers with weekly ticket sizes in the €5k–25k range. In 2020, amid the COVID-19 crisis, a management buyout resulted in Lensed Star Srl (owned c.70% by Mrs. Secondina Ravera) becoming the controlling shareholder. In Oct-21, DIT completed its IPO on Euronext Growth Milan at €0.95 per share, reaching a post-money market capitalisation of €11.1mn and raising €3.5mn.

2022 - 2023: New US subsidiary and Portale Sardegna Merger

In June 2023, Destination Italia completed the Public Exchange Offer (OPS) on Portale Sardegna SpA, a leading B2C online tour operator focused on the Sardinian destination. The transaction implied a €9.5mn valuation of the target (1.2x on FY22 Revenues). The merger marked Destination Italia's evolution from a pure B2B operator into a more integrated player in incoming tourism, adding direct exposure to the B2C segment through the Portale Sardegna and Charming Italy brands. It also brought under the Group's control Welcomely S.r.l., a property management company specialised in the extra-hotel segment, and Hubcore.AI S.r.l., a tourism-focused software house, both previously c.51% owned by Portale Sardegna. In July 2023, Destination Italia increased its stake in Hubcore.AI to 70%. Hubcore.AI has since evolved into the end-to-end Destination Management Software underpinning all core operational, commercial, and distribution processes of the Group. In Oct-23, the Group established a subsidiary in New York to support the acceleration of US market penetration.

2024: Empeeria acquisition, Trip Builder launch and B2B2C channel

In 2024, the Group acquired 50.6% of Empeeria (Il mio viaggio in Sicilia srl) for €76k, adding a technology-enabled catalogue of 300+ Sicilian experiences. During the year, Hubcore.AI was enhanced with the Trip Builder, a B2B tool for tailor-made itineraries supporting significant reductions in processing times. In Dec-24, DIT launched a B2B2C white label channel targeting corporates and international associations, enabling end users to book travel packages directly through the corporate/association websites.

2025: New Shanghai Subsidiary and €5mn R&D MIMIT financed program

In June 2025, DIT opened a subsidiary in Shanghai to support B2B and B2B2C expansion across China and the Asia-Pacific region. In October, the Group secured a €5.0mn R&D program called Ambrosia, financed for 80% by MIMIT (Italian Ministry of Enterprises and Made in Italy), focused on the development of new AI solutions for the Italian tourism value chain.

Destination Italia Key Milestones



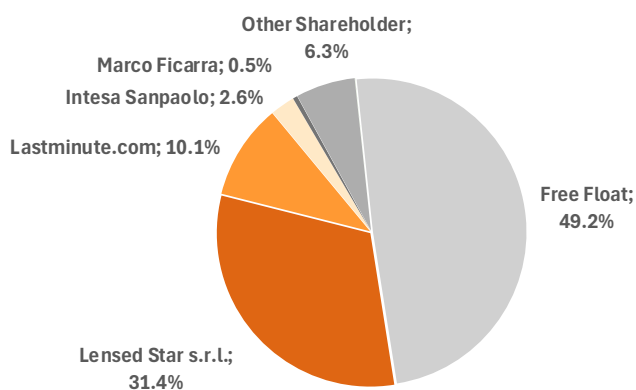
Source: KT&Partners' Elaboration on Company Data

Ownership and Group Structure

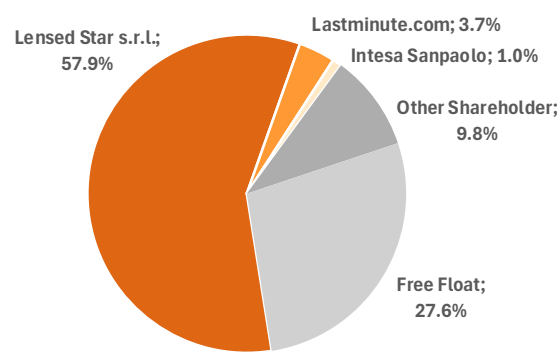
Destination Italia's share capital comprises 21,056,228 ordinary shares, distributed as follows:

- **31.4% held by Lensed Star S.r.l.**, the management vehicle controlled by Chairwoman Secondina Ravera (70%) and Executive Director Giulio Valiante (30%) and representing 57.9% of voting rights.
- **10.1% owned by Last Minute S.r.l.**, a vehicle linked to lastminute.com NV and one of the founding shareholders. Lastminute.com NV is a leading online travel agency listed on the SIX Swiss Exchange with a market cap of over €150mn. It represents 3.7% of the voting rights.
- **2.6% held by Intesa Sanpaolo S.p.A.**, one of the founding shareholders, representing 1.0% of voting rights.
- **0.5% held by Marco Ficarra**, one of the founding shareholders.
- **6.3% held by Other Shareholders**, mainly former Portale Sardegna shareholders, representing 9.8% of voting rights, with a lock-up obligation on 90% of these shares (1,276,719 shares) until approval of FY25 financial statements.
- **49.2% free float**, representing 27.6% of voting rights.
- **0.01% treasury shares**

DIT's Shareholders Shares (as of March, 2026)



DIT's Shareholders Voting Rights (as of March, 2026)



Source: KT&Partners' Elaboration on Company Data

Group Structure

As of 31st December 2025, DIT consolidates the following subsidiaries:

- **Destination 2 Italia S.r.l. (100%):** operating B2B inbound tour operator, active in the international distribution of high-end Italian incoming tourism. Founded in 2016, the company operates a digital marketplace connecting more than 1,200 international tour operators and travel agencies across over 85 countries. The offering is structured around two brands: **SONO Travel Club**, targeting the luxury segment with highly customised, tailor-made experiences, and **Destination Italia**, positioned in the high-end segment through modular travel solutions. The business model is based on the digitalisation of booking, packaging, and payment processes, supporting scalable distribution to international intermediaries.
- **Hubcore.AI S.r.l. (70%):** software and TravelTech unit of the Group, owning and developing **Hubcore.AI**, a proprietary all-in-one platform for the management and distribution of tourism services. Acquired through the Portale Sardegna merger in June 2023, with the stake increased to 70% in July 2023, Hubcore.AI acts as the Group's core technological infrastructure, integrating accommodation, experiences, and ancillary services. The platform supports B2B, B2C, and B2B2C channels and includes AI-driven modules such as Trip Builder, enabling the creation of tailor-made itineraries and supporting higher conversion rates and operational efficiency. Hubcore.AI is also commercialised under a SaaS licensing model to third-party operators.
- **Welcomely S.r.l. (51%):** property management company operating in the extra-hotel segment. Acquired through the Portale Sardegna merger in June 2023 and jointly owned with Bentu Experience (49%), Welcomely manages more than 400 properties, primarily in Sardinia, with a growing presence in Sicily, Apulia, Tuscany, and Lombardy. The company provides end-to-end services including marketing, booking management, guest assistance, housekeeping coordination, and administrative support.
- **Empeeria (50.6%):** Sicily-focused experiential tourism operator and online travel agency acquired in November 2024. Founded in 2018 as SiciLife and rebranded as Empeeria in 2022, the company operates a technology-enabled platform aggregating 300+ curated experiences across the island, including tours, food and wine activities, and cultural offerings. Empeeria has developed proprietary digital tools for experiential services management, now integrated as a Hubcore.AI module, and has pioneered interactive and augmented-reality-based itineraries. In addition, the company contributes strong know-how in multichannel distribution, particularly across experience-focused OTAs, coordinating the distribution of activities on major online platforms (e.g. GetYourGuide) to expand market reach of Destination Italia's proprietary experiential portfolio.

In addition to the consolidated entities, the Group holds non-consolidated subsidiaries that are excluded from the consolidation perimeter due to their immaterial size in terms of assets and revenues and are accounted for using the equity method.

These include: (i) **Destination Homes & Villas S.r.l. (100%)**, startup established in March 2023, which develops web and mobile platforms as well as virtual tours for museums and cultural sites; (ii) **Destination Beauty S.r.l. (49%)**, startup established in 2022, providing Italian-style personal services (hair, make-up and wardrobe consulting) to SONO Travel Club travelers; (iii) **Destination Italia Corporation (100%)**, the US subsidiary established in Oct-22, serving as the Group's NY based hub for US market development; and (iv) **Shanghai Yuanlan Zhi Marketing Co. Ltd. (100%)**, the Chinese subsidiary established in June 2025, acting as the Shanghai-based platform for business development across China and the Asia-Pacific region.

Management team

DIT is led by a group of executives combining long-standing managerial experience, entrepreneurial track records, and capital markets expertise. Key executives include:



Secondina Ravera – Chairwoman: Mrs. Ravera holds a degree in Electronic Engineering and an MBA from INSEAD. She joined Destination Italia in 2018, following the Group’s strategic repositioning. She brings over 20 years of experience in strategic consulting, M&A, and corporate restructurings, having held senior roles at McKinsey & Co. (1990–2000) and later at 3Italia and Wind3 (2001–2017), where she also served as COO and Merger Integration Officer, including leading responsibility the Wind–H3G merger in 2016. She has also been Chairwoman of Asstel (Confindustria-affiliated association representing the telecommunications value chain) and currently serves as a board member of Assonext and as an independent director at Reply, Fincantieri, Sole24 Ore, and Polo del Gusto (Illy Group sub-holding). Ms. Ravera is also a major shareholder, holding approximately 70% of Lensed Star S.r.l., and brings strong expertise in strategic transformation, governance, and complex integration processes in support of the Group’s long-term strategy.



Giulio Valiante – Executive Director: Mr. Valiante holds a degree in Economics and joined Destination Italia in 2021, ahead of the IPO. He brings over 20 years of experience in innovation, corporate development, and new venture creation, with 10+ years in managerial roles within multinational consumer and industrial groups. His career includes senior positions at Henkel Italy, Johnson Wax Italy, and Barilla SpA, followed by his appointment in 2004 as General Manager and Executive Director of Mytv S.p.A. (digital television and media services), where he led the integration with Sitcom, and subsequently as Vice President Marketing & Sales at Sitcom S.p.A. (digital content production and broadcasting). Since 2008, he has been active in venture capital as a business angel and co-founder of multiple start-ups, and since 2018 he has served as Venture Partner at Vertis SGR SpA.



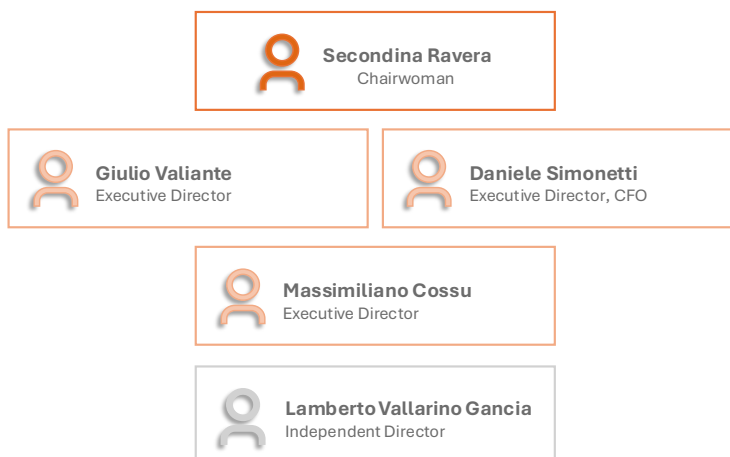
Massimiliano Cossu – Board member: Mr. Cossu holds a Bachelor’s degree in Financial Institutions and Economics from Bocconi University and brings more than 15 years of experience in the financial sector. He worked at the Generali Group from 2004 to 2011 as Financial Business Coordinator and Product Developer, before holding roles as Product Manager at SCM SIM and, between 2014 and 2015, as Asset Manager at Alma Laghi. In 2000, he founded Portale Sardegna and led the company as Founder and CEO, scaling it into a leading B2C online tour operator and overseeing its listing on Euronext Growth Milan in October 2017, with €1.3mn raised at a market capitalisation of approximately €5.3mn. Following the merger with DIT in June 2023, Mr. Cossu joined the Board as Executive Director, contributing entrepreneurial experience and deep knowledge of the B2C travel segment.



Daniele Simonetti – Executive Director & CFO: Mr. Simonetti joined DIT in 2018 and holds a Master’s degree in Business Administration, Finance, and Control. He brings 18+ years of experience in finance and management control across the tourism, leisure, and entertainment sectors. He served as Head of Management Control at MagicLand (leading Italian theme park, 2011-2018) and previously worked as an auditor at Bompani Audit.

Board of Directors

DIT's Board of Directors



Source: KT&Partners' Elaboration on Company Data

DIT's Board of Directors comprises **five members**, including **one independent director**.

The Board is chaired by **Secondina Ravera**, with **Giulio Valiante**, **Massimiliano Cossu**, and **Daniele Simonetti** serving as Executive Directors with responsibility for corporate development and strategic execution. **Mr. Vallarino Gancia**, appointed as independent director, has brought international entrepreneurial and managerial experience, having chaired and served on the boards of profit and non-profit organisations at both national and European level, with a focus on food and wine, territorial development, culture, and innovation.

Group Organisation

The Group organisation is structured across finance, technology, operations, commercial activities, and advisory services, with a **total workforce of more than 150 people**, with planned headcount additions focused on in-house software development to reduce reliance on external providers.

