



ASmallWorld

HALF-YEAR RESULTS 2020

27TH AUGUST 2020





ASmallWorld is the world's leading **TRAVEL & LIFESTYLE COMMUNITY**, focusing on **EXPERIENCES**: the modern-day definition of luxury.

Centred around the ASmallWorld social network, we operate a digital **TRAVEL & LIFESTYLE ECOSYSTEM** which inspires our members to **TRAVEL BETTER, EXPERIENCE MORE, AND MAKE NEW CONNECTIONS.**

ASMALLWORLD TRAVEL & LIFESTYLE ECOSYSTEM

Centred around the ASMALLWORLD social network, our group offers a wealth of travel & lifestyle services



AGENDA

- OVERVIEW OF H1 PERFORMANCE
- SUBSCRIPTIONS SEGMENT
- SERVICES SEGMENT
- CONSOLIDATED FINANCIALS
- OUTLOOK



OPERATIONAL HIGHLIGHTS H1 2020

Travel & lifestyle ecosystem completed with launch of ASMALLWORLD Collection; impact of COVID-19 felt

- Launch of **ASMALLWORLD COLLECTION** completed travel & lifestyle ecosystem; allows shift of focus from building new businesses to improving them
- **COVID-19** with significant impact on all businesses, slowing growth
- Strong **PRESTIGE MEMBERSHIP SALES** on back of demand for Business and First Class travel during pandemic
- Strong **FIRST CLASS & MORE SERVICE REVENUE** growth from sales of Business and First Class flight packages and upgrade options
- **COST CONTAINED** to offset impact of slower growth and investments, allowing us to maintain profitability

FINANCIAL RESULTS H1 2020

Continued profitable grow despite difficult market environment and investment into ASMALLWORLD Collection

- **REVENUE GROWTH OF 4.4%** to CHF 5.9M, from CHF 5.7M in H1 2019, despite challenging market environment
- **EBITDA** CHF 0.4M vs. CHF 0.5M in H1 2019, despite investment in ASW Collection
- **NET INCOME** CHF 0.3M vs. CHF 0.3M; **EPS** CHF 0.03
- **MEMBER BASE GREW 11%**, from from 54'831 in June 2019 to 60'821 in June 2020
- **CASH POSITION** of CHF 3.8M per end of June

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SUBSCRIPTIONS BUSINESS

Business was driven by Prestige Membership sales while other areas slowed during health crisis

In CHF	2020 H1	2019 H1	CHANGE
REVENUE	3.7M	3.6M	+2.1%
EBITDA	0.1M	0.6M	-81%
EBITDA MARGIN	3%	17%	-14%-pt.

- Continued **MEMBER GROWTH** (+11% yoy)
- **ASW PRESTIGE MEMBERSHIPS** with strong demand due to Business and First Class flight upgrades
- **ASW SIGNUPS** slowed but renewal rates steady; anticipated to improve when real-life events resume
- **WORLD'S FINEST CLUBS** at all-time low as only 20% of nightclubs operating
- **PROFITABLY** reduced short-term due to accounting of Prestige Memberships; will improve again in H2

ASMALLWORLD PRESTIGE MEMBERSHIP PUSH

ASW Prestige Memberships sold well during H1, due to strong interest in Business and First Class travel

ASMALLWORLD

PRESTIGE

Your Upgrade to Business and First Class

Save EUR 800 until end of August!

