
ASMALLWORLD AG

Zürich

***Independent auditor's report
to the Board of Directors***

***on the combined financial
statements 2017, 2016 and
2015***





Independent auditor's report to the Board of Directors of ASmallWorld AG

Zürich

On your instructions, we have audited the accompanying combined financial statements of ASmallWorld AG and its subsidiaries (the Group), which comprise the balance sheet, income statement, statement of changes in equity, cash flow statement, and notes including a summary of significant accounting policies, for the years ended 31 December 2017, 2016 and 2015.

Board of Directors' responsibility

The Board of Directors is responsible for the preparation of the combined financial statements in accordance with Swiss GAAP FER. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of combined financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's responsibility

Our responsibility is to express an opinion on these combined financial statements based on our audit. We conducted our audit in accordance with Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the existence and effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the combined financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying combined financial statements of the Group for the years ended 2017, 2016 and 2015 give a true and fair view of the financial position, the results of the operations and the cash flows in accordance with Swiss GAAP FER.



Emphasis of matter – Basis of accounting

We draw attention to note 1 of the combined financial statements that describes that the Group has not operated as a separate group of entities before 19 December 2017. These combined financial statements are, therefore, not necessarily indicative of results that would have occurred if the Group had operated before 19 December 2017 as a separate group of entities. Our opinion is not qualified in respect of this matter.

PricewaterhouseCoopers AG

Thomas Wallmer

Audit expert

Remo Hegner

Audit expert

Zürich, 5 March 2018

Enclosure:

- Combined financial statements (balance sheet, income statement, statement of changes in equity, cash flow statement and notes)



**Combined Financial Statements
of ASW Group**

Financial Years 2015 / 2016 / 2017

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Combined income statement of ASW Group

in TCHF

	Notes	2017	2016	2015
Net sales from services	2	5'041.5	4'172.7	4'031.3
Other operating income	3	4.6	53.3	.0
Direct expenses for services rendered	4	-2'864.7	-1'758.4	-724.8
Personnel expenses	5	-1'981.8	-1'163.2	-862.8
Research and development expenses		-523.7	-549.1	-476.3
Depreciation of fixed assets	12	-33.7	-33.9	-73.7
Amortization of intangible assets	14	-634.5	-550.9	-449.1
Other operating expenses	6	-1'414.2	-1'404.7	-1'157.7
Operating result		-2'406.5	-1'234.2	286.8
Financial income	7	8.1	17.0	.0
Financial expenses	7	-52.4	-58.6	-50.6
Ordinary result		-2'450.7	-1'275.8	236.2
Income taxes	8	-196.8	8.4	-96.8
Net result		-2'647.4	-1'267.4	139.4

Combined balance sheet of ASW Group

in TCHF

	Notes	31 Dec 2017	31 Dec 2016	31 Dec 2015
Assets				
Cash	1.3	1'634.3	853.3	530.2
Receivables from services	9	288.9	183.3	32.3
Other short-term receivables	10	38.1	1.7	18.5
Prepayments and accrued income	11	615.4	12.4	3.9
Total current assets		2'576.7	1'050.8	585.0
Tangible fixed assets	12	108.4	139.3	122.9
Financial assets	13	149.8	346.3	287.9
Intangible assets	14	2'346.0	1'467.0	1'626.1
Total non-current assets		2'604.3	1'952.6	2'036.8
Total Assets		5'181.0	3'003.4	2'621.8
Liabilities and equity				
Short-term financial liabilities	15	1'132.1	.0	33.6
Payables from goods and services	16	181.8	199.4	192.1
Other short-term liabilities	17	207.2	340.9	338.7
Accrued liabilities and deferred income	18	2'456.7	1'321.3	1'445.4
Total current liabilities		3'977.8	1'861.7	2'009.7
Long-term financial liabilities	15	.0	1'807.9	1'093.8
Long-term provisions		.0	.0	2.0
Total non-current liabilities		.0	1'807.9	1'095.8
Total liabilities		3'977.8	3'669.5	3'105.5
Total equity (net assets)		1'203.2	-666.1	-483.7
Total liabilities and equity		5'181.0	3'003.4	2'621.8

