



ASMALLWORLD

FULL YEAR RESULTS 2018

19TH MARCH 2019

ABOUT THE ASMALLWORLD GROUP

ASMALLWORLD is a **SOCIAL NETWORK FOR THE DISCERNING TRAVELLER.**

We aim to build a comprehensive **TRAVEL & LIFESTYLE ECOSYSTEM**
which enables and inspires our members to
MAKE NEW CONNECTIONS, TRAVEL BETTER, AND EXPERIENCE MORE.

THE ASW TRAVEL & LIFESTYLE ECOSYSTEM

TRAVEL- & LIFESTYLE-FOCUSSED COMMUNITY GENERATES DEMAND FOR OUR SERVICE BUSINESSES

COMMUNITY



**A social network
for the discerning traveller**

Connects and engages an affluent audience who have a high willingness to spend on travel and experiences

Generates subscription revenue based on annual membership fees

Traffic and sales for service businesses

TRAVEL & LIFESTYLE SERVICES

Events and experiences



Luxury travel offers and loyalty programme strategies



VIP access to the world's best nightlife venues



Online travel agency with luxury hotel focus



Tailored travel arrangements



Hotel collection



Businesses generate service and subscription revenue;
Potential to add more businesses and/or engage in 3rd party partnerships

AGENDA

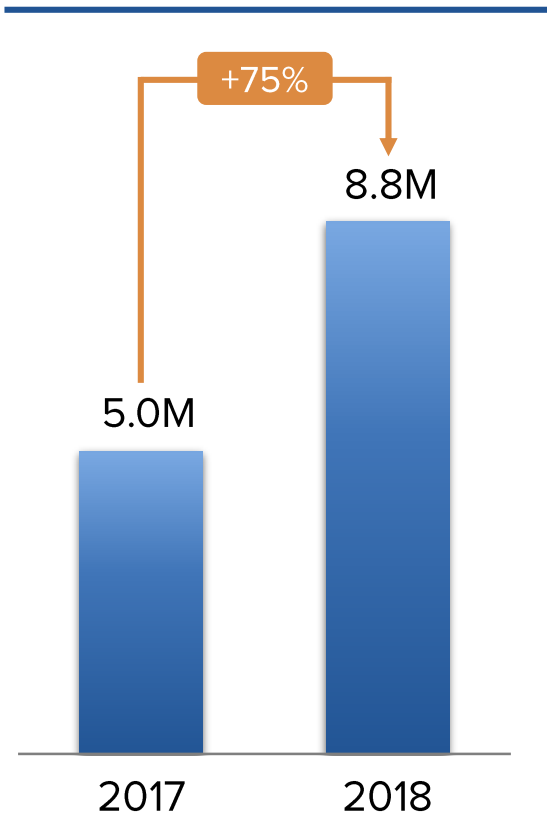
- OVERVIEW OF 2018 PERFORMANCE
- SUBSCRIPTIONS SEGMENT
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- CONSOLIDATED FINANCIALS
- OUTLOOK 2019



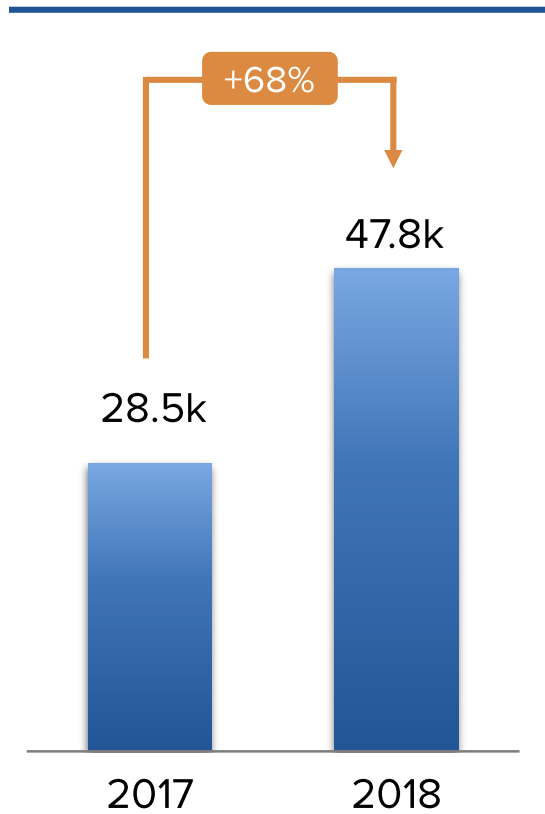
A YEAR OF STRONG REVENUE AND MEMBER GROWTH

GUIDANCE SIGNIFICANTLY EXCEEDED

REVENUE



MEMBERS



- **A YEAR OF ROBUST GROWTH** across the entire business
- Result **SIGNIFICANTLY EXCEEDED INITIAL REVENUE GUIDANCE** of CHF 6.5 to 7.0M
- Growth was primarily driven by:
 - **STRONG OPERATIONAL PERFORMANCE** across both business units Subscriptions and Services
 - Acquisition of **FIRST CLASS & MORE IN Q4**
- Continued growth expected in 2019; **REVENUE GUIDANCE OF CHF 12.0 TO 12.5M** (+35 to 40%)

OPERATIONAL HIGHLIGHTS 2018

WE STRENGTHENED THE COMPANY AND CONTINUED TO EXPAND THE ASMALLWORLD ECOSYSTEM

- **WENT PUBLIC ON SIX SWISS EXCHANGE** as first listed social media company in Switzerland on March 20th
- **RAISED OVER CHF 18M** in two capital increases with institutional investors since listing
- Hauck & Aufhäuser initiated **RESEARCH COVERAGE**
- Launched travel-oriented **PREMIUM MEMBERSHIPS** on May 3rd to broaden membership tiers in partnership with Miles & More, Etihad and other partners
- Acquired **FIRST CLASS & MORE** on October 5th, a subscription-based travel service, with strong revenue synergies
- Elected **ALEXANDER KOENIG** to the Board of Directors who will continue to manage First Class & More and lead the international expansion in 2019
- Improved the **USER EXPERIENCE** for our app and website users through regular upgrades (new event pages, new city guides, streamlined discussion functionality, etc.)