- **Operations and HR** are coordinated by Federica Conticiani (HR Manager), who also oversees booking, quality control, and product loading, managing approx.60 resources.
- **Commercial activities** are led by Alessia Santamaria (Chief Commercial Officer), with an internal sales team of around 10 people, supported by dedicated teams for hotel contracting and supplier negotiation (around 10 resources), product development (around 10 resources), and a B2C unit of approx.20 people.
- **Technology** is managed by Vincenzo Visciano (CTO) within Hubcore, with approx.20 resources between internal developers and external providers, serving both Destination Italia and third-party clients.
- **Finance, Administration and Control** are overseen by Daniele Simonetti (CFO), who manages a team of around 20 people
- **Advisory activities** are carried out by a cross-functional consulting team, composed of resources operating within the Group's existing divisions rather than dedicated standalone staff. The team is led by Secondina Ravera and Massimiliano Cossu and includes associates and analysts drawn from the operating structure.

Business Model

DIT positions itself as a "Glocal Travel Tech" company specializing in the distribution of Italian tourism packages to international markets, generating approx. 90% of revenues from foreign clients, serving 1,200+ international tour operators and travel agencies across more than 100 countries. Its business model in Italian incoming tourism is built on three pillars: i) the proprietary Hubcore.AI platform, a specialised Destination Management Software (DMS) that automates inventory management, package assembly, omnichannel distribution and booking processes; and ii) an omnichannel distribution model covering B2B, B2C and B2B2C segments; iii) a network of 50+ Local Experts, freelancers deeply rooted in specific regions, who identify and develop unique local experiences and manage destination activities.

To understand DIT's business model, it is useful to frame it within the Italian incoming tourism value chain, which is characterized by a multi-layered distribution structure. At the base are **suppliers** such as hotels, attractions, transport operators, and local service providers. These are connected to the market through **technology aggregators**, including bedbanks, channel managers, and experience aggregators, which standardise inventory and enable digital distribution. **Destination Management Companies (DMCs)** sit at the core of the chain, combining supplier content into integrated itineraries and managing in-destination operations for international clients. **Tour operators, travel agencies, and OTAs** distribute these packages to the market, typically controlling customer relationships as well as flights and insurance services, while **end customers** represent the final purchasers of tourism services, either directly or via intermediaries.

DIT operates primarily as a **tech-enabled DMC** serving approximately 1,200 international tour operators, travel agencies, and OTAs (c.80% of FY25 Group revenues derives from B2B distribution channel). The company distributes both pre-packaged and tailor-made travel experiences through two B2B brands: **Destination Italia** (c.40% of B2B) targets tour operators and agencies whose end-customers seek well-known Italian destinations, themed experiences, and customizable packages at medium-high price (average booking value between €1k-€2k); **SONO Travel Club** (c.15% of B2B) positions in the luxury segment, serving high-net-worth travelers with bespoke experiences combining top-end resorts, luxury transfers, and exclusive activities (average booking value between €4k-€5k). Additionally, DIT distributes hotel and experiences inventory through **API integrations** (c.42%) to tour operators and OTAs. This high volume, low touch channel generates c.5-6% fees at minimal incremental cost and is being expanded to experiences and transfers to improve margins.

Beyond core B2B operations, DIT operates B2C channels (c.15-20% FY25 Revenues) through **Portale Sardegna** (leading Sardinia holiday platform, acquired Jun-23) and **Charming Italy** (upper-segment OTA focused on premium Italian travel experiences, acquired within Portale Sardegna merger). The segment also includes revenues from Welcomely, a property management company with 400+ properties under management primarily in Sardinia, and Empeeria, a Sicily-focused experiential OTA aggregating 300+ curated local experiences.

To reduce intermediary dependence, DIT is currently setting up a B2B2C distribution channel targeting corporations and associations. This model integrates Charming Italy front-end into corporate or association websites in white label, featuring destinations aligned with the organisation's mission and enabling members to purchase travel packages directly into the company website. A single contract allows DIT to reach a broad base of end users without relying on traditional B2C channels.

Finally, to enhance group profitability DIT has 3 higher-margin ancillary business lines: **SaaS** (Hubcore.AI platform licensing), and **Advisory Service** (corporate consulting services for tourism flow and urban regeneration project management).

DIT's Operating Value Chain

Destination Italia manages an integrated operating chain based on Hubcore.AI ecosystem that links the Italian supplier ecosystem to international incoming demand. Hubcore.AI serves as the core infrastructure supporting each stage of the chain, from the acquisition and digitalization of supplier content to package creation, omnichannel distribution and full booking management. This end-to-end configuration enables DIT to coordinate product development, commercial delivery and operational execution within a single system.

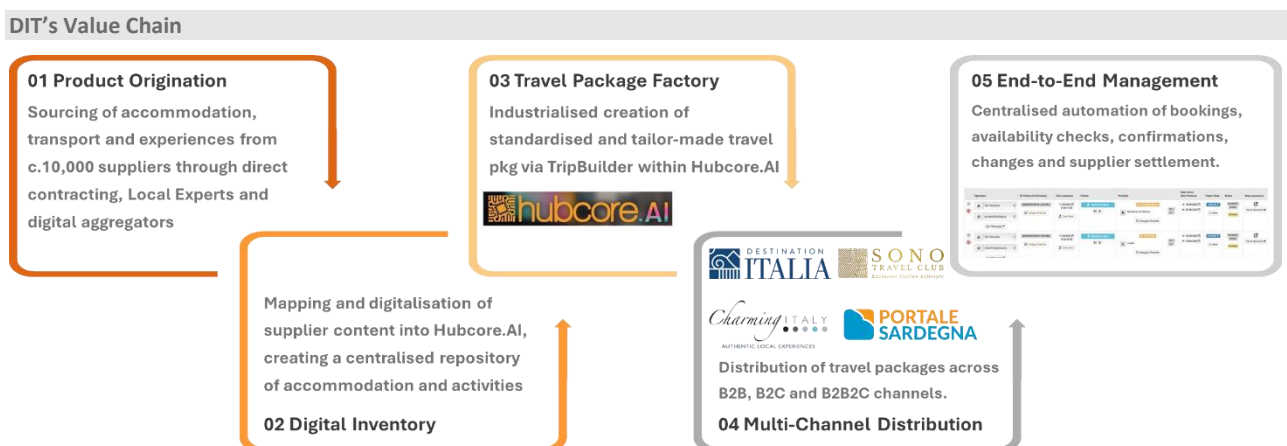
Product Origination: The process begins with a broad network of suppliers across accommodation, transportation and local experiences. Destination Italia combines direct contracting with the use of digital aggregators such as channel managers and bedbanks to access and manage accommodation and experiences. More in detail, Hotels are managed through direct contracting, while Local Experts help identify experiential content and extra-hotel assets such as villas and apartments.

Digital Inventory: Supplier services are mapped and uploaded into Hubcore.AI by Local Experts and product teams, with photos, descriptions and availability consolidated into a single repository covering accommodation and activities.

Travel Package Factory: Using the digital inventory, DIT backend assembles both standardised travel packages and tailor-made packages within Hubcore.AI through TripBuilder software, launched in Dec-2024. The module constructs complete itineraries, combining accommodation, transfers and experiences over the full length of the trip.

Multi-Channel Distribution: Once packages are created, they are uploaded to the B2B, B2C and B2B2C channels. In the B2B channel, through the Destination Italia and SONO Travel brands, agencies and tour operators can either book standard packages, request tailor-made solutions, or alternatively purchase the Hubcore.AI SaaS solution to access the TripBuilder module and build their own itineraries. In the B2C channel, Smart Trips (semi-finished packages designed by Local Experts) are sold through the Charming and Portale Sardegna websites, where end customers can fully customize dates, accommodation and experiences. In the new B2B2C channel, white-label packages are created ad hoc to match each partner's mission and needs, embedded as a module in the partner's website and then booked or customized directly by end users.

End-to-End Booking Management: Hubcore.AI captures booking requests from all distribution channels, automates availability checks and sends supplier confirmation flows, managing changes and cancellations within the same workflow. The system then closes all related reservations and supplier positions automatically.



Source: KT&P's elaboration on company presentation



Hubcore.AI platform

Following the merger with Portale Sardegna, DIT gained access to Hubcore.AI, enabling the internalisation of its Destination Management Software and improving efficiency and functionality compared with the previous third-party solution, Juniper.

Under Juniper, the operating model was largely manual and operator driven, as the absence of a functional front end B2B clients to submit requests by email. These were then processed through internal applications, leaving c.80–90% of the workload to be handled manually by Destination Italia staff. With Hubcore, the model shifts to a more client driven approach, as the platform enables clients to execute 50–70% of the process autonomously, reducing the operational workload for internal teams.

In addition, while Juniper limited DIT’s control over the technology stack and required alignment with third-party functionalities, Hubcore, as a proprietary solution, provides full ownership of the platform, allowing DIT to develop ad-hoc modules and functionalities not available in Juniper, such as the integration of AI-based solutions, a Trip Builder to automate and accelerate the creation of travel packages, and the inclusion of non-bookable experiences within its digital inventory.

Hubcore.AI and Juniper key features comparison

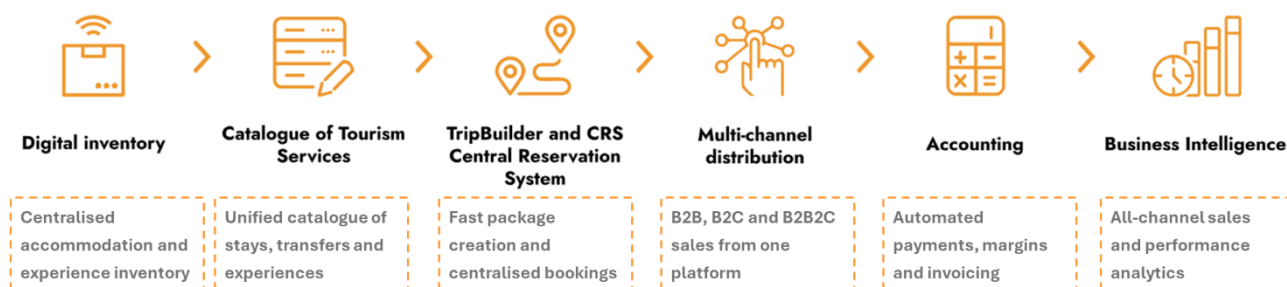
		
Non bookable content	✓	✗
Smart Packaging and TripBuilder Solutions	✓	✗
AI Suites	✓	✗
Multichannel Distribution B2B, B2C, B2B2C	✓	✓
Welfare Platform Integration	✓	✗
Central Reservation System (CRS)	✓	✓
Business Intelligence (BI) Module	✓	✗
Flight Global Distribution System (GDS)	✗	✓

Source: KT&P’s elaboration on Company Presentation

Key functional blocks include:

- **Digital Inventory:** Aggregates content from a network of approximately 10,000 suppliers across accommodation, transportation and local experiences, sourced via external channel managers, bedbanks and experience aggregators. A key differentiating feature is the presence of non-bookable content identified by Local Experts and directly contracted by DIT, which enriches the inventory with destinations, properties and experiences not available on standard distribution platforms.
- **Trip Builder:** Tailor-made platform for the creation of fully customised travel proposals, used by DIT back-end operators and offered to B2B clients via SaaS. The interface streamlines itinerary design by automating time-consuming and repetitive tasks involved in assembling bespoke travel packages.
- **AI Suites:** Internally, DIT uses the AI Copywriter module, which can load and structure content linked to experience or accommodation in minutes, improving significantly procurement efficiency. On the customer side, a virtual concierge supports users along the booking journey through an intelligent chat interface, primarily driving efficiency in the B2B2C and B2C limiting offline intervention. Moreover, Local Expert Avatar presents territorial content reinforcing the authenticity of the experience, leveraging a proprietary data set developed with Local Experts.
- **Multichannel Distribution (B2B, B2C, B2B2C):** it allows dynamic pricing and channel-specific product selection, with all sales channels managed from a single platform. A unique feature is the integration of travel package sales directly into welfare platforms, representing a distinctive driver for the expansion of the B2B2C channel.
- **Central Reservation System (CRS):** Centralizes bookings from B2B, B2C and B2B2C channels and automates the entire flow from customer reservations to digital confirmation of accommodation and experiences with suppliers across Italy.
- **Business Intelligence (BI) Module:** administrative reporting and sales data analytics.

Hubcore.AI End-to-End features



Source: KT&P's elaboration on Company Data

Leveraging its technology stack, in 2025 DIT secured funding for the AMBROSIA project, a €5mn R&D programme 80% financed by MIMIT (€2.5mn subsidised loan and €1.5mn grant). AMBROSIA will develop new AI and data-driven features for the Italian tourism value chain, which will be progressively integrated into Hubcore.AI.

Distribution Channel

DIT pursues a multi-brand, multi-channel distribution strategy, ensuring comprehensive coverage of the high-end segment of Italian incoming tourism. Travel packages are distributed on the B2B channel under the Destination Italia and SONO Travel Club brands, with accommodations inventory also supplied via API connections. In the B2C channel, packages are sold under the Portale Sardegna and Charming Italy brands, where customers can further customize their trip starting from “Smart Trip” packages, which are semi-finished itineraries created by Local Experts. In addition, the company is developing the B2B2C channel through a network of Local Ambassadors (fee-based agents), in order to enhance margins through disintermediation and to accelerate international expansion, supported by existing commercial offices in New York (opened in Oct-23) and Shanghai (opened in Jun-25).

In FY25, the **B2B channel** generated c.€50-55mn revenues (approx. 80% of FY25 revenues), accounting for c.35% from U.S. clients, c.25% from Asia, c.20% from Western Europe, c.15% from LatAm and c.5% from Eastern Europe & Russia. DIT operates in the B2B segment through two brands and API-based distribution. Intermediation fees across the B2B channel vary materially by both product type and price point, ranging from c.10% on accommodation in the mid-market segment to above 20% on experiences in the high-end segment, making the ongoing mix shift toward experiences and the strategic push on SONO key structural drivers of B2B margin expansion.