Incl. 250.000 Miles & More Award Miles

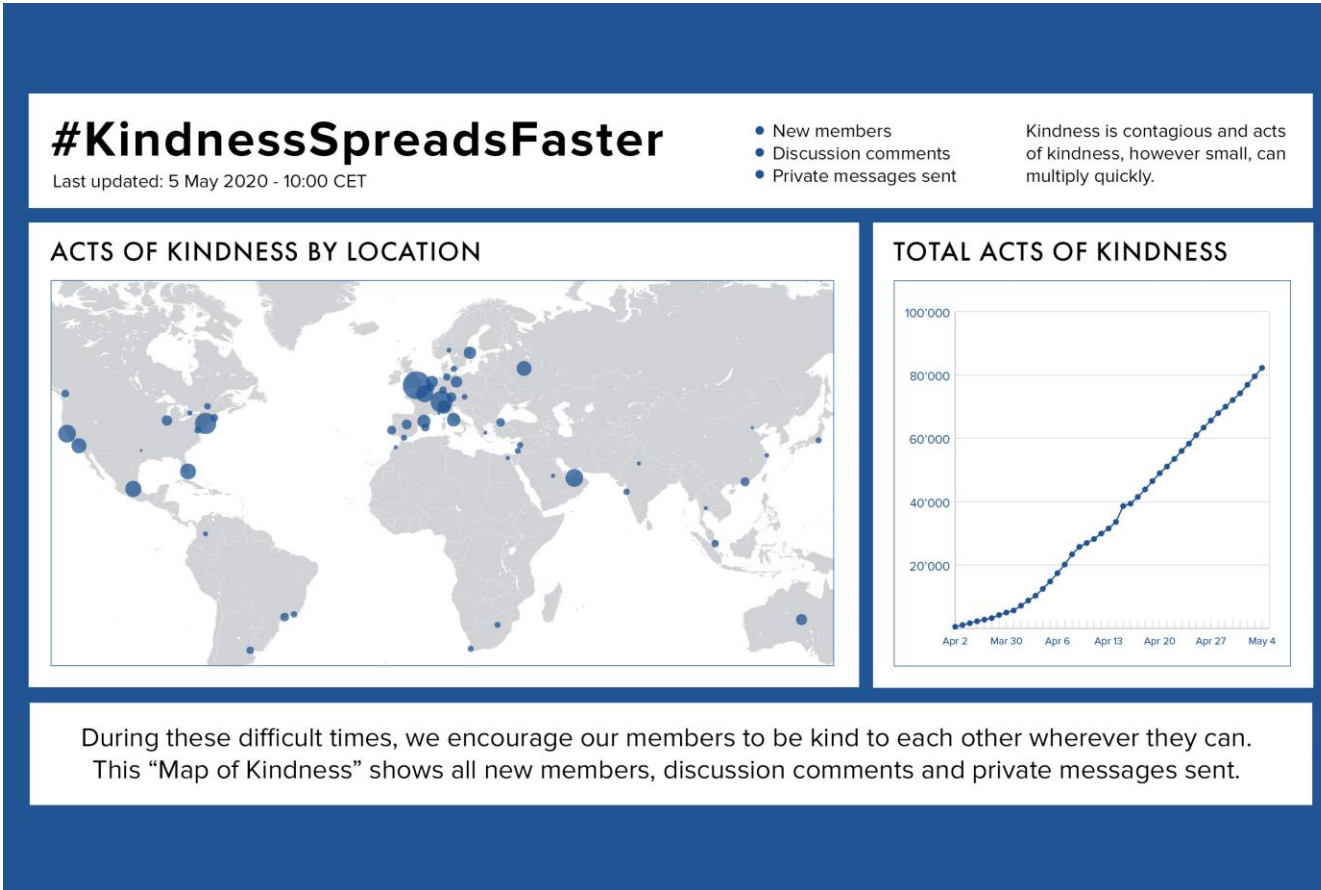
Partner of **Miles & More**

PRESTIGE MEMBERSHIP
12345678
JOHN SMITH

- The ASW Prestige Membership offers a **WEALTH OF TRAVEL BENEFITS**
- The most important sales element are **250'000 MILES & MORE AWARD MILES**
- Award miles can be used to purchase **FLIGHT AWARDS** or upgrades to Business and First Class
- We **PROMOTED MEMBERSHIP** across all our channels
- **SOLD MORE MEMBERSHIPS** in H1 than in all of 2019

#KINDNESSPREADSFASTER INITIATIVE

We invited members to bring friends to ASW and spread kindness through interaction with others



- We promoted the idea that **KINDNESS CAN SPREAD FASTER** than any virus
- Invited members to **INVITE FRIENDS** for free for 3 months
- **TRACKED "ACTS OF KINDNESS"** over time (invitations, messages, likes) to show their exponential growth
- No immediate business benefit **POTENTIAL TO CONVERT** free members to paying members over time

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SERVICES BUSINESS

Travel services from First Class & More in demand but events and travel down significantly due to Corona

In CHF	2020 H1	2019 H1	CHANGE
REVENUE	2.2M	2.0M	+8.2%
EBITDA	0.3M	-0.1M	+391%
EBITDA MARGIN	12%	-5%	+17%-pt.