FINANCIAL RESULTS 2018

A YEAR OF STRONG GROWTH ACROSS THE ENTIRE BUSINESS

- **ROBUST REVENUE GROWTH OF 75%**, from CHF 5.0M to CHF 8.8M, significantly exceeding the initial revenue guidance of CHF 6.5 to 7.0M
- **MEMBER GROWTH OF 68%** to 47'800 and **ARPU INCREASED BY 17%** from to CHF 231
- **EBITDA MARGIN IMPROVED TO -26%** (vs. -34% in previous year), but was impacted by costs for the going-public and M&A activity (CHF 0.7M) and share-based compensation (CHF 0.9M)
- **OPERATING CASH FLOW IMPROVED** to CHF -1.1M, vs. -1.5M in previous year
- End of year **CASH POSITION OF CHF 6.1M**

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SUBSCRIPTIONS BUSINESS

STRONG GROWTH DUE TO MEMBER GROWTH, PREMIUM MEMBERSHIPS AND FIRST CLASS & MORE

In CHF	2018	2017	CHANGE
REVENUE	5.4M	2.8M	+88%
EBITDA	-1.8M	-1.3M	+32%
EBITDA MARGIN	-33%	-47%	+14%-pt.


- Launch of **PREMIUM MEMBERSHIPS**, Prestige and Signature
- Acquisition of **FIRST CLASS & MORE** in Q4 contributed to revenue and Group member growth (+10'000 paying members)
- **INVESTMENTS IN APP AND WEBSITE** made meaningful difference to user experience
- **DIGITAL MARKETING** push and external **PARTNERSHIPS** drove member acquisition

PREMIUM MEMBERSHIPS SUCCESSFULLY LAUNCHED

LAUNCHED TWO NEW MEMBERSHIP TIERS WITH COMPREHENSIVE TRAVEL PRIVILEGES IN MAY

TWO COMPREHENSIVE OFFERINGS

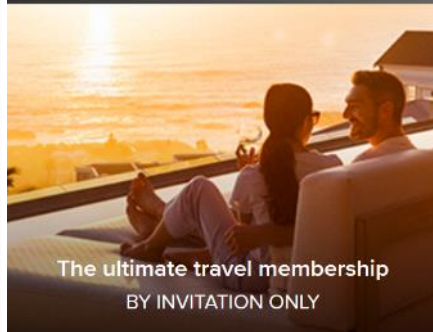
PRESTIGE
5,200 EUR



Travel the world in style

SELECT

SIGNATURE
21,950 EUR ⓘ



The ultimate travel membership
BY INVITATION ONLY

SELECT

	PRESTIGE	SIGNATURE
All benefits of an ASMALLWORLD membership	✓	✓
Access to 1,000+ exclusive events per year	✓	✓
Preferential access to select events	✓	✓
Subscription period	1 year	1 year
Miles (Miles & More or Etihad Guest)	250,000 Miles (Miles & More or Etihad)	1,000,000 Miles (Etihad Guest only)
ASW-exclusive partner privileges ^	Prestige	Signature
The World's Finest Clubs	Premium Membership	Premium Membership
DragonPass (lounge access)	Prestige Plan	Prestige Plan
SIXT	Platinum	Diamond
Global Hotel Alliance	Black	Black
Mr & Mrs Smith	SilverSmith	GoldSmith
Jumeirah Sirius	Silver	Gold

SALES TARGET ACHIEVED DUE TO STRONG OFFER

WE PARTNERED WITH STRONG BRANDS FOR THE PREMIUM MEMBERSHIPS; SALES TARGET ACHIEVED

PRIVILEGE PARTNERS

Partner of
Miles & More

ETIHAD
GUEST

SIXT
rent a car

 global
hotel
alliance

 THE WORLD'S
FINEST CLUBS

DRAGONPASS 

 Mr & Mrs Smith

Jumeirah[™]
HOTELS & RESORTS

- Partnered with **STRONG BRANDS** to offer two comprehensive travel memberships
- Both tiers includes **TRAVEL PRIVILEGES** at hotels, airport lounges, mobility partners, and for the global nightlife
- Members also receive **UP TO 1 MILLION MILES** from Miles & More or Etihad Guest which can be redeemed on flights
 - **PRESTIGE**: 250,000 miles from Miles & More or Etihad Guest
 - **SIGNATURE**: 1 million miles from Etihad Guest
- **SALES TARGET ACHIEVED**: 0.5% of ASW member base are premium membership customers