- **Destination Italia (c.40-45% of B2B):** group's core B2B brand, serving international tour operators and travel agencies selling medium-high end trips to Italy. The offer includes both ready-to-sell packages and tailor-made itineraries, where inputs from the end traveler are collected by travel agencies. The portfolio focuses on well-known destinations and thematic itineraries, with an average booking value between €1-2k and intermediation fees in the low double-digit on average.



- **SONO Travel Club (c.15-20% of B2B):** group luxury brand, targeting high-net-worth travelers through B2B partners. It specializes in bespoke, high-end itineraries that combine top-tier resorts, premium transfers and exclusive experiences, with package values averaging €4k to €5k per booking. The brand commands higher intermediation fees in the high double-digit range. In the current geopolitical environment, management has explicitly prioritized SONO as a strategic focus for 2025-2026, viewing the high-end segment as structurally more resilient to demand contractions, as luxury travelers tend to be proportionally less affected by macroeconomic and geopolitical headwinds than mid-market counterparts.
- **API B2B Distribution (c.35-45% of B2B):** DIT's API/XML sales channel through which B2B partners access the group's accommodation inventory. The business line operates on lower margins than other channels but delivers high volumes at minimal incremental cost, requires no dedicated operating staff and strengthens DIT's contractual positioning with accommodation partners. The channel targets mass-market B2B OTAs catering to self-service demand, where end customers typically book standalone products rather than curated travel packages, and therefore does not advantage competing operators in the high-end travel package segment. Historically focused on accommodation, generating c.5% intermediation fees, in 2025 the channel began distributing experiential content as well, which carries slightly higher fees in the 6-7% range, providing a modest but structural tailwind to API margins as the experience mix grows over time.

Regarding the **B2C channel (around €10mn, approx. 15% FY25 Rev)**, DIT operates via two brands and a property management subsidiary. Given the significant marketing investments required to compete with global OTAs at scale, overall B2C is not management's primary growth driver. Notably, the strategic rationale behind the Portale Sardegna acquisition extended beyond the B2C revenue stream itself, as the transaction brought in-house the front-end technology and know-how that has since underpinned DIT's self-service B2B capabilities and enabled the development of the B2B2C channel.



- **Portale Sardegna:** Founded in 2000 by Massimiliano Cossu, Portale Sardegna is the leading Italian B2C OTA for the Sardinia destination and was incorporated into DIT through the Jun-23 merger. Through its B2C portal it enables end customers to build complete holiday packages combining accommodation, transfers and experiences selected by Local Experts, generating intermediation fees in the low double-digit range.



- **Charming Italy:** high-end OTA focused on luxury travel packages and experiences across Italy. Originally developed within Portale Sardegna and subsequently incorporated into DIT following the merger, the brand has expanded beyond Sardinia to include other key tourist regions through dedicated extensions such as Charming Puglia, Charming Sicilia and Charming Toscana. The platform was further scaled with the launch in the U.S. market in Nov-24. Its higher-end positioning supports intermediation fees in the high double-digit range.



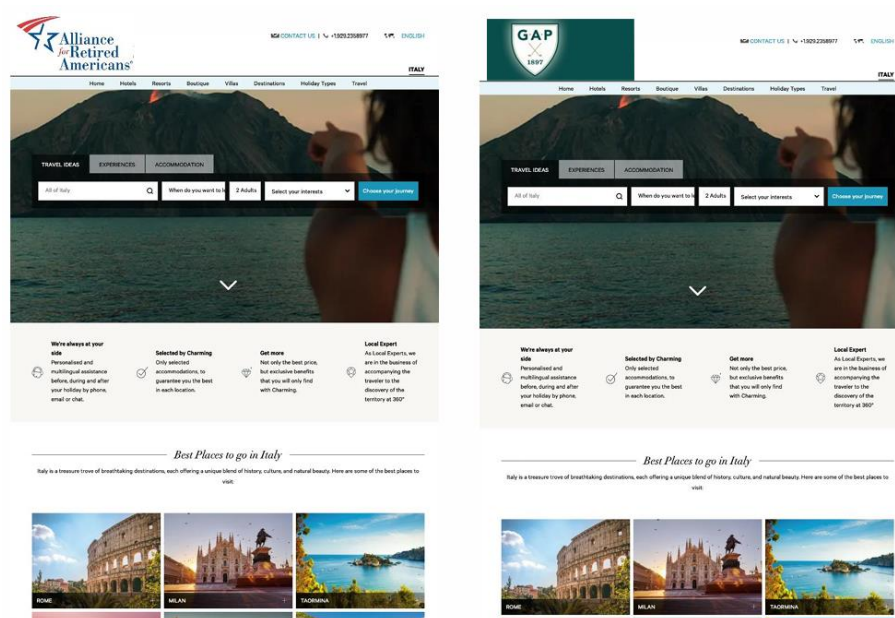
- **Welcomely:** through its 51%-owned subsidiary, DIT provides full property management services (cleaning, check-in/check-out, channel management) for over 400 extra-hotel accommodations, mainly in Sardinia, distributed via both Welcomely and Portale Sardegna. The medium-term objective to progressively reposition towards higher-end assets such as villas and boutique hotels to enhance profitability, through "vuoto per pieno" agreements (fixed rent regardless of the property's occupancy rate).

B2B2C: Disintermediating the Distribution Chain

Initiated in 2025 with a first development and testing phase, DIT's B2B2C channel embeds white-label booking engines within corporate welfare platforms and association portals, enabling employees and members to book travel packages directly through their organisation's website. The offering is commercialised through the Charming Italy brand, with packages sourced and curated by DIT and distributed via a network of commission-based Local Ambassadors, independent agents paid on booking volumes who source corporate and association partners.

The channel is structurally more profitable than B2B, as (i) it eliminates tour operator intermediation (c.10-15% fees), (ii) enables direct management of flights and insurance, activities handled by the OTA and tour operators in the B2B model); and (ii) reduces offline intervention through AI-powered tools such as the virtual concierge, as in the B2B model assistance requests are first handled by the OTA and only subsequently passed to DIT, reducing the impact on process automation and efficiency. Intermediation fees are expected to set in the low twenties, compared to low-to-high double digits across the B2B channel.

B2B2C white-label solutions



Source: Company Presentation

Moreover, a single institutional contract gives access to all employees or members of an organization, providing a scalable distribution model that does not require targeting individual end customers as in B2C. In addition, corporate and association partners allow greater flexibility in destination and experiences selection within their mission, while B2B OTAs and tour operators impose stricter product constraints, limiting DIT's ability to promote selected destinations and packages.

Roll-out is starting in Latin America with "roots travel" packages targeting Italian communities abroad, supported by a senior commercial lead in Brazil. The same Ambassador-led model is expected to be replicated in North America and China, leveraging DIT's offices in New York and Shanghai.

FY26 remains a transitional year, as the current geopolitical environment has led management to prioritize more established business lines in the near term. First meaningful revenues are expected from FY27, with the Group targeting €2-3mn revenues by then and strong double-digit growth thereafter.

Ancillary Services - The EBITDA Generator Strategy

Alongside its core activities, DIT has developed two ancillary business lines that leverage existing operational capabilities and resources, enhancing overall Group profitability. Both segments are expected to reach EBITDA margins (on VoP) of 60-70% once at scale. The first is SaaS, which monetizes Hubcore.AI through recurring software revenues. The second is the Destination Consulting Firm, a broader integrated proposition that combines Hubcore.AI, marketplace access, destination-centric distribution capabilities and long-standing market experience. While these businesses still account for a limited share of group revenues (<5% of FY25 revenues), the combined contribution is projected to grow from FY26 onward as the client base scales and project pipeline converts.

SaaS (Hubcore Licensing): DIT licenses its proprietary Hubcore.AI platform to third-party tourism operators, institutional clients and destination management organisations through a subscription model that combines recurring annual licences, one-off setup fees and optional services such as website development, booking infrastructure and custom modules. Users access an end-to-end platform that aggregates digital inventory from channel managers, bedbanks and experience aggregators, enables the automated creation of ready-to-sell travel packages, and connects seamlessly to B2B, B2C, and B2B2C distribution channels. In strategic terms, the SaaS line represents the direct monetisation of DIT's proprietary technology asset.

Destination Consulting Firm (DCF): leveraging more than 20 years of experience in the Italian incoming segment, DIT targets airports, trade associations, public institutions and territorial stakeholders with mandates focused on tourist flow optimisation, destination management and business model enhancement, a segment typically outside the scope of larger advisory firms. DCF should not be read as stand-alone consulting: it is an integrated proposition in which strategic advisory, marketplace access, destination-centric product design and Hubcore.AI-enabled digital infrastructure converge within a single service model. This integrated approach enables clients to move beyond a distribution logic centered on single tourism components and progressively reduce dependence on large OTAs. Among the main clients, DCF serves one of the largest hub in Europe, with almost 50mn passengers yearly. The mandate focuses on developing stopover tourism packages for transit passengers, replicating a model similar to Dubai International Airport where ready-to-use packages combining accommodation, transfers and local experiences allow passengers to turn long connections into short tourism experiences. Beyond airport-focused mandates, DIT is active in urban regeneration projects aimed at developing tourism in underserved Italian territories, acting as territorial aggregator between financial investors, local institutions and entrepreneurs without investing directly in the underlying properties, earning fees linked to project development and incremental real estate value generated.

Clients Analysis

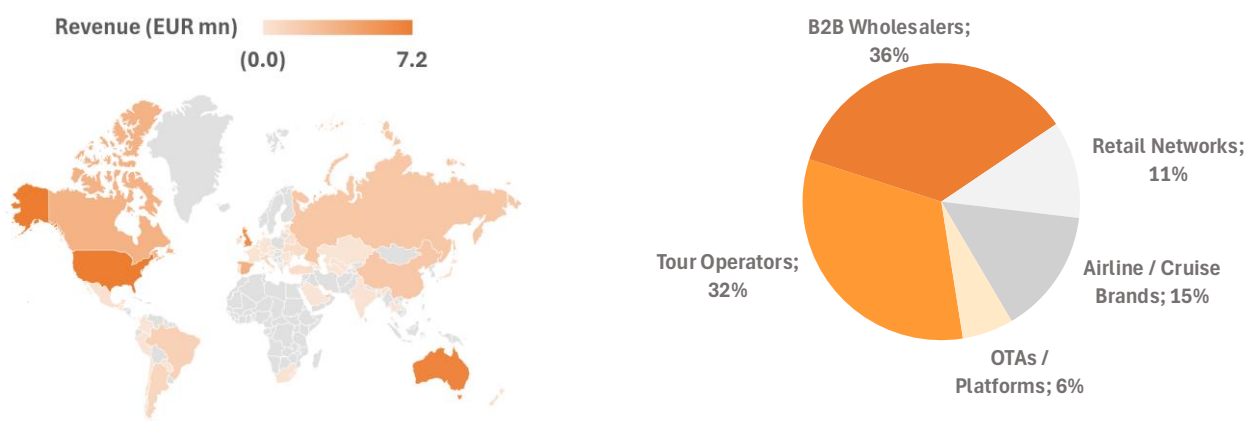
Destination Italia's key accounts are clients of the B2B Business (c.80% FY25 Group Revenues), namely:

- OTAs and digital platforms: online-first players distributing travel products through digital marketplaces with global reach.
- B2B Wholesalers: intermediaries aggregating and distributing inventories (mainly accommodations) via APIs to resellers (i.e. Go Global).
- Airlines, with package holidays built around their core offering (i.e. Delta Vacations)
- Cruise operators (i.e. My Cruises).
- Retail Network: large retail agency networks selling multi-brand travel products to end consumers (i.e. Flight Centre Limited).

Positively, the client base is quite fragmented, with the largest client accounting for high single digit of Group Revenues (c.10% B2B Revenues), the top 5 accounting for less than 30% of Group Revenues (35% B2B Revenues), and top 10 c.40% Group revenues (approx. 50% B2B Revenues).

From a geographic perspective, around 15% of B2B client volumes are generated by counterparties headquartered in the USA, followed by Australia (14%), UK (12%), Israel (9%), Canada (7%), Spain (7%), UAE (7%), Russia (4%), China (4%), Brazil (3%). Notably, the top 5 markets collectively account for c.50% of B2B revenues, reflecting a well-diversified geographic mix that represents a material structural improvement from the group's historical profile, when Russian-sourced flows constituted a significantly higher share of B2B demand.

DIT top 20 Clients by Revenues - Breakdown by Geography and Type of Client (€mn, %)



Source: KT&P's elaboration on Company Data

Market Overview

In FY25, the Italian tourism market posted: (i) arrivals at c.138mn¹ (-1% YoY and +5% vs 2019); (ii) overnight stays at c.477mn (+2% YoY and +9% vs 2019), confirming Italy as the second largest European destination by overnight stays; and (iii) contribution to Italian GDP at c.10.5% (c.10.4% in 2024), totaling c.€237bn² (+4.0% YoY), supported by the Jubilee in Rome.

Growth is increasingly supported by foreign tourists, particularly from non-European markets, outperforming both European and domestic demand in terms of relative growth.