- **FIRST CLASS & MORE** service revenue up due to sales of business and first class flight packages and upgrade options
- **ASW EVENTS** reduced significantly during health crisis
- **ASW PRIVATE** saw cancellation of virtually all travel bookings post March; slow to resume in uncertain travel environment
- **ASW COLLECTION** launched in July

THE ASMALLWORLD COLLECTION LAUNCHED IN JULY

Our hotel booking platform is specifically tailored to the needs of a discerning audience

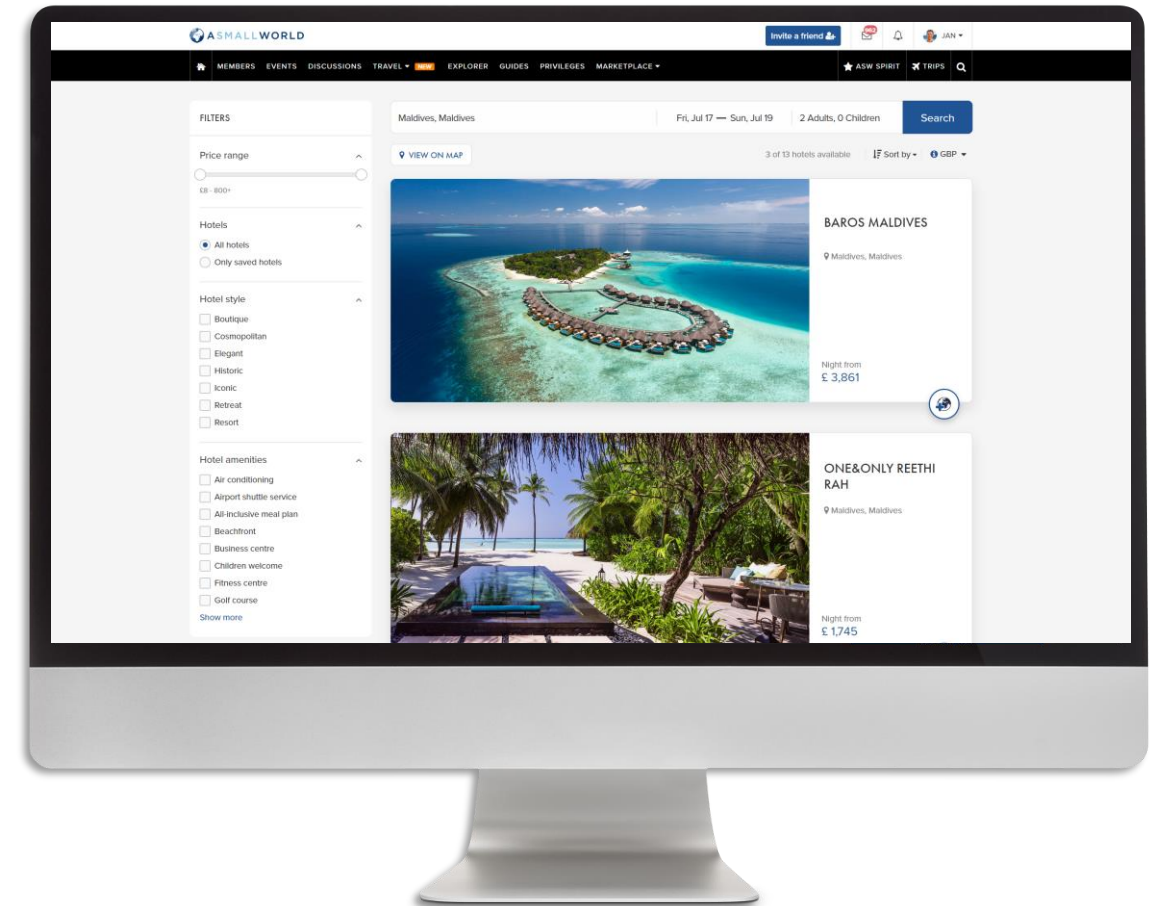


- Our booking engine caters to the **HIGH EXPECTATIONS** of ASMALLWORLD members
- “**HOTELS YOU WILL LOVE**” – we guarantee that all our hotels are excellent
- We offer two rates, the 'Lowest Rate' and our exclusive '**ASW PREFERRED RATE**'
- Our booking experience is **HIGHLY VISUAL AND STREAMLINED**
- Bookings can be made via **WEB** and via the **ASMALLWORLD APP**