ACQUIRED FIRST CLASS & MORE

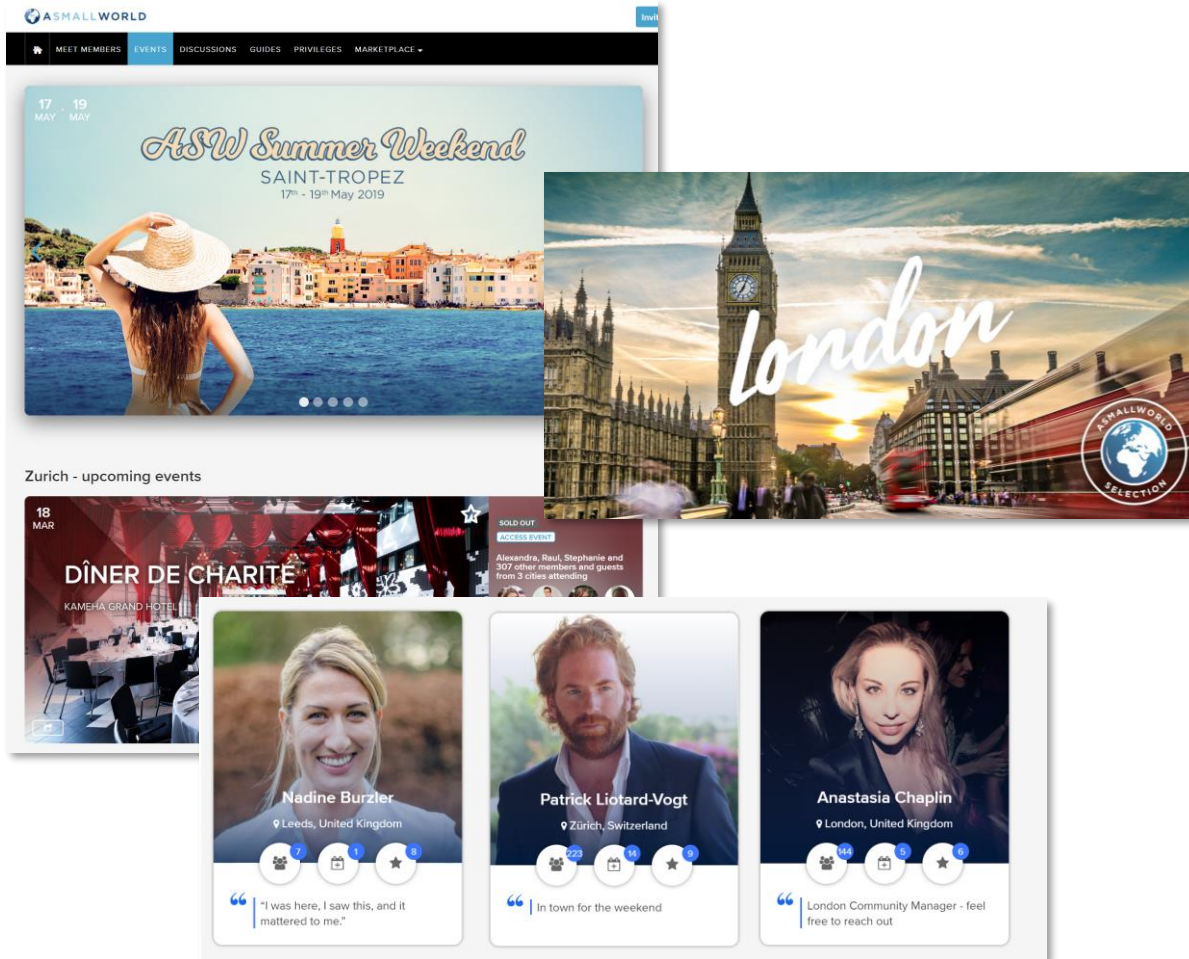
A SUBSCRIPTION-BASED LUXURY TRAVEL ADVISORY SERVICE WITH STRONG REVENUE SYNERGIES



- Leading German-speaking **INSIDER PORTAL FOR LUXURY TRAVEL** and the use of airline and hotel loyalty programs
- Three **ANNUAL MEMBERSHIPS** which provide access to travel deals, insider knowledge and advisory services:
 - Gold: EUR 59/year
 - Platinum: EUR 199/year
 - Diamond: EUR 999/year
- Over **10'000 PAID ANNUAL SUBSCRIPTIONS** and over **60'000** newsletter subscribers
- Highly **PROFITABLE BUSINESS**
- Offers strong **REVENUE SYNERGIES** with the travel-savvy **ASMALLWORLD** community

CONTINUOUS USER EXPERIENCE IMPROVEMENTS

INVESTMENTS IN APP AND WEBSITE MADE MEANINGFUL DIFFERENCE TO USER EXPERIENCE



- Continuously **IMPROVED APP AND WEBSITE**
- **EVENTS SECTION** redesigned for ease of use and visual presentation
- **CITY GUIDES** redesigned and recommendations updated to provide a shortlist of hotspots tailored to our members' needs
- **MEMBER CARDS AND PROFILES** updated to create a more visual experience when browsing member profiles
- Full **GDPR COMPLIANCE** established, including right to delete all user data
- **MULTIPLE SMALLER IMPROVEMENTS** to improve ease of use