Combined statement of changes in equity (net assets) of ASW Group

in TCHF

Equity as per 1 Jan 2015	-623.1
Capital increase	.0
Group result 2015	139.4
Dividends	.0
Change in the scope of combination	.0
Closing as per 31 Dec 2015	-483.7

Opening as per 1 Jan 2016	-483.7
Capital increase	1'100.0
Group result 2016	-1'267.4
Dividends	-15.0
Change in the scope of combination	.0
Closing as per 31 Dec 2016	-666.1

Opening as per 1 Jan 2017	-666.1
Capital increase	7'792.2
Group result 2017	-2'647.4
Dividends	.0
Change in the scope of combination	100.0
Offset of investments in subsidiaries with equity	-3'375.4
Closing as per 31 Dec 2017	1'203.2

Combined cash flow statement following the indirect method

in TCHF

	Notes	2017	2016	2015
Operating activities				
Net result		-2'647.4	-1'267.4	139.4
+ depreciation of tangible fixed assets	12	33.7	33.9	73.7
+ amortization of intangible assets	14	634.5	550.9	449.1
+/- increase/decrease of provisions that do not affect the fund		.0	-2.0	.0
+/- other expense/income that do not affect the fund		214.8	5.0	102.4
+/- decrease/increase of receivables from services		-105.5	-151.0	40.9
+/- decrease/increase of other receivables and prepayments and accrued income		-639.4	8.3	96.9
+/- increase/decrease of payables from goods and services		-17.6	7.4	-131.9
+/- increase/decrease of other short-term liabilities and accrued liabilities and deferred income		1'001.6	-110.5	-295.5
Operational cash flow		-1'525.3	-925.4	475.1
Investing activities				
- outflows for investment (purchase) of tangible fixed assets	12	-2.9	-50.3	-1.0
- outflows for investment of financial assets (rent deposit)		.0	-50.0	.0
- outflows for investment (purchase) of intangible assets	14	-361.4	-391.9	-595.3
Cash drain from investing activities		-364.3	-492.2	-596.3
Financing activities				
+ inflows from capital increase (including agio)		100.0	1'100.0	.0
- distribution of profits to holders of units of the capital		.0	-15.0	.0
+/- issuance/repayment of short-term financial liabilities	15	1'104.0	-9.1	-52.8
+/- issuance/repayment of long-term financial liabilities	15	1'438.6	689.3	10.7
Cash inflow/drain from financing activities		2'642.6	1'765.2	-42.1
Net change in net cash		752.9	347.6	-163.3
Opening balance of net cash 1 January		853.3	505.7	669.1
Closing balance of net cash as of 31 December		1'606.2	853.3	505.7
Net change in net cash		752.9	347.6	163.3

Notes

1 Summary of significant accounting policies

These combined financial statements of the ASW Group ("the Group") have been prepared in accordance with Swiss GAAP FER. In Swiss GAAP FER there are no specific guidelines regarding the preparation of combined financial statements. However, the entire framework has been applied as far as applicable.

The principal accounting policies applied in the preparation of these combined financial statements are set out below. These policies have been applied consistently in all the years presented, unless otherwise stated.

1.1 Basis of preparation

These financial statements were prepared for the purpose of integration in the prospectus for the initial listing of the shares of ASmallWorld AG as part of the financial disclosures required pursuant to the SIX Swiss Exchange Directive on the Presentation of a Complex Financial History in the Listing Prospectus.

As a result of a reorganization in December 2017 ASmallWorld AG purchased 100% of the shares of ASW Events AG, The World's Finest Clubs AG and ASW Travel AG from ASW Capital AG (the majority shareholder of ASmallWorld AG). These entities have been already under common control during the whole reporting period. This is the structure the Group is going to be listed in March 2018.

The combined financial statements of ASW Group have been derived from the aggregation of the net assets of ASmallWorld AG, ASW Events AG, The World's Finest Clubs AG and ASW Travel AG for the periods since 1.1.2015 although control was obtained only on 8.12.2017. All intra-group balances, income, expenses and unrealized gains and losses arising from transactions between companies belonging to the Group were eliminated when preparing the combined financial statements. In addition, the investments of the holding company of the Group were eliminated against the equity of the respective subsidiaries.