In FY25, international overnight stays grew +4.3% YoY³, with foreign tourists accounting for c.55% of total overnight stays, up from 51% in 2019⁴. Domestic demand remained flat in terms of overnight stays, with arrivals down 3.5% YoY, confirming the trend that has characterized the market since FY23. Within the foreign segment, the shift toward longer and higher-value stays is evidenced by a permanent increase in average stay duration and a sustained outperformance of the extra-hotel segment, where overnight stays grew +6.6% YoY in 4Q25, materially above the hotel segment (+1.2%). Digitalisation is increasingly relevant across the tourism value chain, as international tourists select destinations and travel solutions primarily through online channels, while operators require a high degree of automation to efficiently manage global demand and deliver customised offerings.

In this context, Destination Italia is positioned in the high-end inbound segment with a predominantly extra-European client base, as evidenced by RoW accounting for more than 80% of FY25 revenues, with North America as the primary market (c.15%). The group has direct exposure to the fast-growing extra-hotel segment through Welcomely, which manages a portfolio of 400+ upscale apartments, villas and holiday homes primarily in Sardinia. Since June 2025, the group has further extended its geographic reach with the opening of a commercial branch in Shanghai, reinforcing its penetration of the APAC market. The group operates under a technology-enabled business model with a high level of process automation driven by the proprietary HubCore.AI platform, which supports the efficient management of customised travel solutions across 100+ countries.

¹ ISTAT, "Flussi turistici IV trimestre 2025"; Confindustria Alberghi, Assemblea annuale 2025

² WTTC, "Economic Impact 2025: Global Trends"; ENIT, BIT 2026

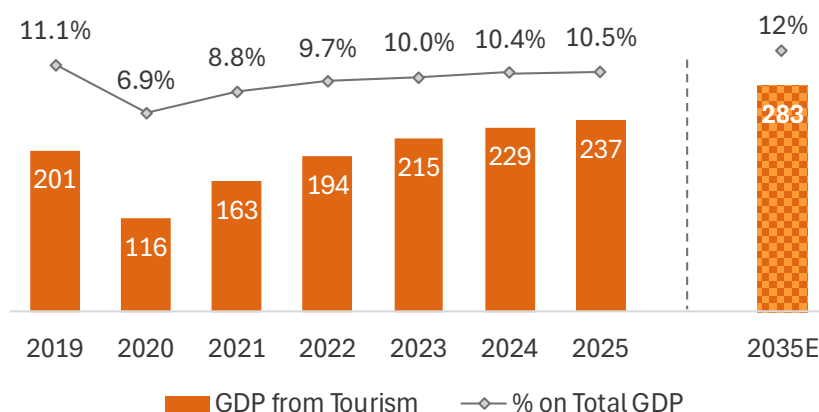
³ ISTAT, "Flussi turistici IV trimestre 2025"

⁴ ISTAT, "I flussi turistici Anno 2024"

Incoming tourism in Italy and GDP contribution

According to the World Travel and Tourism Council, tourism generated €237bn of economic value in Italy in FY25 (+4.0% YoY), accounting for c.10.5% of national GDP (c.10.4% in FY24), while international visitor spending reached €60bn (+9.4% YoY)⁵. Over the longer term, WTTC projects international tourist spending to reach €78bn by 2035E, implying a CAGR of c.2.6% over 2025-2035E. This is faster than the growth of the overall tourism sector contribution to the Italian economy, which is projected to reach €283bn (c.12% of GDP) by 2035E, corresponding to a CAGR of c.1.8% over the same period.

Tourism Sector Contribution on Italian GDP 2019–2035E (€bn, %)



Source: KT&P's elaboration on WTTC and ISTAT Data

Growth in tourism contribution and inbound spending is driven by several key drivers:

- i) digital transformation, which expands Italy's visibility and accessibility across international markets through online channels, AI-based search and social networks;
- ii) experience-led tourism and major international events, with over 80%⁶ of travelers selecting destinations based on experiential content, supporting higher-value demand, and large-scale religious and sporting events acting as catalysts for inbound flows, including the Jubilee 2025, which attracted c.33.5mn pilgrims from 185 countries and generated a total economic impact of c.€17bn⁷, and the Milano Cortina 2026 Winter Olympics, projected to draw over 2mn visitors and generate a total economic impact of c.€5.3bn⁸;
- iii) infrastructure development, including the expansion of high-speed rail networks and a growing number of direct international flight connections, improving both domestic mobility and international accessibility;
- iv) public initiatives and policies, such as the PNRR, which allocated among 2021-2026 €2.4bn⁹ to tourism-related investments aimed at supporting the digitalisation of tourism services and the competitiveness and capital strengthening of tourism enterprises through grants, tax incentives, and dedicated financial instruments.

⁵ ENIT, TTG 2025

⁶ Osservatorio Travel Innovation of Politecnico di Milano, 2025

⁷ Osservatorio Ance, Università di Roma Tor Vergata

⁸ Banca IFIS: L'Italia unisce il Mondo. Milano-Cortina 2026: costruire ponti attraverso lo sport, 2025

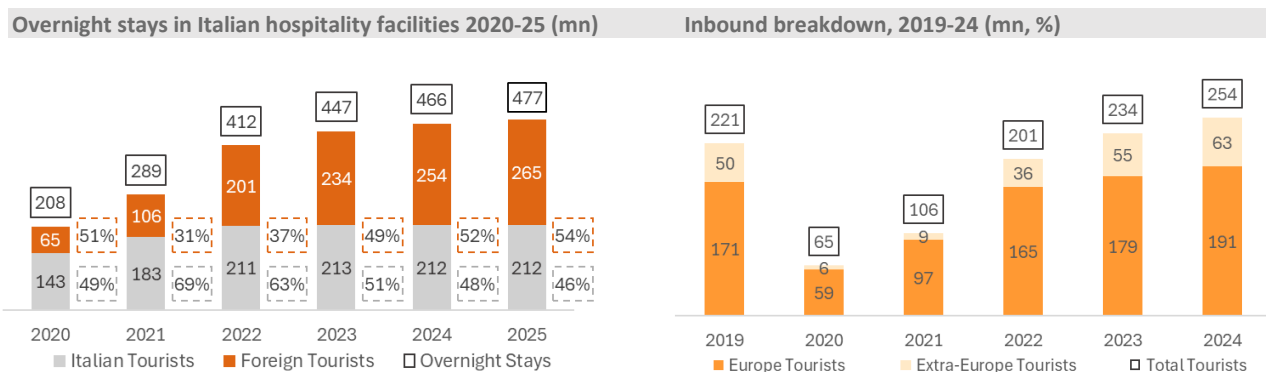
⁹ Italian Ministry of Tourism, 2021

Tourism flows in Italy based on overnight stays

According to ISTAT (Public Italian Market Research Institute), in 2025 total overnight stays in Italy reached a new record of 477mn (+2.3% YoY), driven entirely by foreign tourism, while domestic demand remained below pre-2020 levels. Overnight stays by Italian tourists remained broadly stable at c.212mn, whereas foreign visitors generated c.265mn overnight stays (+4.3% YoY), accounting for c.56% of total overnight stays, up from 51% in 2020. The growth pace is moderating relative to the post-Covid rebound, with 2025 overnight stays growing at +2.3% YoY vs +4.2% in 2024 and +8.5% in 2023. Over 2020-2025, the average length of stay has remained broadly stable at around 3 nights per tourist.

Regarding the split between European and extra-European inbound tourism, official data is available only up to 2024. The geographical mix has progressively normalised following the exceptional concentration of European flows observed in 2020 and 2021, when European tourists accounted for more than 90+% of foreign overnight stays due to the sharp contraction in long-haul travel. In 2024, the composition of inbound tourism returned closer to pre-pandemic patterns, with European visitors representing approximately 75% (191mn). While European tourists continue to constitute the majority of inbound flows, in FY24 growth has been driven primarily by non-European markets (63mn), which recorded a +15% YoY increase and a c.5% CAGR over 2019–24, compared to a 2.3% CAGR for European tourists. This divergence reflects the gradual expansion of long-haul travel volumes, supported by increased intercontinental connectivity, driven mainly by tourist from US (24mn in 2024; +11% YoY) China (4.1mn; +63% YoY), and emerging countries such as Brazil, with 3.8mn overnight stays (+26% YoY).

In this context, Destination Italia is positioned to benefit from these trends, supported by its local presence through newly established offices in the US and China and the planned development of a B2B2C model in Brazil, increasing its exposure to high-growth long-haul inbound markets.

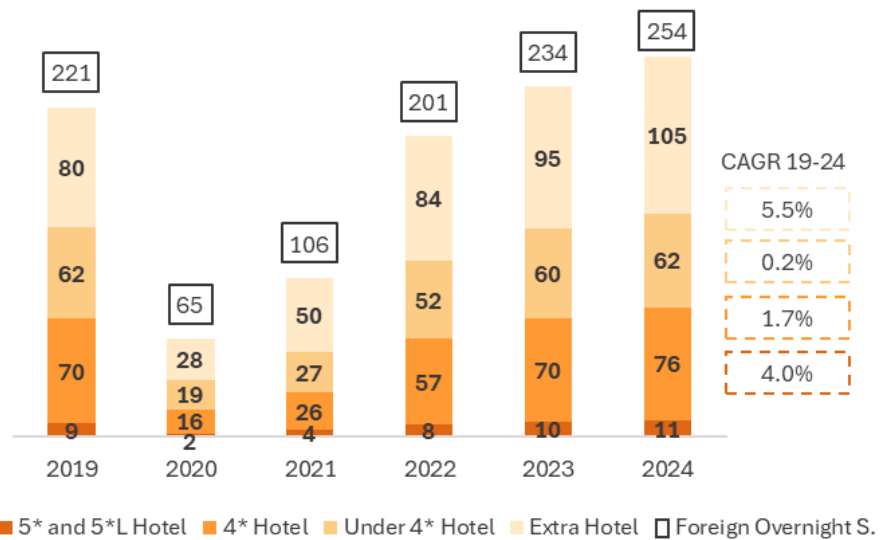


Source: KT&P's elaboration on ISTAT Data

An analysis of foreign overnight stays by accommodation type highlights two demand trends. First, inbound tourism is increasingly oriented towards higher-quality accommodation, with stronger growth recorded in premium hotel segments. In 2024, overnight stays in 5* and 5L hotels reached 11mn (+12% YoY), while 4 hotels accounted for 76mn overnight stays (+9% YoY), compared to more moderate growth in lower-category hotels below 4*, which recorded 62mn overnight stays (+5% YoY). Second, inbound demand continues to shift towards extra-hotel accommodation, with overnight stays in this segment increasing by 10% YoY to 105mn, driven by professionally managed rental properties, including apartments, villas, and other private rental facilities, which now represent more than 40% of total foreign overnight stays.

These trends are aligned with Destination Italia’s positioning in the high-end and luxury segments, where demand is increasingly focused on premium accommodation combined with tailored experiences, and with its exposure to the extra-hotel segment through Welcomely, which manages over 400 properties under a property management model, enabling the group to capture demand for bespoke and less standardized travel solutions.

Foreign overnight stays breakdown by hospitality facilities, 2019-24 (mn, %)



Source: KT&P’s elaboration on ISTAT Data

Competitive Arena

The competitive landscape in travel tech for Destination Italia can be assessed along two main dimensions: the degree of technological automation and the geographic scope of the offering, ranging from global platforms covering worldwide destinations to incoming operators specialised exclusively in Italian destinations.

Within this ecosystem, four main categories of operators can be identified:

Global Travel Tech operators such as Trip.com, Expedia, GetYourGuide, Exoticca and lastminute.com operate highly automated platforms distributing travel products across worldwide destinations. Their focus is on large-scale volumes and standardised, standalone components or global travel packages. However, these platforms typically lack destination-specific and differentiated experiences, as they rely on standardised content and don't operate through structured networks of local agencies or local experts.

Global platforms leveraging networks of local experts, such as Evaneos and TravelLocal, adopt a marketplace model connecting travelers with local agencies across multiple countries. While they provide access to destination expertise, service delivery remains delegated to third parties, limiting standardisation and quality control. Moreover, booking and package customisation are typically completed offline.

Traditional local operators, including IC Bellagio and Meet & Greet Italy, are specialised in Italy inbound tourism and deliver high-quality, relationship-driven services. However, these models rely on limited technological automation, with customers submitting information request forms rather than autonomously configuring and booking travel packages online.

Glocal Travel Tech operators combine a destination-driven focus on a specific country with global distribution capabilities through scalable technology. Within this segment, DIT is positioned as an Italy-focused tech operator, combining (i) a network of local experts providing in-depth destination knowledge and curated experiences, and (ii) its proprietary Hubcore.AI platform, which automates content aggregation and travel package creation, supports multi-channel global distribution, and enables online travel package customisation and purchase completion.

DIT Competitive Landscape



Source: Source: KT&P's elaboration on Company Presentation

When analysing Destination Italia's **direct competitive arena** in the Italian incoming tourism segment, competition appears fragmented, rather than directly overlapping with DIT's integrated model.

Several operators compete with DIT in specific verticals rather than offering a fully overlapping model. In luxury B2B experiential travel, IC Bellagio competes directly with SONO Travel Club, while in high end B2B travel offerings Meet & Greet Italy and Carrani Tours overlap with the Destination Italia brand. In API and XML based accommodation distribution, competition is primarily represented by Italcamel.

Moreover, two additional B2B inbound competitors have been identified, ItaliaReservation and Michelangelo International Travel, however they do not directly overlap with DIT on a specific vertical, as ItaliaReservation focuses on demand and supply matching without package creation, while Michelangelo operates in a lower and less bespoke segment.