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SERVICES BUSINESS

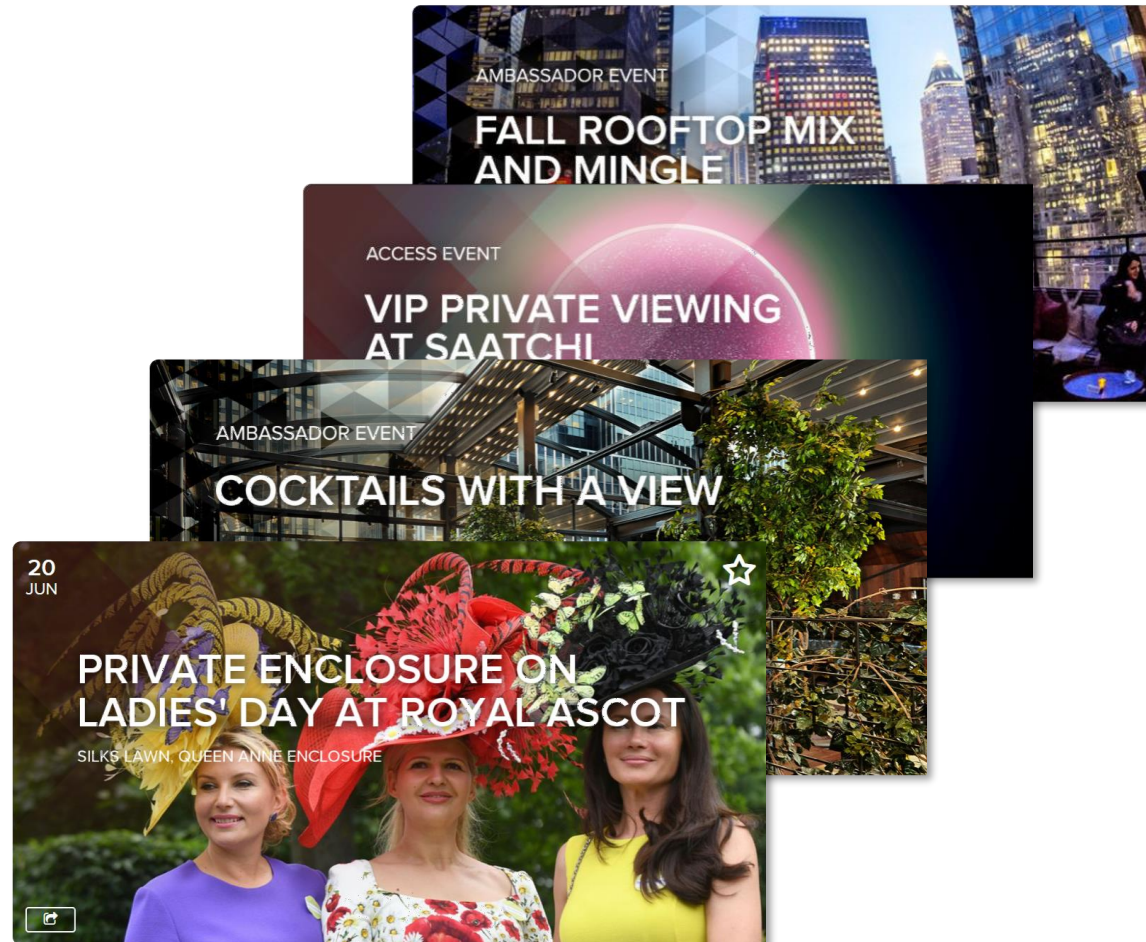
STRONG SALES GROWTH DUE TO MORE EVENTS AND INCREASED TRAVEL ACTIVITY

In CHF	2018	2017	CHANGE
REVENUE	3.5M	2.2M	+58%
EBITDA	-0.5M	-0.4M	+32%
EBITDA MARGIN	-15%	-18%	+14%-pt.

- **EVENTS INCREASED BY 30%** compared to the previous year
- **SHARE OF PAID EVENTS** increased (vs. free events)
- **“ENDLESS SUMMER EVENT”** in Marbella introduced as third Flagship along with to Gstaad and Saint-Tropez
- **TRAVEL BUSINESS ACTIVITY INCREASED** through the offer of personalised travel arrangements

INCREASED NUMBER OF EVENTS AND CONTRIBUTION

MORE AND MORE PAID EVENTS IN 2018



- **EVENTS INCREASED BY 30%** compared to the previous year
- **NUMBER OF AMBASSADORS** organising events increased by 27%
- Record total of **1'425 REQUESTS RECEIVED** to become Ambassadors
- **RSVPs** to events increased by 14%
- **SHARE OF PAID EVENTS** increased by 11%-pt.

FIRST FLAGSHIP 'ENDLESS SUMMER EVENT'

THIRD FLAGSHIP EVENT ADDED TO EVENTS CALENDAR



- Flagship events are **LARGE-SCALE WEEKEND EVENTS** including accommodation, entertainment and food & drinks
- The **ASW WINTER WEEKEND** in Gstaad and the **ASW SUMMER WEEKEND** in Saint-Tropez were the only two flagships
- Endless Summer Weekend in Marbella hosted as **THIRD FLAGSHIP** for the first time in 2018
- **NEXT YEAR'S EVENT** already in planning

TRAVEL BUSINESS ACTIVITY INCREASED

PERSONALISED TRAVEL ARRANGEMENT SALES CONTRIBUTED TO REVENUE INCREASE



- Through ASW Travel, ASW offers **PERSONALISED TRAVEL ARRANGEMENTS**, catering to the upper end of the market
- Travel arrangements usually start at CHF 10'000 and are **TAILORED TO THE SPECIFIC NEEDS OF OUR CUSTOMERS**
- Business **ACTIVITY INCREASED SUBSTANTIALLY**, especially in the first part of the year
- ASW travel business will be **DEVELOPED FURTHER** going forward, with the acquisition of LuxuryBARED (see outlook)