1.2 Foreign currency translation

1.2.1 Functional and presentation currency

The presentation currency of these combined financial statements is CHF, which is also the functional currency of all entities included.

1.2.2 Transactions and balances

Transactions in foreign currency are recorded and translated into CHF using the actual exchange rate (monthly average rates). The resulting translation differences are included in the income statement as exchange gains or losses.

Monetary assets and liabilities in foreign currencies are translated into the functional currency on the balance sheet date at the year-end rates of exchange. Non-monetary items are translated using the exchange rate prevailing on the transaction date. Translation differences are recorded in the income statement.

1.3 Cash

Cash includes money the Group holds with financial institutions that can be withdrawn without notice. The remaining term to maturity does not exceed 3 months. Bank current accounts with credit balances will be deducted from cash in the combined cash flow statement in order to indicate the change in the net cash amount in the reporting period.

1.4 Receivables from services and other short-term receivables

Receivables from services are short-term receivables resulting from normal business activities. Other short-term receivables are all other receivables that have a remaining life of up to one year as of the balance sheet date.

All receivables are stated at nominal value less provision for bad debt, which is calculated on the basis of an individual assessment of the receivables. Each receivable are valued individually (single allowance for doubtful accounts). There is no general allowance for doubtful debts.

1.5 Prepayments and accrued income

Prepayments and accrued income are expenses that belong to the new financial year but which have been paid in the prior financial year (deferred expense; e.g. rent) and income that belongs to the previous financial year but which is received only in the new financial year (accrued income; e.g. subscription income).

Accruals and deferrals are recorded at nominal or actual values.

1.6 Tangible fixed assets

Tangible fixed assets are valued at acquisition or production cost less accumulated depreciation. Depreciation is calculated using the straight-line method over the estimated useful life of the asset. Estimated useful lives are as follows:

Asset class	useful lifetime
Hardware and equipment	3 years
Furniture (other tangible fixed assets)	5 years
Works of art (other tangible fixed assets)	10 years

In exchange of media services the Group received product supplies which were classified as works of art.

1.7 Financial Assets

Financial assets consist mainly of deferred tax assets.

Deferred income tax is recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying value for reporting purposes, using the currently enacted tax rates on an entity level. Movements in the deferred tax provision are included in the tax position in the income statement (see note 8). Deferred taxes for temporary differences are only capitalized when in all probability future taxes on profits can be offset. In accordance with Swiss GAAP FER no deferred tax assets are recognized for tax losses carried forward.

1.8 Intangible Assets

This line item includes intellectual property rights as well as capitalized development cost for ASmallWorld and World's Finest Clubs web platforms as well as the ASmallWorld Android and iOS mobile applications.

Capitalized development costs of web platforms and ASW mobile apps are based on the work effort supplied by contractors or other third party suppliers. This work effort must be directly linked to the development of a certain platform module or app release. There is no capitalization of administration hours nor efforts spending in bug fixing and maintenance.

Capitalized and identifiable intangible assets are measured at historical cost less amortization required. Amortization must be applied on a straight-line basis over the useful economic life. The usual, uniformly, established useful lives are as follows:

Asset class	useful lifetime
Development Cost	5 years
Intellectual property rights (trademarks and customer lists)	5 years

The recoverable amount of the intangible assets is subject to an impairment test at least once a year, provided that the asset has not yet been used or if there are any indications of impairment over the course of the year. Intangible assets are tested for impairment as soon as there are any indications of impairment. The amortization period, the residual values and amortization method of an intangible asset are reviewed regularly, at least at the end of each financial year.

1.9 Business combinations and goodwill

Business combinations are accounted for using the acquisition method. Consideration transferred comprises payments in cash as well as the fair value of the assets transferred, the obligations entered into or assumed and the equity instruments transferred. Transaction costs are recognized directly in profit or loss.

Any surplus of acquisition cost over the newly valued net assets are offset with equity (see also 1.1). Hence, there is no goodwill accounting applied within these combined financial statements.

In case of an acquisition of an entity under common control there is no revaluation of the Swiss GAAP FER book values.