None of these players combines omnichannel distribution across B2B, B2C and B2B2C with an end-to-end, automated and customizable platform for travel package creation. In addition, no peer shows a comparable positioning across ancillary activities such as SaaS solutions, advisory services or real estate-related offerings, with the partial exception of IC Bellagio's villa rental business.

Key selected direct competitors include:

IC Bellagio: founded in 1999 and based in Como, IC Bellagio is an Italy-focused luxury tour operator offering tailor-made itineraries for international B2B and B2C clients. The company delivers bespoke experiences such as helicopter tours over the Central Alps, private cooking masterclasses in Capri, and luxury boat tours on Lake Como, alongside a luxury villa rental business partially overlapping with DIT's Welcomely activity at a higher-end positioning. While IC Bellagio overlaps with DIT in luxury B2B segments, its model remains service-intensive with limited technological automation and no scalable digital platform.

Meet&Greet Italy: founded in 2015 and based in Rome, the company operates as an Italy-focused inbound operator serving exclusively B2B segment. Its offering is centred on group travel programmes and high end packaged itineraries (typically priced between €1k and €4k per person). The portfolio includes pre- and post-cruise extensions, rail-based journeys and themed travel packages, with a focus on cultural, culinary and regional experiences designed by Italian travel specialists. In addition, Meet & Greet Italy supports B2B clients with white-label marketing materials. However, the operating model remains traditional, with limited automation and booking processes completed offline.

Carrani Tours: founded in 1925 and based in Rome, is one of the longest established Italian inbound operators, providing guided tours and multi day itineraries across Italy for both B2B and B2C segments. The company focuses on major Italian destinations, offering curated itineraries such as escorted tours across Rome, Florence, and Venice, private guided visits to iconic cultural sites and wine tastings in Tuscany. The portfolio also targets the high-end segment, combining 4–5 star hotels with selected premium experiences and private transfers (tour packages typically priced in the €1k–€4k range per person). While Carrani competes with DIT in Italy focused curated touring, its operating model remains traditional and product led, with limited automation and no possibility for clients to configure and book packages autonomously without submitting a request.








Italcamel: founded in 1979 and headquartered in Rimini, operates exclusively in the B2B segment as an Italian incoming tour operator and wholesaler. The company distributes accommodation inventory across Italy (c.4k hotels in Italy), primarily through XML/API integrations with international trade partners and channel managers, a model that directly overlaps with DIT's API accommodation channel. Italcamel also offers a proprietary booking

engine that allows travel agencies to search and book accommodation, transfers, and selected experiences via a reserved area. Compared with DIT, however, Italcamel does not offer branded packages and relies on a less developed booking engine than Hubcore.AI, focused mainly on inventory search and booking management rather than full end to end destination management software.

Michelangelo International Travel: founded in 1994 and headquartered in Riva del Garda, Michelangelo International Travel operates as a B2B inbound tour operator focused on group travel across Italy and selected Mediterranean destinations, including Spain, Portugal, Malta, Cyprus, Croatia. The offering is positioned in the mass market segment, with travel packages typically priced between €300 and €1k per person and is largely based on standardised group itineraries with limited customisation, often relying on audio guides rather than local expert guides. Compared with DIT, Michelangelo shows lower exposure to bespoke activities and operates on a broader geographic footprint beyond Italy.

Italia Reservation: launched in 2016 and headquartered in Padua, ItaliaReservation operates as a B2B marketplace focused on facilitating connections between international travel buyers and Italian tourism suppliers. The platform is designed as a matching and networking tool, rather than as a tour operator managing itineraries or bookings directly. Revenues are generated through annual subscription fees paid by suppliers, reflecting a model centred on aggregation and visibility of supply rather than distribution of proprietary travel packages. Compared with DIT, ItaliaReservation competes with the B2B segment but operates with lower control over services and package composition, acting as an aggregator and distributor rather than as a high-end inbound operator with its own branded offering.

DIT Direct Competitors

Company	Target Market	Value of Production (VoP) <i>Last year available</i>	Net Intermediation Revenues (NIR) <i>Last year available</i>	EBITDA / NIR Margin	Travel Package Value*
 DESTINATION ITALIA	B2B (also through API) B2C, B2B2C	€69mn	€9.2mn	24.2%	DIT: €3k - €4k SONO: €5k - €10k
 IC BELLAGIO	B2B, B2C	€29mn	€4.7mn	54.1%	Over €5K
 meet & greet <small>MADE IN ITALY BY ITALIANS</small>	B2B	€6mn	€0.7mn	9.1%	€1k - €4k
	B2B, B2C	€30mn	€7.9mn	8.3%	€1k - €4k
 ITALCAMEL <small>Accommodation & destination services</small>	B2B (also through API)	€132mn	€9.8mn	49.9%	n.a.
 Michelangelo <small>International Travel</small>	B2B	€90mn	€10.2mn	45.1%	€300 - €1k
 Italia Reservation <small>Italian Tourism Marketplace</small>	B2B	€0.7mn	€0.1mn	13.9%	n.a.

*The package value is calculated on a per person basis, based on tourist packages with durations ranging from 3 to 10 days.

Source: KT&P's elaboration on AIDA and Companies data

Historical Financials

DIT's Sales Revenues represent the commercial revenues generated through the Group's B2B, B2C and ancillary service channels, net of intercompany eliminations.

Because DIT operates as an intermediary, the cost structure is dominated by Cost of Services, which represents the direct cost of tourism products purchased and re-sold to clients and absorbed approximately 90% of Sales Revenues in FY25. The residual, which we define as Net Intermediation Revenue (NIR), is the value the Group retains from each transaction after paying suppliers. This is a primary metric to look at as it isolates the true economics of intermediation from the gross transaction flow.

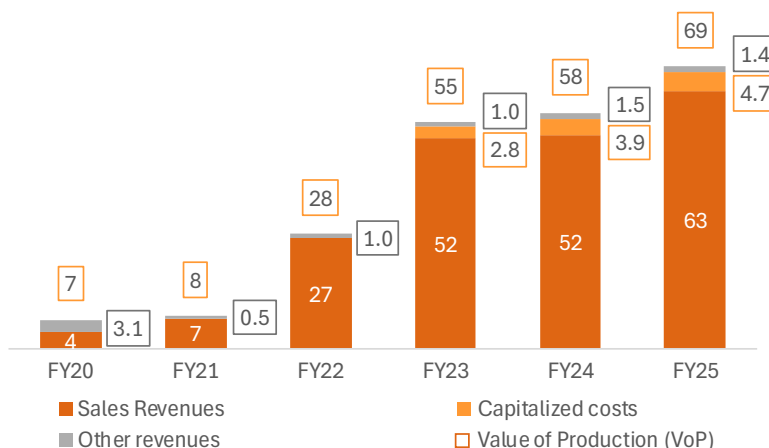
Revenues Breakdown

Between FY22 and FY25, Destination Italia delivered a revenue CAGR of approximately 33%, growing from €27mn to €63mn in sales revenues, reflecting a combination of organic commercial expansion, the consolidation of Portale Sardegna following the June 2023 merger, and a progressive broadening of the Group's channel mix. The trajectory, however, was far from linear, and each year carried a distinct narrative.

FY22 represented the first stage of post-Covid recovery for international incoming tourism. However, Italy's state of emergency remained in force until early April, effectively compromising the booking season. Nevertheless, for Destination Italia, which operates exclusively in the incoming segment with a predominantly extra-European client base, the rebound was particularly pronounced: sales revenues grew to €27mn from €7mn in FY21, reflecting both the normalization of booking volumes and the Group's expanding commercial footprint in the B2B channel.

The FY23 step-up to €52mn (+90% YoY) was driven both organic and through M&A. Structurally, the completion of the Portale Sardegna merger in June 2023 added a B2C revenue stream for the first time, through the Portale Sardegna and Charming Italy brands, and expanded the Group's consolidated perimeter meaningfully. Organically, the B2B channel continued to scale, supported by the full lift of travel restrictions, the acceleration of the US market, and the growing contribution of the API distribution channel. From FY23 onward, the Group's revenue base therefore reflects a multi-channel structure, with B2B remaining the dominant contributor at over 80% of sales, and B2C providing incremental diversification primarily oriented toward the domestic and high-end Italian market.

Value of Production and Revenue Breakdown, FY20–FY25 (€mn)



Source: KT's elaborations on Company Data

FY24 marked a deliberate pause in topline growth, with sales revenues broadly stable at €52.4mn. This year was characterized by significant investment rather than revenue acceleration, with resources deployed toward the full integration of Portale Sardegna, the development of the Hubcore.AI platform, the buildout of the Local Expert network, and the opening of new commercial offices in key international markets. The B2B channel remained the primary revenue driver, with positive momentum from North America partially offset by softer demand in other geographies.

FY25 confirmed the return to double-digit growth, with sales revenues reaching €63mn (+20% YoY). The B2B channel remained the dominant contributor, accounting for approximately 80% of total revenues, with growth driven by continued penetration of the North American market, expansion across Asia and Latin America, and a progressive mix shift toward higher-value experiential content within the booking flow. Within B2B, the Group operates through three commercial layers: the Destination Italia brand targeting the high-end segment, SONO Travel Club serving the luxury segment with structurally higher intermediation fees, and API-based distribution providing high-volume, lower-touch accommodation connectivity to OTAs and wholesalers. The B2C channel, representing approximately 15-20% of FY25 revenues through Portale Sardegna, Charming Italy, Welcomely and Empeeria, delivered solid performance supported by the continued development of the Sardinian and broader Italian premium holiday offering. Ancillary services, comprising SaaS licensing of the Hubcore.AI platform and advisory mandates under the Destination Consulting Firm brand, contributed a still modest but structurally significant share of revenues in FY25 (approx. 2%), representing the Group's first meaningful recognition of higher-margin recurring income from these lines.

Beyond sales revenues, the Group's Value of Production incorporates capitalized internal development costs, reflecting the ongoing investment in Hubcore.AI and related proprietary technology assets, and other revenues including R&D grants and tax credits. **Over the past three years, the Group has capitalized approximately €11mn in internal development costs**, with nearly €5mn concentrated in FY25 alone, consistent with the acceleration of the platform development cycle and the progressive internalisation of technology capabilities. Including these components, the value of production reached €69mn in FY25 (+20% YoY), broadly in line with the growth rate of core revenues.

Profitability Analysis

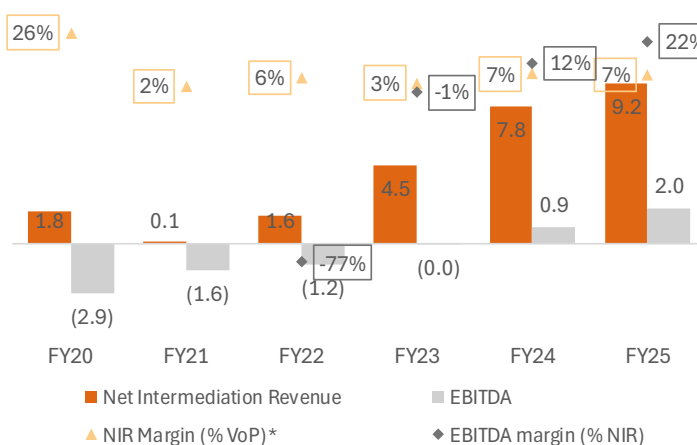
Net Intermediation Revenues. The dominant cost line is the cost of services, representing approximately 95% of the value of production, which reflects the pass-through nature of the business. Net Intermediation Revenues (NIR) capture the net intermediation yield on the volume of tourism services assembled and distributed.

The Group's NIR expanded materially over the historical period, rising from €1.6mn in FY22 (5.5% margin¹⁰) to €4.5mn in FY23 and €7.8mn in FY24 (7.2%). The FY22 to FY24 improvement reflects two concurrent dynamics. First, a progressive mix shift within the B2B channel toward higher-fee product categories, specifically experiential content and tailor-made itineraries under the SONO Travel Club brand, which command meaningfully higher intermediation fees than the API accommodation channel. Second, the growing contribution of the B2C channel following the Portale Sardegna merger, where the absence of a tour operator intermediary layer allows DIT to retain a structurally higher share of the transaction value relative to B2B (by approx.5 pp). The FY25 step-up to €9.2mn Net Intermediation Revenues (6.9% margin) was primarily volumetric rather than mix-driven. The structural margin expansion case, which rests on a continued shift toward SONO, experiences and B2B2C, therefore remains a forward-looking rather than a realized story at this stage.

Personnel Costs. Since the recovery of revenues from FY22, personnel expenses have consistently represented between 8% and 12% of sales revenues, reaching €6.6mn in FY25 with an average headcount in excess of 150.

EBITDA. The Group reported EBITDA of €2.0mn in FY25 (22% margin on NIR, or 2.9% on VoP), more than doubling from €0.9mn in FY24 (12% on NIR): The metric improved each year, from a deeply negative €(2.9)mn in FY20 to breakeven in FY23 and positive territory thereafter, reflects a sustained structural improvement rather than cyclical recovery alone. The €1.1mn improvement from FY24 to FY25 is attributable primarily to Net Intermediation Revenues expansion of approximately €1.3mn driven by volume growth, partially absorbed by the €0.3mn increase in personnel costs, with other operating expenses broadly flat. The EBITDA margin remains constrained by the low intermediation margins of the core business. The expansion path toward structurally higher margins depends on the scaling of ancillary services, where EBITDA margins are expected to reach 60-70% at scale, and on continued mix improvement within the B2B channel toward SONO and experiential content.