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INCOME STATEMENT FY2018

STRONG GROWTH AND IMPROVED PROFITABILITY

In CHF '000	2018	2017	CHANGE
NET SALES	8,824	5,041	75%
OTHER OPERATING INCOME	0	5	-96%
DIRECT EXPENSES	-4,642	-2,193	112%
PERSONNEL EXPENSES	-2,819	-1,982	42%
R&D EXPENSES	-405	-524	-23%
OTHER OPERATING EXPENSES	-3,258	-2,086	56%
EBITDA	-2,300	-1,738	32%
EBITDA MARGIN	-26%	-34%	
DEPRECIATION	-31	-34	-9%
AMORTIZATION	-757	-634	19%
OPERATING RESULT	-3,087	-2,406	28%
FINANCIAL INCOME	179	8	2095%
FINANCIAL EXPENSES	-266	-52	409%
ORDINARY RESULT	-3,175	-2,451	30%
INCOME TAXES	-62	-197	-69%
NET RESULT	-3,237	-2,647	22%
EARNINGS PER SHARE (IN CHF)	-0.36	N/A	

- **SALES INCREASED BY 75%** due to robust growth in both business units
- **DIRECT EXPENSES** increased due to higher cost for travel services and premium membership COGS
- **PERSONNEL EXPENSES** increased due to share-based incentive scheme while salaries remained flat otherwise
- **OTHER OPERATING EXPENSES** impacted by costs for the going/being public and M&A activity (CHF 0.7M)
- **EBITDA MARGIN** improved by 8%-pt.

BALANCE SHEET – PART 1

BALANCE SHEET EXPANDED DUE TO FIRST CLASS & MORE ACQUISITION

In CHF '000	2018	2017
CASH	6,056	1,634
RECEIVABLES FROM SERVICES	707	289
OTHER SHORT-TERM RECEIVABLES	92	38
PREPAYMENTS AND ACCRUED INCOME	95	615
TOTAL CURRENT ASSETS	6,950	2,577
TANGIBLE FIXED ASSETS	79	108
FINANCIAL ASSETS	93	150
INTANGIBLE ASSETS	2,105	2,346
TOTAL NON-CURRENT ASSETS	2,277	2,604
TOTAL ASSETS	9,227	5,181

- **BALANCE SHEET GREW** by 78%, primarily due to acquisition of First Class & More
- **CASH POSITION** increased to CHF 6.1M due to capital increases and cash position of acquired First Class & More
- **RECEIVABLES** increased due to higher receivables from FC&M

BALANCE SHEET – PART 2

BALANCE SHEET EXPANDED DUE TO FIRST CLASS & MORE ACQUISITION

In CHF '000	2018	2017
SHORT-TERM FINANCIAL LIABILITIES	55	1,132
PAYABLES FROM GOODS AND SERVICES	725	182
OTHER SHORT-TERM LIABILITIES	4,275	207
SHORT-TERM PROVISIONS	42	0
ACCRUED LIABILITIES AND DEFERRED INCOME	3,605	2,457
TOTAL CURRENT LIABILITIES	8,702	3,978
LONG-TERM FINANCIAL LIABILITIES	1,181	0
LONG-TERM PROVISIONS	7,888	0
TOTAL NON-CURRENT LIABILITIES	9,070	0
TOTAL LIABILITIES	17,772	3,978
SHARE CAPITAL	11,367	-
CAPITAL RESERVES	16,785	-
RETAINED EARNINGS	-36,697	-
NET ASSETS	-	1,203
TOTAL EQUITY	-8,545	1,203
TOTAL LIABILITIES AND EQUITY	9,227	5,181

- **SHORT-TERM FINANCIAL LIABILITIES** due to repayment of outstanding loan
- **OTHER SHORT-TERM LIABILITIES** increased due to obligations from FC&M acquisition
- **ACCRUED LIABILITIES** increased due to FC&M deferred income (revenue 2019)
- **LONG TERM FINANCIAL LIABILITIES** financing provided by ASW Capital
- **LONG TERM PROVISIONS** are provisions for performance-related earn-out from FC&M acquisition
- **NEGATIVE EQUITY** due to direct deduction of FC&M goodwill of CHF 26.6M; had it been capitalised, equity would have stood at CHF 18.6M

CASH FLOW STATEMENT – PART 1

IMPROVED OPERATING CASH FLOW

In CHF '000	2018	2017
NET RESULT	-3,237	-2,647
DEPRECIATION OF TANGIBLE FIXED ASSETS	31	34
AMORTIZATION OF INTANGIBLE ASSETS	757	635
INCREASE OF PROVISIONS THAT DO NOT AFFECT THE FUND	7	0
OTHER EXPENSE/INCOME THAT DO NOT AFFECT THE FUND	914	215
INCREASE OF RECEIVABLES FROM SERVICES	-56	-106
INCREASE/DECREASE OF OTHER RECEIVABLES AND PREPAYMENTS AND ACCRUED INCOME	469	-639
INCREASE/DECREASE OF PAYABLES FROM GOODS AND SERVICES	507	-18
DECREASE/INCREASE OF OTHER SHORT-TERM LIABILITIES AND ACCRUED LIABILITIES AND DEFERRED INCOME	-512	1,002
OPERATIONAL CASH FLOW	-1,120	-1,525
OUTFLOWS FOR INVESTMENT (PURCHASE) OF TANGIBLE FIXED ASSETS	0	-3
ACQUISITION OF SUBSIDIARIES	-7,956	0
OUTFLOWS FOR INVESTMENT (PURCHASE) OF INTANGIBLE ASSETS	-509	-361
CASH DRAIN FROM INVESTING ACTIVITIES	-8,465	-364

- **OPERATING CASH FLOW** improved to CHF -1.1M, vs. -1.5M in previous year
- **SHARE-BASED COMPENSATION** with no cash impact, but negative impact on EBITDA
- **ACQUISITION OF SUBSIDIARIES** reflects First Class & More acquisition cost with a net cash impact of CHF 8.0M