1.10 Liabilities

Liabilities are recognized at their nominal values.

1.11 Provisions

Provisions are recognized if an event in the past gives rise to a justified, likely obligation which is of uncertain timing and amount, but which can be estimated reliably. Provisions are measured on the basis of the estimated amount of money required to satisfy the obligation.

1.12 Contingent liabilities

The probability and the potential economic impact of contingent liabilities are assessed at each balance sheet date. Based on that assessment, contingent liabilities are evaluated and disclosed in the notes. There are no contingent liabilities as per balance sheet date.

1.13 Leasing

Finance Lease: A lease contract is classified as a finance lease when the Group bears practically all the risks and benefits associated with the ownership of the leasing object. At the beginning of the contract period, the lower of the market value of the leased object or the net cash value of the future leasing payments are accounted for as both non-current assets and liabilities. Each leasing payment is divided into a principal and interest component. The latter will be directly booked as an expense in the income statement. Capitalized leased objects are depreciated over their estimated useful life or over the shorter term of the contract.

Operating Lease: A lease contract is classified as an operating lease when a significant part of the risks associated with the ownership remains with the lessor. Payments for operating lease contracts will be booked evenly in the income statement as an expense over the term of the contract. Operating lease contracts which can not be terminated within one year are disclosed in the notes to these combined financial statements.

1.14 Revenue recognition

In general, income is recognized, if a service has been performed or a tangible or intangible asset has been delivered and benefits and risks as well as the authority to dispose of the property have been assigned to the purchaser.

Revenues from the sale of services are recorded in the accounting period in which the service is provided. If a service is rendered over a certain contractual duration, revenue is recognized on a straight-line basis over this period.

Overview of the main revenue streams and corresponding recognition

1.14.1 Income from sale of memberships and revenue from partnerships (subscription segment)

(Standard) subscription income: Sale of ASW membership fees valid for one year (for approx. CHF 100). Sales are realized monthly over 12 months. The Membership allows to use the web platform and mobile app of ASW including all services, benefits and privileges.

Premium membership income: Sale of premium memberships. In case of delivery of goods (as part of a package), revenue will be recognized when risks and rewards as well as the power of disposition are transferred to the purchaser. In case of rendered services, revenue will be recognized when services are provided (at a certain time or straight-line over a contractual duration).

Privilege & Partnership income: Provider of benefits and privileges on the ASW website have the possibility to present their products or services (regarded as sponsored content and not as advertisement in a narrow sense). Revenue is recognized on a straight-line basis over the contractual duration.

The World's Finest Clubs Membercard private & corporate: Revenue from The World's Finest Clubs membercards is realized over the period for which the card is valid (straight-line, usually over one year).

1.14.2 Income from services, e.g. events and travel organization (services segment)

Event ticketing & event ticketing fee: Tickets for ASW events (including a fee if tickets are sold through the ASW platform) are related to specific, single events and revenue is recognized when the event took place.

Event sponsorship: Sponsorship in this category is clearly allocated to one event and revenue is recognized when the event took place.

Travel organization: Mainly revenue through organizing tailor-made trips (flight and accommodation). Revenue is recognized in line with consumption of services by clients.

Comments on the combined income statement and the combined balance sheet
2 Segment information

Top management level steers the business with two operating segments (following the legal entity structure):

- Segment "Subscriptions": Consists of legal entities ASmallWorld AG and The World's Finest Clubs AG
- Segment "Services": Consists of the legal entities ASW Events AG and ASW Travel AG

	2017	2016	2015
Net revenues by segment			
Subscriptions	2'850.4	3'361.0	3'390.6
Services	2'191.1	811.7	640.7
Net sales from services	5'041.5	4'172.7	4'031.3

	2017	2016	2015
Net operating result by segment			
Subscriptions	-2'286.4	-1'230.3	237.7
Services	-120.1	-4.0	49.1
Net operating result	-2'406.5	-1'234.2	286.8

For an explanation of the most important sources of revenue and their recognition see note 1.14.