Net Intermediation Revenues and EBITDA Evolution FY20–FY25 (€mn, %)



Source: KT&P's elaborations on Company Data; (*) Margin calculated net of capitalized costs as (Net Intermediation Revenues – Capitalized Costs) / (Value of Production – Capitalized Costs)

¹⁰ Margin calculated net of capitalized costs as (Net Intermediation Revenues – Capitalized Costs) / (Value of Production – Capitalized Costs)

Net Loss. The net loss widened to €(2.4)mn in FY25 from €(1.6)mn in FY24, a dynamic attributable to two non-operational factors rather than underlying deterioration. First, D&A reached €3.8mn in FY25, €1.2mn higher YoY, as capitalized Hubcore.AI development costs enter amortization progressively. Second, net financial expenses of €(1.0)mn compare against a reported €(0.3)mn in FY24, a figure flattered by a €0.5mn one-off gain on the disposal of the Group's stake in Toit Group. On an underlying basis, gross interest costs have grown materially since FY22, reflecting both the near-quadrupling of the financial debt base to €18mn, deployed to finance the Portale Sardegna and Empeeria acquisitions and the ongoing technology investment program, and a higher average cost of debt. Positively, the December 2025 renegotiation of the Group's original bond converted its incrementally rising rate structure into a fixed 5.5% coupon with maturity extended to 2030, providing greater visibility on the cost of debt going forward.

2021-2025 Income Statement (€mn)

€ Millions	FY21	FY22	FY23	FY24	FY25
Sales Revenues	7.4	27.1	51.6	52.4	63.1
<i>Growth %</i>	<i>n.a.</i>	<i>266%</i>	<i>90%</i>	<i>1.5%</i>	<i>20.4%</i>
Capitalized internal costs	-	-	2.8	3.9	4.7
Other Revenues	0.5	1.0	1.0	1.5	1.4
Value of Production	7.9	28.1	55.4	57.8	69.2
<i>Growth %</i>	<i>n.a.</i>	<i>256%</i>	<i>98%</i>	<i>4.2%</i>	<i>19.7%</i>
Cost of Services	(7.8)	(26.5)	(51.0)	(50.0)	(60.0)
Net Intermediation Revenues (NIR)	0.1	1.6	4.5	7.8	9.2
<i>NIR Margin*</i>	<i>1.6%</i>	<i>5.5%</i>	<i>3.2%</i>	<i>7.2%</i>	<i>6.9%</i>
Raw Materials	(0.0)	(0.0)	(0.1)	(0.0)	(0.0)
Rental and lease expenses	(0.0)	(0.1)	(0.2)	(0.3)	(0.3)
Personnel Expenses	(1.4)	(2.6)	(4.2)	(6.3)	(6.6)
Other Operating Expenses	(0.1)	(0.1)	(0.1)	(0.2)	(0.2)
EBITDA	(1.5)	(1.2)	(0.0)	0.9	2.0
EBITDA margin (% NIR)	neg.	neg.	neg.	12.0%	22%
<i>EBITDA margin (% VoP)</i>	<i>neg.</i>	<i>neg.</i>	<i>neg.</i>	<i>1.6%</i>	<i>2.9%</i>
D&A and Provisions	(0.6)	-	(1.9)	(2.6)	(3.8)
EBIT	(2.1)	(1.2)	(2.0)	(1.7)	(1.8)
Financial Income and Expenses	(0.1)	(0.1)	(0.5)	(0.3)	(1.0)
EBT	(2.1)	(1.3)	(2.5)	(2.0)	(2.8)
Taxes	0.3	0.4	0.2	0.4	0.4
<i>Tax Rate</i>	<i>-12.6%</i>	<i>-27%</i>	<i>-9.8%</i>	<i>-18.7%</i>	<i>-15.1%</i>
Net Income	(1.9)	(1.0)	(2.3)	(1.6)	(2.4)

Source: Company Data; (*) Margin calculated net of capitalized costs as (Net Intermediation Revenues – Capitalized Costs) / (Value of Production – Capitalized Costs)

Capital Structure & Cash Flows Analysis

Destination Italia operates an asset-light model, with the balance sheet dominated by intangible assets reflecting the cumulative capitalization of the Hubcore.AI development program and the FY23 consolidation of Portale Sardegna's asset base. The net fixed asset base grew from €6.4mn at end-FY22 to €28.6mn at end-FY25, driven almost entirely by the intangible component.

Capex absorbed €(8.4)mn in FY25, broadly in line with €(9.0)mn in FY24 and materially below the €(12.6)mn peak in FY23, which included the cash outflow associated with the Portale Sardegna merger and the initial buildout of the Hubcore.AI platform. Capex is almost entirely intangible in nature, and management has indicated that the capex cycle peaked in FY24-FY25 as the primary platform development phase approaches completion, and as internal development capabilities progressively replace external providers.

Trade working capital has been a consistent source of cash generation in recent years (€1.7mn in FY25), with payables to suppliers tracking but exceeding receivables from clients across the historical period, a pattern typical of intermediation businesses where supplier settlement terms broadly mirror client collection cycles, with management been actively renegotiating supplier contracts to extend payment terms. The adoption of the booking date recognition criterion from FY23 introduces a seasonal dimension: since bookings are recorded as revenues months before the travel date, the working capital position inflates physiologically in the first half of each year as advance bookings accumulate, before normalizing in the second half as travel and supplier settlement cycles close.

On the financing side, the Group has funded its investment program through a combination of incremental debt and equity issuances. On the debt side, the financial debt base grew from €5.0mn in FY22 to over €18mn in FY25, with new debt raised primarily to finance the Portale Sardegna acquisition in FY23 and the ongoing technology investment program. On the equity side, the Group completed three accelerated bookbuilding operations over FY23-FY25, raising cumulatively over €3mn, each at modest size and designed to provide incremental balance sheet support without materially diluting existing shareholders.

FY21-25 Net Debt Bridges (€mn)

€ Million	FY21	FY22	FY23	FY24	FY25
EBITDA	(1.6)	(1.2)	(0.0)	0.9	2.0
Change in TWC	(0.1)	0.1	0.2	2.5	1.7
Other changes in WC	0.8	0.4	1.7	1.6	3.4
Taxes	-	-	-	-	-
Net financial income (expenses)	(0.1)	(0.1)	(0.5)	(0.8)	(1.0)
Other Adjustments	-	(0.0)	0.2	(0.1)	(1.0)
Operating Cash Flow	(1.0)	(0.8)	1.5	4.1	5.1
Capex	(1.3)	(1.0)	(12.6)	(9.0)	(8.4)
Change in Equity	4.2	0.0	0.8	1.4	0.9
Free Cash Flow	1.9	(1.8)	(10.2)	(3.6)	(2.3)
NFP Increase (decrease)	(1.9)	1.8	10.2	3.6	2.3
Begin NFP	1.6	(0.3)	1.4	11.6	15.2
End NFP	(0.3)	1.4	11.6	15.2	17.5

Source: Company Data

2021-2025 Balance Sheet (€mn)					
€ Millions	FY21	FY22	FY23	FY24	FY25
Intangible	5.3	5.9	16.4	23.0	27.5
Tangible	0.1	0.1	0.2	0.2	0.2
Financial	0.1	0.4	0.6	0.7	0.9
Fixed Assets	5.5	6.4	17.2	24.0	28.6
Inventories	-	-	0.0	-	-
Trade receivables	1.0	1.3	11.7	12.9	13.7
Trade Payables	(1.3)	(1.8)	(12.3)	(16.0)	(18.4)
Trade Working Capital	(0.4)	(0.4)	(0.6)	(3.0)	(4.7)
Other assets and liabilities	1.8	0.8	1.3	0.4	(1.5)
Net Working Capital	1.5	0.4	0.7	(2.6)	(6.2)
Provisions	(1.0)	(0.3)	(0.7)	(0.8)	(0.9)
Net Capital Employed	6.0	6.5	17.2	20.5	21.5
Group shareholder Equity	6.3	5.1	5.3	5.1	4.0
Minorities	-	-	0.2	0.3	-
Total shareholders' equity	6.3	5.1	5.6	5.4	4.0
Cash & Cash Equivalents	(5.2)	(3.5)	(2.5)	(1.5)	(0.6)
Financial Debt	4.9	5.0	14.1	16.7	18.1
Net Financial Position	(0.3)	1.4	11.6	15.2	17.5
Sources	6.0	6.5	17.2	20.5	21.5

Source: Company Data

Deconstructing Forecasts

Our projections for the FY26E-FY29E period are grounded in four structural drivers: (i) the continued scaling of B2B and B2C volumes; (ii) the ongoing mix shift within B2B toward higher-fee experiential and luxury content, (iii) the progressive commercial ramp-up of B2B2C distribution, (iv) and the growing contribution of ancillary services through HubCore.AI SaaS licensing and the Destination Consulting Firm.

The estimates reflect the current consolidation perimeter and do not incorporate any M&A contribution.

Scaling Volume, Improving Mix

Starting from Sales Revenues, we project the Group to grow from €63mn in FY25 to €75.5mn in FY26E (+20% YoY), and further to €145mn by FY29E, implying a 23% CAGR over the FY25-FY29E horizon. This volume-driven growth in the core B2B and B2C channels provides the revenue base, while mix improvement and the scaling of higher-margin segments progressively alter the quality of that growth.

The **B2B channel**, which accounts for approximately 80% of group revenues in FY25, is projected to remain the dominant contributor throughout the forecast period, with growth supported by the continued penetration of North American and Asia-Pacific markets, the maturing contribution of SONO Travel Club within the premium and luxury segment, and the full-year effect of commercial offices opened in prior periods. SONO is a strategic priority for management precisely because it operates at structurally superior intermediation margins relative to the core Destination Italia brand, while demand for luxury experiential travel has proven less sensitive to macroeconomic and geopolitical disruption. Within the API distribution layer, growth is expected to be driven by the ramp-up of experiential content.

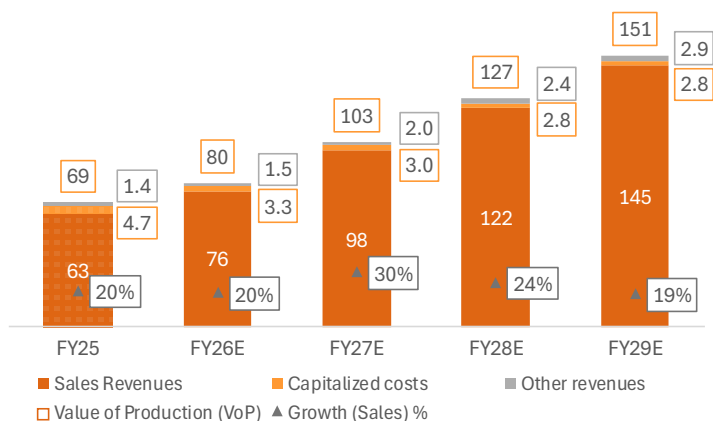
The **B2C channel** growth will be supported by the continued development of the Portale Sardegna platform, traction across the Welcomely and Empeeria brands, and the increasing contribution of Charming Italy.

The **B2B2C channel** is expected to reach commercial readiness in 2H26 for the FY27 season, initially targeting a modest revenue contribution that is not yet material to the group total in FY26E but builds the foundation for a meaningful new distribution layer from FY27E onward.

Ancillary Services (EBITDA generators business units), comprising SaaS licensing of HubCore.AI and strategic consulting mandates under the Destination Consulting Firm (DCF), are projected to grow at the fastest rate across all segments, more than doubling in FY26E from their FY25 base. While their absolute contribution remains modest at approximately 2-3% of group revenues over the near term, the economics of these lines differ materially from the core tour operating business: we expect EBITDA margins at the ancillary segment level to reach 60-70% at scale, well above the group average. The key strategic point is that the two business units are complementary rather than isolated, with DCF embedding the technology layer whenever relevant and potentially representing the higher-value component of the EBITDA Generator Strategy.

Beyond Sales Revenues, the Group's Value of Production reflects two additional components. Capitalized internal development costs are expected to remain significant in FY26E, though declining modestly from their FY25 peak of approximately €4.7mn as the primary HubCore.AI development phase approaches completion and the capitalization rate normalizes. Other revenues, comprising R&D grants and similar items, are assumed to track broadly at approximately 2% of Sales Revenues across the forecast horizon. As a result, the Value of Production is projected to reach approximately €80mn in FY26E (+16% YoY), with a FY25-FY29E CAGR of approximately 21%.

Value of Production Composition and Growth Outlook (FY25–FY29E)



Source: KT&P's estimates

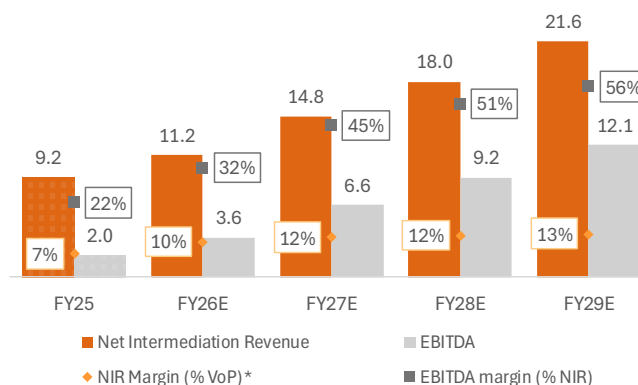
From Intermediation to Profitability

The central profitability story for Destination Italia is the expansion of **Net Intermediation Revenue**, the margin retained after paying suppliers, which we project to grow from €9.2mn in FY25 to approximately €11.2mn in FY26E, and further to above €21mn by FY29E, implying a **CAGR of approx. 24%** over the forecast horizon. This expansion is driven by two dynamics that begin to manifest in parallel already in FY26E and intensify progressively through the plan horizon. B2B volume growth, supported by continued geographic penetration and the maturing contribution of SONO Travel Club, provides the revenue base, while a favorable mix shift, driven by the increasing weight of SONO and experiential content within B2B, begins to lift the quality of intermediation already in FY26E. From FY27E onward, as B2B2C reaches commercial scale and ancillary services approach more meaningful contribution, the Net Intermediation Margin is projected to improve progressively over the period.