CASH FLOW STATEMENT – PART 2

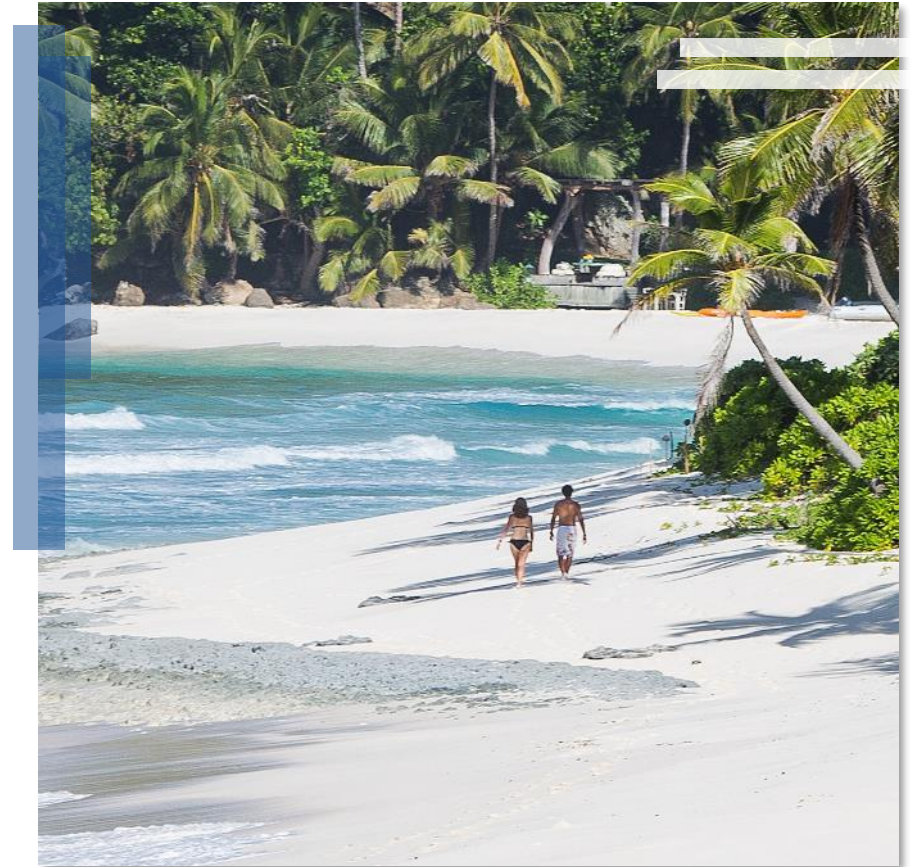
STRONG FINANCING ACTIVITIES IN 2018 DUE TO CAPITAL INCREASES

In CHF '000	2018	2017
INFLOWS FROM CAPITAL INCREASE (INCLUDING AGIO, DEDUCTING CAPITAL TRANSACTION COST)	14,010	100
ISSUANCE/REPAYMENT OF SHORT-TERM FINANCIAL LIABILITIES	-1,104	1,104
ISSUANCE/REPAYMENT OF LONG-TERM FINANCIAL LIABILITIES	1,150	1,439
CASH INFLOW FROM FINANCING ACTIV.	14,056	2,643
CURRENCY TRANSLATION EFFECTS	-28	0
NET CHANGE IN NET CASH	4,443	753
OPENING BALANCE OF NET CASH 1 JANUARY	1,606	853
CLOSING BALANCE OF NET CASH AS OF 31 DECEMBER	6,049	1,606
NET CHANGE IN NET CASH	4,443	753

- **CAPITAL INCREASES** added CHF 14M to fund growth and acquisitions
- **SHORT-TERM FINANCIAL LIABILITIES** decreased due repayment of outstanding loan
- **NET CASH** increased by CHF 3.7M due to capital increases