3 Other operating income

	2017	2016	2015
Income from services	4.6	20.0	.0
Income from sale of goods	.0	33.3	.0
Total	4.6	53.3	.0

4 Direct expenses for services rendered

	2017	2016	2015
Event costs/event sponsorship/cost for travel services	1'889.2	691.6	528.9
Digital marketing	672.1	573.4	49.2
Cost for member privileges	181.2	379.7	.0
Merchant account fees	81.0	73.1	86.5
Production cost membercards and club labels	36.7	25.4	30.1
Other direct expenses for services rendered	4.6	15.2	30.2
Total direct expenses for services rendered	2'864.7	1'758.4	724.8

5 Personnel expenses

	2017	2016	2015
Wages and salaries	1'738.5	994.2	760.4
Social security expenses	195.3	104.3	83.5
Other personnel expenses	47.9	64.7	18.8
Total personnel expenses	1'981.8	1'163.2	862.8

6 Other operating expenses

	2017	2016	2015
Charges for personnel expenses from affiliated companies	.0	292.4	640.1
Consulting fees	469.3	467.5	211.2
Advertising and public relations	216.2	220.6	8.4
Rent	202.5	95.4	70.8
IT expenses	128.2	96.0	100.3
Public fees and charges	143.3	43.0	25.2
Audit and legal fees	111.2	34.3	36.9
Maintenance, office supplies, postage	70.0	67.1	29.5
Insurance	13.0	13.7	9.4
Travel expenses	53.1	25.1	25.6
Other operating expenses	7.4	49.7	.5
Total other operating expenses	1'414.2	1'404.7	1'157.7

7 Financial result

	2017	2016	2015
Foreign currency gains	8.1	17.0	.0
Total financial income	8.1	17.0	.0
Interest expense third parties and bank charges	25.4	23.1	15.8
Interest expense related parties	18.5	13.3	10.0
Foreign currency losses	8.4	22.1	24.8
Total financial expense	52.4	58.6	50.6
Total financial result	-44.2	-41.6	-50.6

8 Income taxes

	2017	2016	2015
Current income taxes	-3	.0	-4.5
Deferred income taxes	-196.5	-8.4	-92.3
Total income taxes	-196.8	-8.4	-96.8

The average tax rate used to calculate deferred taxes was 21% in all reporting periods.

In accordance with Swiss GAAP FER no deferred tax assets are recognized for tax losses carried forward.

	2017	2016	2015
Unrecognized deferred taxes on tax losses carried forward	991.6	315.3	64.5

9 Receivables from services

	2017	2016	2015
From third parties	287.9	183.3	32.3
From related parties	1.0	.0	.0
Value adjustments	.0	.0	.0
Total receivables from services	288.9	183.3	32.3

10 Other short-term receivables

	2017	2016	2015
From third parties	18.3	1.7	18.5
From related parties	19.8	.0	.0
Value adjustments	.0	.0	.0
Total other short-term receivables	38.1	1.7	18.5

11 Prepayments and accrued income

	2017	2016	2015
Advance payments from clients	604.4	.0	.0
Other accrued income	11.0	12.4	3.9
Total prepayments and accrued income	615.4	12.4	3.9

12 Tangible fixed assets

	Hardware & Equipment	Other tangible fixed assets	Total tangible fixed assets
Purchase cost 1 January 2017	206.5	169.2	375.7
Additions	2.9	.0	2.9
Purchase cost 31 December 2017	209.4	169.2	378.6
Cumulative depreciation 1 January 2017	-174.8	-61.6	-236.4
Scheduled depreciation	-14.5	-19.2	-33.7
Cumulative depreciation 31 December 2017	-189.3	-80.8	-270.2
Net carrying amount 31 December 2017	20.1	88.3	108.4
Of which, financial leasing	.0	.0	.0
Purchase cost 1 January 2016	174.8	150.6	325.4
Additions	31.8	18.5	50.3
Purchase cost 31 December 2016	206.5	169.2	375.7
Cumulative depreciation 1 January 2016	-157.1	-45.5	-202.5
Scheduled depreciation	-17.8	-16.1	-33.9
Cumulative depreciation 31 December 2016	-174.8	-61.6	-236.4
Net carrying amount 31 December 2016	31.7	107.6	139.3
Of which, financial leasing	.0	.0	.0