ALL OUR HOTELS ARE HAND-PICKED

We only features hotels of the highest standard to guarantee a great customer experience


- “HOTELS YOU WILL LOVE” – we guarantee that all our hotels are excellent
- Our customers will be able to **BOOK** each hotel **WITHOUT HESITATION**
- At launch we had **600 HOTELS** listed
- We **PLAN TO EXPAND** the selection but will maintain our high quality standards



ALWAYS TWO RATES TO CHOOSE FROM

Our customers will always be able to choose between the 'Lowest Rate' and our exclusive 'ASW Preferred Rate'

LUXURY ROOM DOUBLE



25 m² / 269 ft² Double/full bed Various views

- Sofitel MyBed double size bed
- Tea and coffee making facilities with kettle and espresso machine
- LED TV
- Safe
- Complimentary Wi-Fi
- Bathroom with Hermès bath amenities

Show more

LOWEST RATE	ASW PREFERRED RATE
\$ 682	\$ 682
Total 1 night Price per night \$ 682	Total 1 night Price per night \$ 682
<ul style="list-style-type: none">✓ Our lowest rate✓ Breakfast not included	<ul style="list-style-type: none">✓ Daily breakfast for two✓ Room upgrade upon arrival✓ Food & Beverage credit✓ Early check-in✓ Late check-out✓ Complimentary Wi-Fi
Free cancellation Pay later See full conditions	Free cancellation Pay later See full conditions
Book now	Book now

- We offer our customers the choice of **TWO RATES** for each hotel and room:
- **LOWEST RATE:** the lowest rate available to us, for price-sensitive customers
- **ASW PREFERRED RATE:** our exclusive rate that includes many benefits like hotel credit, room upgrades, complimentary breakfast, etc.

HIGHLY VISUAL AND STREAMLINED EXPERIENCE

Our design focuses on visuals and text is reduced to the essence to create a high-end booking experience

AS SMALL WORLD

MEMBERS EVENTS DISCUSSIONS TRAVEL **NEW** EXPLORER GUIDES PRIVILEGES MARKETPLACE

ASW SPIRIT TRIPS

NORTH ISLAND, A LUXURY COLLECTION RESORT, SEYCHELLES

Seychelles, Seychelles

BEACHFRONT VILLA

450 m² / 4844 ft² King bed Beach view

North Island features ten elegant yet relaxed Beachfront villas, set along East Beach and with direct access to the beach and ocean. Each villa is completely screened from view by careful siting in harmony with the natural vegetation, ensuring total privacy as well as ocean views. The open-plan flow of the villas invites exploration; the mixture of textures encourages touch and the organic shapes of the artisan-mad...

Show more

LOWEST RATE	ASW PREFERRED RATE
£ 12,012	£ 12,012
Total 2 nights Price per night £ 6,006	Total 2 nights Price per night £ 6,006
<ul style="list-style-type: none">✓ Our lowest rate✓ Breakfast not included	<ul style="list-style-type: none">✓ Complimentary Wi-Fi✓ Daily breakfast for two✓ Early check-in / Late check-out✓ Room upgrade upon arrival✓ Spa Treatment✓ VIP welcome
See full conditions	See full conditions
Book now	Book now