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PRIORITIES FOR 2019

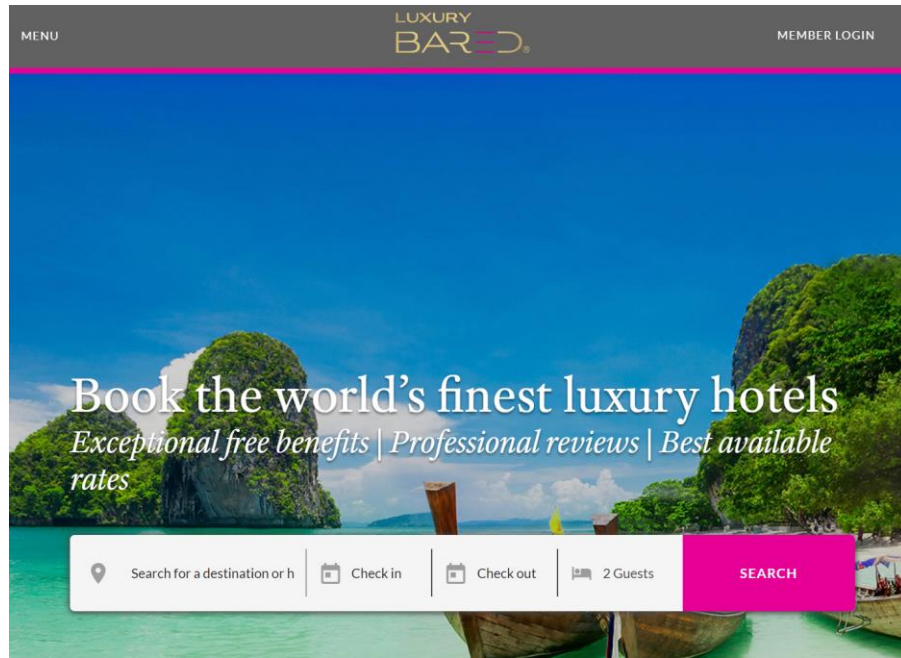
WE WILL CONTINUE TO GROW OUR TRAVEL & LIFESTYLE ECOSYSTEM

- Continue to **STRENGTHEN OUR TRAVEL & LIFESTYLE ECOSYSTEM** by expanding the services business and by improving the user experience for members
- Started year with high level of activity:
 - Acquired **LUXURYBARED**, a UK-based online/offline travel agency focussed on luxury hotels
 - Launched **ASW HOTEL COLLECTION** with the iconic **NORTH ISLAND** Resort in the Seychelles (first hotel under ASW Management)
 - **INTEGRATION** and development of both businesses high priority for 2019
- **BRAND-NEW IOS APP** in development; release planned for Q2
- **FIRST CLASS & MORE INTERNATIONAL**, English-speaking site of our luxury travel service, planned to go live in Q2

LUXURYBARED ACQUIRED TO EXPAND TRAVEL SERVICES

ONLINE AND OFFLINE TRAVEL AGENCY TO EXPAND SERVICE OFFERING

LUXURY
BARED®



- Acquisition of LuxuryBARED, UK-based **ONLINE AND OFFLINE TRAVEL AGENCY** (www.LuxuryBARED.com)
- Business with **STRONG ONLINE PLATFORM** and great inventory of luxury hotels
- **VIRTUOSO MEMBER** travel agency
- **INTEGRATION** into ASMALLWORLD community app and website planned for H2 2019
- Will give members ability to **BOOK LUXURY HOTELS** directly from ASW in the future
- Will further increase **SERVICE REVENUES**

HOTEL COLLECTION LAUNCHED WITH NORTH ISLAND

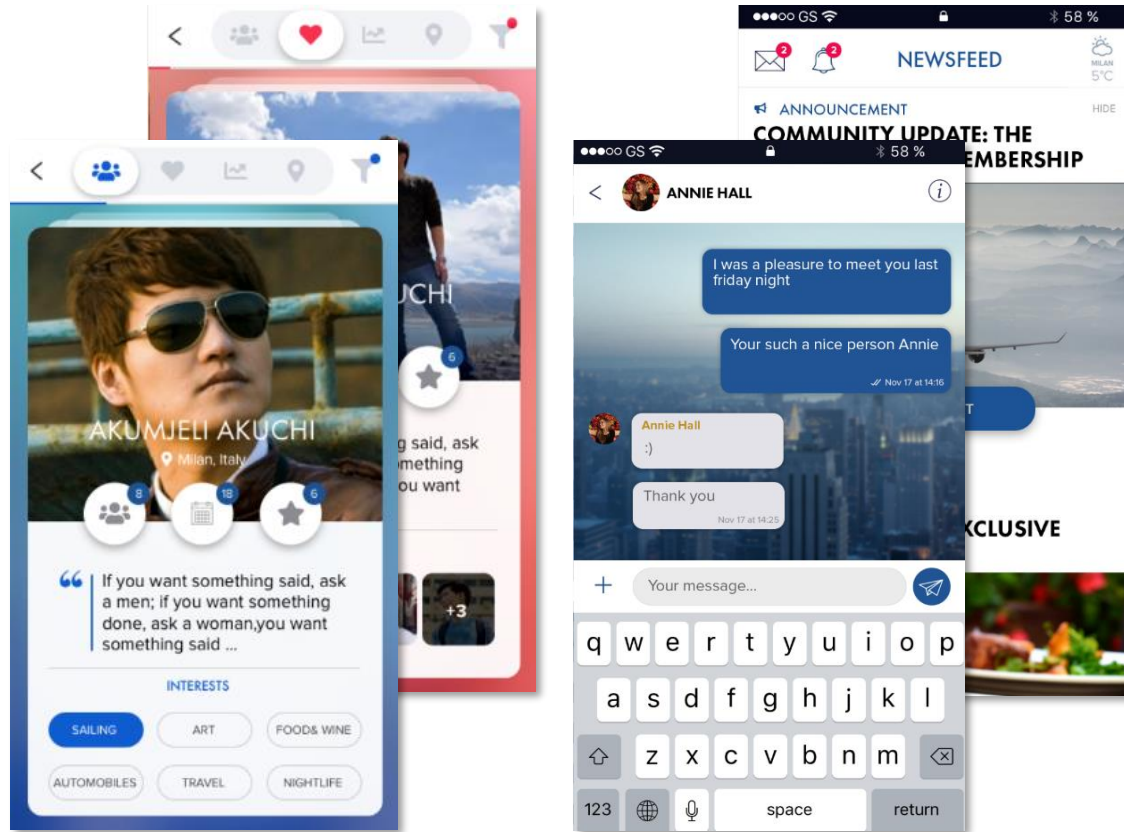
NEWLY CREATED SUBSIDIARY ASW HOSPITALITY TO DEVELOP A PORTFOLIO OF INSPIRING HOTELS



- **AS SMALL WORLD HOTEL COLLECTION** launched, with subsidiary ASW Hospitality
- **MANAGEMENT COMPANY** business model offers upside from increased sales and profitability without significant downside
- **DARIO BERTUCCI**, seasoned hospitality expert, hired as Managing Director
- Iconic **NORTH ISLAND** resort in the Seychelles (www.north-island.com) became first hotel of the collection and first hotel **UNDER ASW MANAGEMENT**
- North Island expected to join Marriott's '**THE LUXURY COLLECTION**' portfolio in Dec 2019
- Goal to **EXPAND THE COLLECTION** by adding other extraordinary hotels in the future