12 Tangible fixed assets (continued)	Hardware & Equipment	Other tangible fixed assets	Total tangible fixed assets
Purchase cost 1 January 2015	174.4	150.0	324.4
Additions	.4	.6	1.0
Purchase cost 31 December 2015	174.8	150.6	325.4
Cumulative depreciation 1 January 2015	-98.8	-30.0	-128.8
Scheduled depreciation	-58.2	-15.5	-73.7
Cumulative depreciation 31 December 2015	-157.1	-45.5	-202.5
Net carrying amount 31 December 2015	17.7	105.2	122.9
Of which, financial leasing	8.4	.0	8.4

Other tangible assets consist of works of art (purchase cost of TCHF 146 and depreciated over 10 years on a straight line basis since January 2013) and furniture.

13 Financial assets	2017	2016	2015
Deferred tax assets	99.8	296.3	287.9
Rent deposit	50.0	50.0	.0
Total	149.8	346.3	287.9

14 Intangible assets

	Intellectual property	Development costs	Total intangible assets
Purchase cost 1 January 2017	.0	3'002.6	3'002.6
Additions	1'152.0	361.4	1'513.4
Purchase cost 31 December 2017	1'152.0	3'364.0	4'516.0
Cumulative amortization 1 January 2017	.0	-1'535.5	-1'535.5
Scheduled amortization	.0	-634.5	-634.5
Cumulative amortization 31 December 2017	.0	-2'170.0	-2'170.0
Net carrying amount 31 December 2017	1'152.0	1'194.0	2'346.0
Of which, acquired intangible assets	1'152.0	1'194.0	2'346.0

The purchase of intellectual property was financed with a vendor loan which was converted into equity in December 2017

Purchase cost 1 January 2016	.0	2'610.7	2'610.7
Additions	.0	391.9	391.9
Purchase cost 31 December 2016	.0	3'002.6	3'002.6
Cumulative amortization 1 January 2016	.0	-984.6	-984.6
Scheduled amortization	.0	-550.9	-550.9
Cumulative amortization 31 December 2016	.0	-1'535.5	-1'535.5
Net carrying amount 31 December 2016	.0	1'467.0	1'467.0
Of which, acquired intangible assets	.0	1'467.0	1'467.0

14 Intangible assets (continued)

	Intellectual property	Development costs	Other intangible assets
Purchase cost 1 January 2015	.0	2'015.4	2'015.4
Additions	.0	595.3	595.3
Purchase cost 31 December 2015	.0	2'610.7	2'610.7
Cumulative amortization 1 January 2015	.0	-535.5	-535.5
Scheduled amortization	.0	-449.1	-449.1
Cumulative amortization 31 December 2015	.0	-984.6	-984.6
Net carrying amount 31 December 2015	.0	1'626.1	1'626.1
Of which, purchased intangible assets	.0	1'626.1	1'626.1

15 Financial liabilities

	2017	2016	2015
Bank current account	28.1	.0	24.5
Short-term loans from related parties	1'104.0	.0	.0
Leasing liabilities	.0	.0	9.1
Total current financial liabilities	1'132.1	.0	33.6
Long-term loans from related party	.0	1'807.9	1'093.8
Total non-current financial liabilities	.0	1'807.9	1'093.8
Total financial liabilities	1'132.1	1'807.9	1'127.3

	2017	2016	2015
Remaining life			
2-5 years	.0	1'807.9	1'093.8
More than 5 years	.0	.0	.0
Total non-current financial liabilities	.0	1'807.9	1'093.8

Conditions:

- Bank current account: Credit line with a major Swiss bank at an interest rate of 6.5%.
- Leasing liabilities: Leasing of Hardware (servers) at an interest rate of 6%.
- Short-term loans from related parties: Mainly a loan in CHF from ASW Capital AG (majority shareholder) which was paid back in early January 2018. Furthermore a prepayment of a vendor invoice from another related party.
- Long-term loan from related party: Loan in CHF from ASW Capital AG (majority shareholder) at an interest rate of 0.75% in 2017 and 1% in 2016 and 2015. In December 2017 converted into equity.