As a result of this NIR expansion against a largely fixed operating cost base, **EBITDA** is projected to grow from €2.0mn in FY25 to €3.6mn in FY26E, representing approximately 32% on Net Intermediation Revenue (4.5% on VoP), and to reach approximately €12mn by FY29E, with the margin on NIR expanding toward 56% (8% on VoP).

Personnel expenses are expected to grow moderately through the years, reflecting management's intention to progressively internalize development capabilities that were previously outsourced.

Net Intermediation Revenues and EBITDA Margin Progression (FY25–FY29E)



Source: KT&P's estimates; (*) Margin calculated net of capitalized costs as (Net Intermediation Revenues – Capitalized Costs) / (Value of Production – Capitalized Costs)

Below EBITDA, D&A is projected to remain elevated in FY26E at approximately €4.2mn, broadly in line with FY25, as HubCore.AI capitalized development costs continue to amortize progressively. Net financial expenses are expected at approximately €0.9mn in FY26E, with the cost of debt structure locked in through 2030. As a result, EBIT remains negative in FY26E at approximately €(0.6)mn, improving from €(1.8)mn in FY25, with the path to positive EBIT contingent on D&A normalization as the capitalization cycle winds down from FY27E onward. The net result is expected at approximately €(1.2)mn in FY26E, benefiting from deferred tax assets on prior year losses. The Group is projected to reach net breakeven in FY27E and transition to net profitability from FY28E, supported by the combination of EBITDA expansion, declining D&A as the HubCore.AI amortization cycle peaks, and the progressive absorption of accumulated tax losses.

2025-2029E Income Statement (€mn)					
€ Millions	FY25	FY26E	FY27E	FY28E	FY29E
Sales Revenues	63.1	75.5	98.2	121.9	145.3
<i>Growth %</i>	20.4%	19.8%	30.0%	24.1%	19.3%
Capitalized internal costs	4.7	3.3	3.0	2.8	2.8
Other Revenues	1.4	1.5	2.0	2.4	2.9
Value of Production	69.2	80.3	103.2	127.0	151.0
<i>Growth %</i>	19.7%	16.1%	28.5%	23.1%	18.8%
Cost of Services	(60.0)	(69.1)	(88.4)	(109.1)	(129.3)
Net Intermediation Revenues (NIR)	9.2	11.2	14.8	18.0	21.6
<i>NIR Margin*</i>	6.9%	10.3%	11.8%	12.3%	12.7%
Raw Materials	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)
Rental and lease expenses	(0.3)	(0.4)	(0.5)	(0.6)	(0.8)
Personnel Expenses	(6.6)	(7.0)	(7.5)	(8.0)	(8.5)
Other Operating Expenses	(0.2)	(0.2)	(0.2)	(0.2)	(0.2)
EBITDA	2.0	3.6	6.6	9.2	12.1
EBITDA margin (% NIR)	22%	32%	45%	51%	56%
<i>EBITDA margin (% VoP)</i>	2.9%	4.5%	6.4%	7.2%	8.0%
D&A and Provisions	(3.8)	(4.2)	(4.5)	(4.8)	(4.9)
EBIT	(1.8)	(0.6)	2.1	4.4	7.3
Financial Income and Expenses	(1.0)	(0.9)	(0.9)	(1.0)	(0.9)
EBT	(2.8)	(1.5)	1.2	3.4	6.4
Taxes	0.4	0.3	(0.3)	(1.0)	(1.8)
<i>Tax Rate</i>	-15.1%	-20.0%	-28.0%	-28.0%	-28.0%
Net Income	(2.4)	(1.2)	0.8	2.5	4.6

Source: KT&P's estimates; (*) Margin calculated net of capitalized costs as (Net Intermediation Revenues – Capitalized Costs) / (Value of Production – Capitalized Costs)

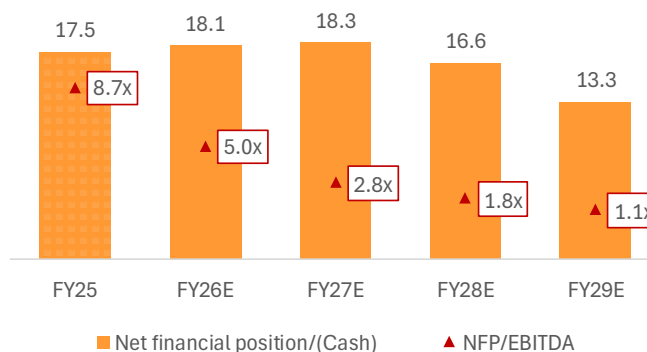
Capex Normalization and Deleveraging

The Group's net financial position is projected to increase modestly from €17.5mn at end-FY25 to approximately €18.1mn at end-FY26E, as the EBITDA contribution of €3.6mn is absorbed by capex of approximately €6.6mn, net financial expenses of €0.9mn, and a modest working capital absorption. FY26E therefore represents the last year of meaningful cash absorption, with free cash flow expected at approximately €(0.6)mn, before turning positive from FY27E and reaching approximately €3.3mn by FY29E as EBITDA scales and capex normalizes.

Capex is projected at approximately €6.6mn in FY26E, declining from €8.4mn in FY25, and is almost entirely intangible in nature, reflecting the continued but decelerating investment in HubCore.AI and related proprietary technology assets. The capex cycle peaked in FY24-FY25 as the primary platform development phase approaches completion, with internal development capabilities progressively replacing external providers.

Trade working capital is expected to remain a modest source of cash generation, consistent with the historical pattern of the business, where supplier settlement terms broadly mirror client collection cycles.

Net Financial Position and Leverage Trend (FY25–FY29E)



Source: KT&P's estimates

On the financing side, the December 2025 renegotiation of the Group's bond into a fixed 5.5% coupon with maturity extended to 2030 provides full visibility on the cost of debt through the explicit forecast horizon, eliminating refinancing risk over the plan period. Financial debt is projected to remain broadly stable at approximately €17-18mn through FY27E, before declining as free cash flow generation accelerates. The NFP/EBITDA ratio is projected to improve from 8.7x in FY25 to 5.0x in FY26E to below 3x by FY27E, with leverage normalizing to levels more consistent with the Group's operating profile as the investment cycle concludes.

FY25-29E Net Debt Bridges (€mn)

€ Million	FY25	FY26E	FY27E	FY28E	FY29E
EBITDA	2.0	3.6	6.6	9.2	12.1
Change in TWC	1.7	1.5	0.0	(0.4)	(1.1)
Other changes in WC	3.4	1.5	0.5	0.5	0.5
Taxes	-	0.3	(0.3)	(1.0)	(1.8)
Net financial income (expenses)	(1.0)	(0.9)	(0.9)	(1.0)	(0.9)
Other Adjustments	(1.0)	0.0	-	-	-
Operating Cash Flow	5.1	6.0	5.8	7.3	8.8
Capex	(8.4)	(6.6)	(6.1)	(5.6)	(5.6)
Change in Equity	0.9	-	-	-	-
Free Cash Flow	(2.3)	(0.6)	(0.2)	1.8	3.3
NFP Increase (decrease)	2.3	0.6	0.2	(1.8)	(3.3)
Begin NFP	15.2	17.5	18.1	18.3	16.6
End NFP	17.5	18.1	18.3	16.6	13.3

Source: KT&P's estimates

2025-2029E Balance Sheet (€mn)

€ Millions	FY25	FY26E	FY27E	FY28E	FY29E
Intangible	27.5	29.9	31.4	32.2	32.9
Tangible	0.2	0.2	0.2	0.2	0.2
Financial	0.9	0.9	0.9	0.9	0.9
Fixed Assets	28.6	30.9	32.4	33.2	33.9
Inventories	-	-	-	-	-
Trade receivables	13.7	16.8	23.2	30.5	38.4
Trade Payables	(18.4)	(23.0)	(29.5)	(36.4)	(43.1)
Trade Working Capital	(4.7)	(6.3)	(6.3)	(5.9)	(4.8)
Other assets and liabilities	(1.5)	(2.5)	(2.5)	(2.5)	(2.5)
Net Working Capital	(6.2)	(8.7)	(8.7)	(8.4)	(7.2)
Provisions	(0.9)	(1.3)	(1.8)	(2.2)	(2.7)
Net Capital Employed	21.5	20.9	22.0	22.7	24.0
Group shareholder Equity	4.0	2.8	3.6	6.1	10.7
Minorities	-	-	-	-	-
Total shareholders' equity	4.0	2.8	3.6	6.1	10.7
Cash & Cash Equivalents	(0.6)	(0.0)	(0.8)	(0.6)	(3.8)
Financial Debt	18.1	18.1	19.1	17.1	17.1
Net Financial Position	17.5	18.1	18.3	16.6	13.3
Sources	21.5	20.9	22.0	22.7	24.0

Source: KT&P's estimates

Valuation

Based on Destination Italia's FY26-29E projected financials, we performed a valuation of the company using two standard methodologies: market multiples and Discounted Cash Flow (DCF).

- Market Multiples (EV/EBITDA):** Using a peer group of Italian and international listed comparables operating in the incoming tourism and online travel industries, we applied the average FY25A–27E EV/EBITDA to DIT's forecasts. Specifically, the peers' average EV/EBITDA stands between 10.8x and 16.7x, depending on the reference year. A 20% liquidity/size discount was applied to account for the company lower market capitalization compared to peers (€5mn vs average of €440mn among peers). This approach returns an implied equity value of €22.2mn or €1.05 ps.

While EV/Sales multiples are presented for reference, we consider EV/EBITDA the more reliable primary valuation metric for our peer group. Revenue comparability is materially impaired by differences in revenue recognition across the sample, with certain peers reporting net commissions only while others, like Destination Italia, recognize revenues on a gross value basis (see *Peers Overview* section below). EV/EBITDA is not immune to accounting differences across frameworks, but the distortions are of a meaningfully smaller magnitude, providing a more consistent basis for cross-peer comparison.

- Discounted Cash Flow (DCF):** We projected Destination Italia's Free Cash Flows over the FY26E–FY29E period and discounted them using a WACC of 15.1% and a terminal growth rate of 3.0%. This approach returns an implied equity value of €28.1mn or €1.33 ps.

To calculate Enterprise Value, we use the FY25 Net Financial position of €17.5mn.

Valuation Recap

	Equity Value €mn	Value per share €
EV/EBITDA	22.2	1.05
DCF	28.1	1.33
Average	25.1	1.20

Source: KT&P's estimates, Factset consensus data

By averaging the outputs of both methodologies, we derive a fair equity valuation of €25.1mn, corresponding to a target price of €1.20 per share (rounded), and implying an EV/NIR multiple of 1.6x on FY26E Net Intermediation Revenues or 6.5x on FY27E EBITDA (which we consider the first year of a more mature EBITDA).

KT&Partners' Implied Multiples

	FY25A	FY26E	FY27E
EV/SALES implied	0.7x	0.6x	0.4x
EV/Net Intermediation Revenue implied	2.0x	1.6x	1.2x
EV/EBITDA implied	21.5x	12.0x	6.5x

Source: KT&P's estimates, Factset consensus data

Peers Overview

The peer group is composed of 7 listed companies selected to provide a comprehensive comparison across the Italian incoming tourism and online travel industries, covering both domestic and international markets. However, we highlight that none of the selected peers replicates Destination Italia's positioning as a B2B and B2C incoming tour operator combining tailor-made Italian experience assembly with a proprietary technology platform and adjacency businesses in SaaS and consulting, meaning we use them more as a reference group than a list of direct competitors.

From a geographical perspective, the sample includes 2 Italian listed peers (iGrandiViaggi on Euronext Milan, Emma Villas on Euronext Growth Milan), 3 European comparables (lastminute.com on SIX Swiss Exchange, eDreams ODIGEO on the Spanish Stock Exchange, trivago on Nasdaq with German headquarters), and 2 broader international listed players (TripAdvisor on Nasdaq, Helloworld Travel on the Australian exchange).

The selected peers share a broadly homogeneous profitability profile characterised by thin operating margins, and an asset-light business model. Taken together, they provide a meaningful reference base for understanding the valuation multiples that the market currently ascribes to travel technology and intermediation businesses at various stages of scale.

iGrandiViaggi and Emma Villas are the domestic comparables, operating as property-centric travel companies serving international clientele with Italian-based offerings. lastminute.com, eDreams ODIGEO, Helloworld Travel and TripAdvisor represent scaled OTA and travel distribution platforms with multi-channel reach, high booking volumes and recurring digital revenues. Trivago operates as a pure metasearch intermediary, monetising hotel price comparison traffic rather than fulfilling travel services directly.