LAUNCH OF A BRAND-NEW IOS APP

NEWLY DESIGNED APP WILL SIGNIFICANTLY IMPROVE THE USER EXPERIENCE AND INCREASE ENGAGEMENT



- **BRAND-NEW IOS APP**, designed from the ground up
- **SIMPLIFIED USER EXPERIENCE** to create a better user experience
- **STATE OF THE ART DESIGN** with luxurious, modern look & feel
- **NEW FUNCTIONALITY** with clear focus on connecting members online, through more intuitive **DISCOVERY** modes
- New '**APP-FIRST**' **DESIGN APPROACH** applied for the first time where app becomes primary focus of development (website follows)

FIRST CLASS & MORE INTERNATIONAL

EXPANDING THE REACH OF A SUCCESSFUL BUSINESS TO AN ENGLISH-SPEAKING AUDIENCE

FIRST CLASS & MORE
ALEXANDER KOENIG

ABOUT US | TOP OFFERS (BLOG) | SEMINAR

SEMINAR
THE ULTIMATE SET OF INSIDER STRATEGIES AND TOOLS
MAY 24, 2015

FREE NIGHT FOR NEW MARRIOTT REWARDS MEMBERS
MAY 31, 2015 / MARRIOTT, MARRIOTT REWARDS, WORLDWIDE

Search Now

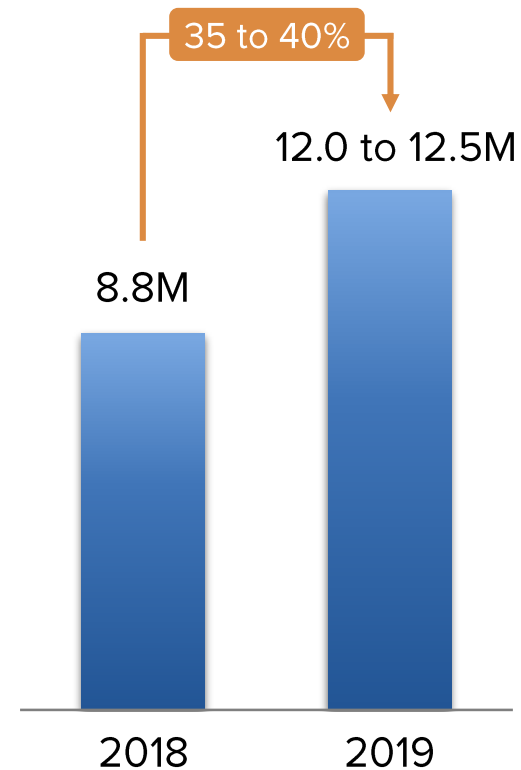
FIRST CLASS & MORE NEWS UPDATES
If you would like to receive our best exclusive travel deals, please provide your contact details.

- Currently **ONLY OFFERED IN GERMAN** and market potential limited to Germany, Austria and parts of Switzerland
- **ENGLISH-SPEAKING SERVICE** will expand reach of the service and **TARGETS ENGLISH-SPEAKING EUROPE**
- Will make service available to a much larger audience which **EXPANDS MARKET POTENTIAL SIGNIFICANTLY**
- Website planned to **GO LIVE IN Q2**

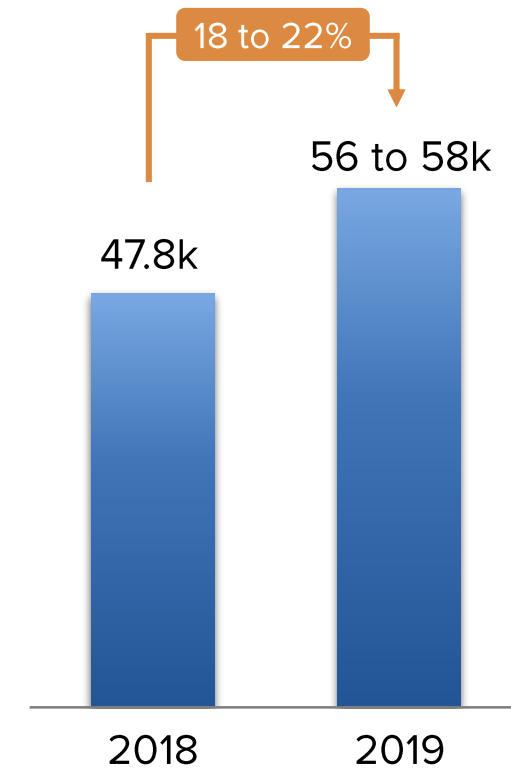
2019 GUIDANCE

CONTINUED REVENUE GROWTH AND TARGETING POSITIVE CONTRIBUTION FROM OPERATING CASH FLOW

REVENUE



MEMBERS



- Continued growth expected with **REVENUE GUIDANCE OF CHF 12.0 TO 12.5M**
- Growth driven by a continued focus on expanding the **ASW TRAVEL & LIFESTYLE ECOSYSTEM**:
 - Launch of **FIRST CLASS & MORE INTERNATIONAL**
 - Integration of **LUXURYBARED** into ASW (hotel booking)
 - Positive contribution from **ASW HOSPITALITY** business
 - Continued improvements to **ASMALLWORLD APP AND WEBSITE** (focus on iOS app upgrade)



ASMALLWORLD

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