16 Payables from goods and services

	2017	2016	2015
From third parties	181.8	199.4	192.1
From related parties	.0	.0	.0
Total payables from goods and services	181.8	199.4	192.1

17 Other short-term liabilities

	2017	2016	2015
From third parties	177.0	136.3	106.1
From related parties	30.2	204.7	232.6
Total other short-term liabilities	207.2	340.9	338.7

18 Accrued liabilities and deferred income

	2017	2016	2015
Deferred income (subscriptions revenue recognition)	1'363.7	1'249.3	1'366.4
Advance payments from clients for travel arrangements	830.6	.0	.0
Consulting fees	68.1	.0	.0
Issuance stamp	77.9	.0	.0
Taxes, audit, miscellaneous	116.3	72.0	79.0
Total accrued liabilities and deferred income	2'456.7	1'321.3	1'445.4

19 Pension fund

The employees of the Group are insured under collective pension plans. Consequently, due to its joint and several nature, the information to be disclosed cannot be determined on the basis of the individual participation agreement. The level of coverage of the collective plan as a whole, however, amounted to 115% as per 31 December 2017.

	2017	2016	2015
Surplus / Deficit according Swiss GAP FER 26	.0	.0	.0
Economic benefit / obligation at balance sheet date	.0	.0	.0
Change to prior year or charge to income current year	.0	.0	.0
Contributions for the period	45.3	21.1	13.7
Pension plan expenses in personnel expenses	45.3	21.1	13.7

20 Transactions with related parties

Transactions with related parties consist of normal business transactions under normal market conditions.

Transactions with related parties	2017	2016	2015
Sale of services to related parties	51.9	38.9	.0

The corresponding balances from receivables and payables are disclosed separately in the accompanying financial statements.

Furthermore see notes 1.1 and 22 regarding the acquisition of The World's Finest Clubs AG, ASW Events AG and ASW Travel AG from ASW Capital AG.

21 Off-balance sheet leasing (rental obligation)

	2017	2016	2015
1 to 2 years	321.4	321.4	.0
3 to 5 years	281.2	441.9	.0
Total off-balance sheet leasing/rental obligation	602.6	763.2	.0

22 Scope of combination

The combined financial statements include ASmallWorld AG and the companies under its control (as per 31 December 2017).

Company	balance sheet date
ASW Events AG, Zurich, Switzerland	31.12.
The World's Finest Clubs AG, Zurich, Switzerland	31.12.
ASW Travel AG, Zurich, Switzerland	31.12.

The information stated in the table above is applicable for the business years 2015, 2016 and 2017 except for ASW Travel AG which was founded as per 17 July 2017. As per 31 December 2017 ASmallWorld AG owns 100% of all three subsidiaries.

Acquisitions in the reporting period

The World's Finest Clubs AG, Zurich: Assets of TCHF 204 and liabilities of TCHF 372 acquired in December 2017 from ASW Capital AG for a purchase price of TCHF 3'175.

ASW Events AG, Zurich: Assets of CHF TCHF 288 and liabilities of CHF TCHF 177 acquired in December 2017 from ASW Capital AG for a purchase price of TCHF 100.

ASW Travel AG, Zurich: Assets of TCHF 855 and liabilities of TCHF 900 acquired in December 2017 from ASW Capital AG for a purchase price of TCHF 100.

23 Going Concern

The liquidity position of the company has been strengthened after year end through two capital increases of total TCHF 1'450 in January and February 2018 (see also note 24). Furthermore the majority shareholder (ASW Capital AG) has granted a credit line of TCHF 5'000 to the company to finance the 5-year growth strategy. Based on these measures, the board of directors has no basis to doubt the continuation of the business activity.

There is a risk should ASW Capital AG not perform its commitments according to the loan agreement in place.

24 Events occurring after the balance sheet date

ASMALLWORLD AG repaid a short-term loan of TCHF 1'000 in early January and carried out capital increases of TCHF 1'000 in January 2018 and TCHF 450 in February 2018.

No further significant events occurred after the balance sheet date of 31.12.2017. Events after the balance sheet date were considered until 6 March 2018. On this date, the financial statements were approved by the Board of Directors of ASMALLWORLD AG.