The selected sample includes:

- **eDreams ODIGEO:** Listed on the Spanish Stock Exchange (EDR-ES) with a market capitalization of approximately €459mn, eDreams ODIGEO operates one of Europe's largest OTA platforms across 44 markets. The company has pioneered a subscription-led business model through its Prime program (over 7mn members as of today), offering annual memberships with discounted flights, hotels, packages, and car rentals. Revenue is generated through booking commissions, subscription fees, and advertising on its platforms. Comparable to DIT through its multi-brand European travel distribution platform and technology-driven approach to assembling travel products, with both serving B2C customers across multiple countries. In FY25, EDR reported €684mn of IFRS revenues, which are substantially net of supplier costs.
- **Emma Villas S.p.A.:** Listed on Euronext Growth Milan (EAV-IT) with a market capitalization of €9mn, Emma Villas is the Italian leader in vacation rental of prestigious villas and farmhouses. The company operates through an exclusive management model of over 650 properties across Italy, offering all-inclusive hospitality services including property management, concierge, and guest protection. The business model of Emma Villas is broadly comparable to that of DIT, as both are active in the Italian tourism sector, with a focus on curated, high-quality experiences for international travelers, leveraging exclusive supplier relationships. In FY25, EAV reported €42mn of OIC revenues, which are gross of the fee recognized to villas owners.

- **Helloworld Travel Ltd:** Listed on the Australian Securities Exchange (HLO-AU) with a market capitalization of €155mn, Helloworld Travel is Australia and New Zealand's largest network of independent travel agents and brokers, operating across three key business pillars: retail, wholesale, and inbound tourism. A degree of overlap with DIT emerges in Helloworld's multi-channel B2B distribution strategy targeting tour operators and travel agencies, even if its core operations are centered on a franchise network and wholesale distribution model. In FY25, HLO reported c.€110mn of revenues under AASB standards (equivalent to IFRS), representing net commissions and fees earned on a Total Travel Value of approximately €2.3bn
- **iGrandiViaggi S.p.A.:** Listed on Euronext Milan (IGV-IT) with a market capitalization of approximately €116mn, iGrandiViaggi operates through two business units, management and marketing of directly owned holiday villages (seven resorts in Italy, plus properties in Kenya, Maldives, Seychelles, and Zanzibar) and tour operator activities selling all-inclusive packages. A comparison with DIT is supported by iGrandiViaggi's positioning as an Italian listed leisure tour operator with international reach, serving B2C clients via a multi-brand approach, although its offering is concentrated on beach resort. In FY25, IFRS revenues were €67mn, recognized on a gross basis as the group directly operates owned resort properties.
- **Lastminute.com N.V.:** Listed on the SIX Swiss Exchange (LMN-CH) with a market capitalization of approximately €124mn, lastminute.com is a European OTA operating across B2C and B2B channels, offering dynamic holiday packages, flights, hotels, car rentals and ancillary services through brands including lastminute.com, Volagratis, Bravofly, Rumbo, Jetcost and Hotelscan. The company operates websites and mobile apps enabling travellers to search, compare and book across product categories. The business model presents alignment with Destination Italia through a multi-brand, technology-enabled platform serving international demand with packaged travel solutions. In FY25, gross revenues were €361mn.
- **TripAdvisor Inc:** Listed on Nasdaq (TRIP-US) with a market capitalization of approximately €1.2bn, TripAdvisor operates a global travel guidance platform with three segments, Experiences (Viator marketplace for tours and activities), Hotels (hotel metasearch and advertising), and TheFork (restaurant reservations). The Experiences segment, generating nearly 50% of revenue, operates as a B2C online marketplace for activities and tours with take rates on bookings. Hotels revenue comes from cost-per-click advertising and metasearch referrals. It shows alignment with DIT through a shared aggregation and distribution model targeting international customers, with TripAdvisor's Viator segment reflecting similar dynamics in the curation of local experiences and tours. In FY25, US GAAP revenues were €1,676mn, recognized on a net commission basis.
- **Trivago N.V. Sponsored ADR Class A:** Listed on Nasdaq (TRVG-US) with a market capitalization of approximately €1.126mn, Trivago operates as a pure hotel metasearch platform aggregating accommodation pricing from over 900,000 properties across multiple OTAs and direct hotel websites. Revenue is generated exclusively through a cost-per-click advertising model where booking platforms and hotels pay for user referrals. The platform aligns with DIT in its technology-enabled distribution function linking travelers to accommodation options, while maintaining a lighter-touch model centered on price comparison rather than full tour operating activities. In FY25, US GAAP revenues were €549mn, composed entirely of referral fees earned on a cost-per-click basis from OTAs and hotel advertisers.

Market Multiples Valuation

Following the comparables analysis, we proceeded with the definition of peers' market multiples focusing on FY25A-27E data.

Peer Comparison – Market Multiples 2025A-27E

Company Name	Exchange	Market Cap	Avg. EBITDA	Avg. EBITDA	CAGR	EV/EBITDA			EV/SALES		
			Margin (22-24)	Margin (25-27)	Sales (24-27)	2025	2026	2027	2025	2026	2027
eDreams ODIGEO	Spain	374	11%	18%	3.9%	4.5x	5.4x	5.6x	1.0x	0.9x	0.9x
Emma Villas S.P.A.	Milan	8	2%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
HelloWorld Travel Ltd	ASX	150	6%	31%	4.8%	2.4x	2.0x	1.9x	0.8x	0.6x	0.6x
iGrandiViaggi S.p.A.	Milan	110	4%	10%	6%	18.0x	14.4x	12.5x	1.5x	1.5x	1.4x
lastminute.com N.V.	SIX Swiss	152	5%	15%	10.7%	2.1x	1.9x	1.8x	0.3x	0.3x	0.3x
TripAdvisor, Inc.	NASDAQ	1,097	13%	17%	0%	4.8x	4.6x	4.2x	0.8x	0.8x	0.7x
trivago N.V. Sponsored ADR Class A	NASDAQ	1,187	9%	4%	13.4%	68.4x	49.1x	38.6x	2.0x	1.7x	1.6x
Average		440	7.2%	15.8%	6.6%	16.7x	12.9x	10.8x	1.1x	1.0x	0.9x
Median		152	5.7%	16.2%	5.5%	4.6x	5.0x	4.9x	0.9x	0.8x	0.8x
Destination Italia	Milan	5	-0.9%	4.9%	23.4%	14.1x	6.5x	3.6x	0.4x	0.3x	0.2x

Source: FactSet, KT&Partners' Elaboration

We apply the average FY25A–27E EV/EBITDA multiples of the selected peer group to DIT's forecasts, incorporating a 20% liquidity and size discount. Based on this approach, the EV/EBITDA method yields an average enterprise value of €50.3mn, which, after applying the discount and adjusting for FY25 NFP (€17.5mn) and minority interests (€0.5mn), results in an equity value of €22.2mn or €1.05ps.

While EV/Sales multiples are presented for reference, we consider EV/EBITDA the more reliable primary valuation metric for our peer group. Revenue comparability is materially impaired by differences in revenue recognition across the sample, with certain peers reporting net commissions only while others, like Destination Italia, recognize revenues on a gross value basis (see *Peers Overview* section above). EV/EBITDA is not immune to accounting differences across frameworks, but the distortions are of a meaningfully smaller magnitude, providing a more consistent basis for cross-peer comparison.

Multiple Valuation - EV/EBITDA

EV/EBITDA	Average		
Multiple Valuation (€mn)	2025E	2026E	2027E
EV/EBITDA Comps	16.7x	12.9x	10.8x
DIT EBITDA	2.0	3.6	6.6
Enterprise value	33.5	46.3	71.0
Average Enterprise value	50.3		
<i>Liquidity/Size Discount</i>	20%		
EV Post-Discount	40.2		
NFP / (Cash) FY24	17.5		
Minorities FY24	0.5		
Equity Value	22.2		
# shares (mn)	21.1		
Fair value per share	1.05		

Source: FactSet, KT&Partners' elaboration

DCF Valuation

We have conducted our valuation using a four-year DCF model, based on a 20.2% cost of equity, 6.6% cost of debt and a target capital structure with 33% debt. The cost of equity is a function of the risk-free rate of 3.6% (Italian 10y BTP), 5.5% equity risk premium (Damodaran's country risk premium for Italy) and a premium for size and liquidity of 9.1%. We therefore obtained 15.1% WACC.

We discounted FY26E-29E annual cash flows and considered a terminal growth rate of 3.0%; then we carried out a sensitivity analysis on the terminal growth rate (+/- 0.25%) and on WACC (+/- 0.25%).

DCF Valuation				
€ Millions	2026E	2027E	2028E	2029E
EBIT	(0.6)	2.1	4.4	7.3
Taxes	(0.2)	0.6	1.2	2.0
D&A	4.2	4.5	4.8	4.9
Change in Net Working Capital	2.5	0.0	(0.4)	(1.1)
Net Operating Cash Flow	6.0	7.2	10.0	13.0
Capex	(6.6)	(6.1)	(5.6)	(5.6)
FCFO	(0.6)	1.1	4.4	7.5
g	3.0%			
Wacc	15.1%			
FCFO (discounted)	(0.5)	0.9	3.1	4.5
Discounted Cumulated FCFO	7.9			
TV	64.0			
TV (discounted)	38.2			
Enterprise Value	46.1			
NFP FY25	17.5			
Minorities FY25	0.5			
Equity Value	28.1			
Current number of shares (mn)	21.1			
Value per share (€)	1.33			

Source: Company Data, KT&Partners' Elaboration

Sensitivity Analysis – Equity Value

€ Millions	Terminal growth Rate	WACC				
		15.6%	15.3%	15.1%	14.8%	14.6%
	2.5%	24.3	25.3	26.4	27.5	28.6
	2.8%	25.1	26.1	27.2	28.4	29.6
	3.0%	25.9	27.0	28.1	29.3	30.5
	3.3%	26.7	27.8	29.0	30.2	31.5
	3.5%	27.6	28.7	29.9	31.2	32.5

Source: KT&Partners' Elaboration

Reported ESRS Thematic Standards

Sustainability Check

In collaboration with ADvisory S.r.l.s., we conducted the analysis on Destination Italia's ESG themes. DIT publishes voluntarily, with no current CSRD or NFRD obligation. This is the second edition of the sustainability report, covering FY24, prepared in accordance with the GRI Standards ("in Accordance") on a consolidated group basis. A materiality analysis was conducted and validated by the Board on 27 April 2025. No external assurance is disclosed. DIT holds the UNI/PdR 125:2022 gender equality certification (86.75/100), the Travelife Partner sustainability recognition, and an SMS Hotel Check safety management certification.

DIT's materiality analysis, conducted via stakeholder questionnaire across nine categories, identified eight priority topics: health and safety, ethical conduct, climate change, territorial regeneration, community engagement, digital transformation, customer centrality, and circular economy. For an asset-light travel tech operator with no physical infrastructure of its own, the prioritisation is coherent: human capital and traveller safety drive reputational and operational risk; territorial regeneration and community engagement are existential to DIT's destination-driven model; and digital transformation underpins the entire value chain through Hubcore.AI. Environmental topics carry lower relative weight given the minimal physical footprint.

ESG Highlights 2024

Environment

- **Operational Footprint:** DIT's environmental footprint is asset-light by nature. Operational measures to contain indirect impacts include centralised procurement, elimination of single-use items, smart working and remote meetings to reduce commuting, energy-saving office settings, and organised waste separation. No quantitative emissions, energy, water, or waste metrics are disclosed.
- **Sustainable Tourism:** Train usage within the supply chain grew 5% YoY. Approximately 70% of FY24 experiences are located outside Italy's most congested destinations, contributing to anti-overtourism objectives.

Social

- **Workforce Demographics:** Total workforce reached 156 employees at 31 December 2024, up 27 units vs FY23; the workforce is 70% female (109 women, 47 men). 85% hold permanent contracts and 94% are full-time.
- **Training & Development:** 3,964 training hours were delivered across the group in FY24, covering safety (D.lgs. 81/08), coaching, leadership, and professional development.
- **Health & Safety:** Zero workplace accidents were recorded across all group entities in FY24, confirming the effectiveness of the D.lgs. 81/2008 safety management system.
- **Inclusivity & Reach:** DIT serves travellers from approximately 90 countries via around 650 active agencies and tour operators, covering 1,486 Italian municipalities. Dedicated procedures for travellers with disabilities are embedded in the service model.
- **Supply Chain Ethics:** The supply chain is 98% domestic (2,082 active suppliers); over 80% of suppliers were visited in the last two years under an ethical qualification programme.

Governance & Business

- **Board Structure:** DIT's Board comprises 5 members (average age: 53.2 years), including one independent director; the Chair is a woman. Statutory audit is conducted by Crowe Bompani S.p.A.
- **Gender Equality:** The group holds UNI/PdR 125:2022 gender equality certification (86.75/100), underpinned by a Gender Equality Policy adopted in 2022 and renewed in FY24.

- **Compliance & Ethics:** A whistleblowing procedure compliant with D.lgs. 24/2023 is in place, managed by an external independent officer.

DIT's ESG maturity is consistent with an early-stage voluntary reporter in asset-light travel tech, where Social and Governance dimensions carry the highest operational relevance. Governance oversight on sustainability is formalised through Board validation of the materiality analysis, a group-wide Code of Ethics, a Gender Equality Policy, and an externally managed whistleblowing channel. The UNI/PdR 125:2022 certification (86.75/100) and Travelife Partner recognition are the most credible external anchors of ESG commitment. Key initiatives include the Destination Local Expert network, the MEET Forum, and village regeneration projects in Italian borghi. The report lacks external assurance and quantitative environmental KPIs, the most evident gap in reporting maturity. ESG is explicitly embedded in the 2025 strategic plan alongside technology expansion and internationalisation.

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- ADD – FOR A FAIR VALUE > 15% ON CURRENT PRICE
- HOLD – FOR A FAIR VALUE < 15% AND > – 15% ON CURRENT PRICE
- UNDERPERFORM – FOR A FAIR VALUE < – 15% ON CURRENT PRICE



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