VILLA NORTH ISLAND

750 m² / 8073 ft² King bed Beach view

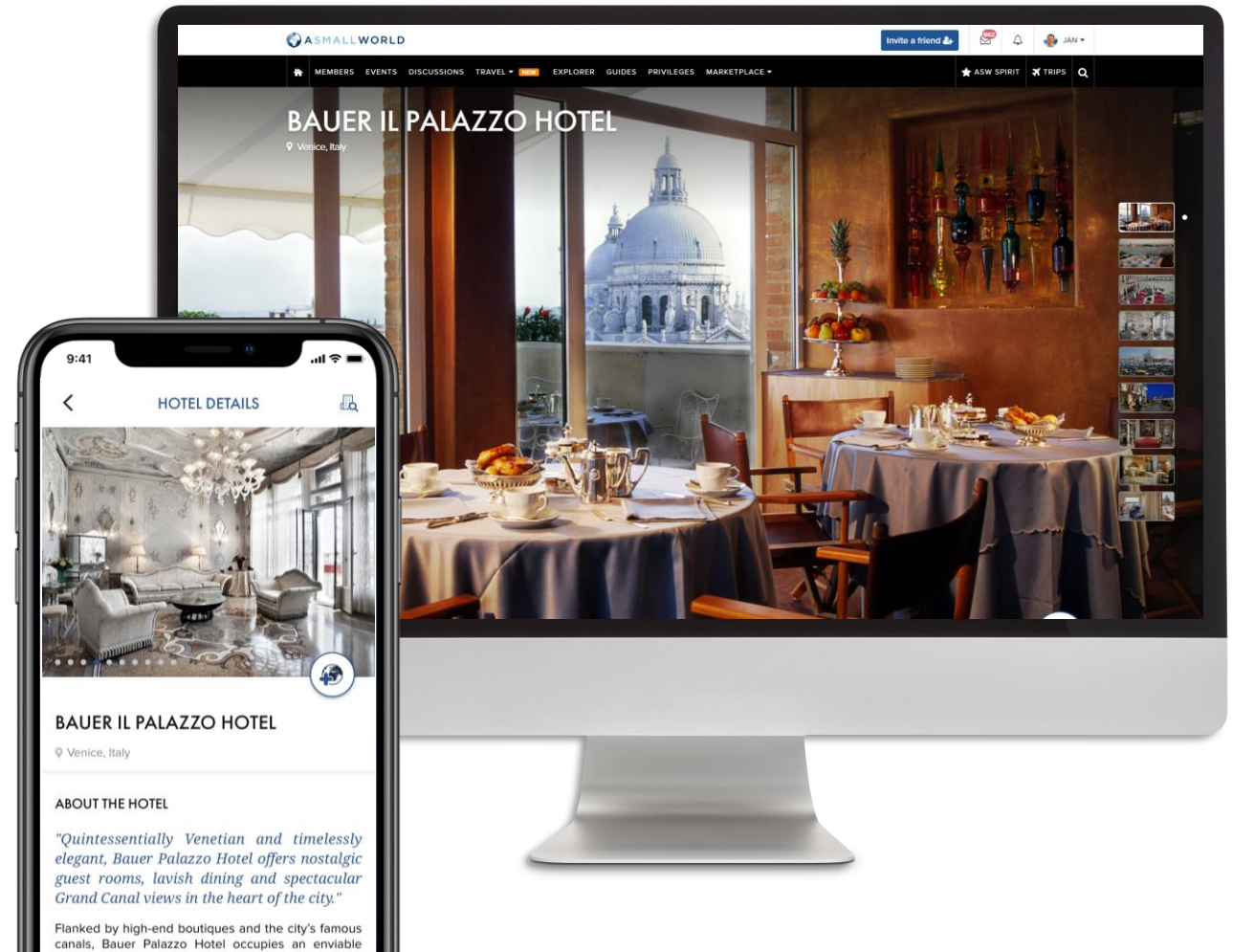
Also known as Villa 11, Villa North Island is perched on the granite boulders at the far end of East Beach and is the quintessence of privacy and seclusion. The sheer volume, scale and luxury of this villa are unimaginably decadent as it spreads out across multi-tiered levels, cascading down through a coconut grove, with direct beach access to the ocean below.

LOWEST RATE	ASW PREFERRED RATE
Room is not available	Room is not available
<ul style="list-style-type: none">✓ Our lowest rate✓ Breakfast not included	<ul style="list-style-type: none">✓ Our lowest rate✓ Breakfast not included

SEAMLESS EXPERIENCE ACROSS WEB AND APP

The booking experience works seamlessly between web and app

- Our booking engine is accessible from **ALL MAJOR PLATFORMS**
 - Web / desktop
 - Mobile internet (phone)
 - iOS
 - Android
- All platforms offer the same **FULL BOOKING FUNCTIONALITY**
- Customers can **SEE AND MODIFY RESERVATIONS** wherever they want
- The user experience features the same characteristic **VISUAL DESIGN**



WE WORK WITH GREAT PARTNERS

To deliver this high-end hotel selection, we work with great partners

ASMALLWORLD IS A PROUD MEMBER OF



OUR OTHER PARTNERS



ASMALLWORLD COLLECTION: NEXT STEPS

New revenue stream allows us to monetise our customer base further once travel activity resumes

- Demand for travel is currently depressed but we **WANT TO BE WELL POSITIONED** when the world starts to travel again
- The Collection provides a completely **NEW REVENUE STREAM** and allows us to further monetise our travel-savvy audience
- **OPEN TO NON-MEMBERS** to increase potential for cross-selling
- 600 hotels at launch; **GOAL OF +800 HOTELS** before end of year
- Service will be **PROMOTED IN ASMALLWORLD NEWS FEED**, social media and in Explorer articles to increase visibility and reach
- Planned **AFFILIATE PROGRAM** to leverage third-parties to promote service

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INCOME STATEMENT 2020 H1

Continued profitable sales growth

In CHF '000	2020 H1	2019 H1	CHANGE
NET SALES	5'897.6	5,651.4	+4.4%
DIRECT EXPENSES	-2'725.3	-1,781.1	+53%
PERSONNEL EXPENSES	-1'223.0	-1,647.5	-26%
R&D EXPENSES	-147.1	-165.4	-11%
OTHER OPERATING EXPENSES	-1'408.9	-1,556.9	-10%
EBITDA	393.3	500.5	-21%
EBITDA MARGIN	6.7%	8.9%	-2.2%-pt.
DEPRECIATION	-17.3	-23.6	-27%
AMORTIZATION	-356.4	355.9	0%
OPERATING RESULT	19.6	121.0	-84%
FINANCIAL INCOME	455.2	360.3	+26%
FINANCIAL EXPENSES	-77.7	-84.6	-8%
ORDINARY RESULT	397.1	396.7	0%
INCOME TAXES	-68.4	-59.4	+15%
NET RESULT	328.7	337.3	-3%
EARNINGS PER SHARE (IN CHF)	0.03	0.03	-

- **SALES** increased by 4.4% due to growth in both business units
- **DIRECT EXPENSES** increased due to higher COGS for Prestige Memberships and FCAM services
- **PERSONNEL EXPENSES** reduced due to furlough schemes, staff reductions and lower share-based compensation
- **FINANCIAL INCOME** higher due to reduction in CHF/EUR FX rate on outstanding liabilities
- **NET RESULT AND EPS** on par with H1 2019

BALANCE SHEET 2020 H1 – PART 1

Balance sheet size reduced due to First Class & More earn-out and cash compensation payout

In CHF '000	2020 H1	2019 H1
CASH	3'754.8	6,889.1
RECEIVABLES FROM SERVICES	304.6	650.9
OTHER SHORT-TERM RECEIVABLES	554.1	881.4
PREPAYMENTS AND ACCRUED INCOME	918.6	669.4
TOTAL CURRENT ASSETS	5'532.1	9'090.7
TANGIBLE FIXED ASSETS	63.1	80.5
FINANCIAL ASSETS	819.5	513.7
INTANGIBLE ASSETS	1'835.4	1'924.5
TOTAL NON-CURRENT ASSETS	2'718.0	2'518.7
TOTAL ASSETS	8'250.1	11'609.3

- Balance sheet impacted by **CHF 5.6M FIRST CLASS & MORE EARN-OUT AND CASH COMPENSATION PAYOUT** (part of agreed acquisition cost)
- **CASH POSITION** reduced by CHF 3.1M
- **RECEIVABLES** reduced due to fewer events
- **ACCRUED INCOME** increased due to early First Class & More subscription renewals
- **SIZE OF BALANCE SHEET** reduced by CHF 3.4M overall

BALANCE SHEET 2020 H1 – PART 2

Balance sheet size reduced due to First Class & More earn-out and cash compensation payout

In CHF '000	2020 H1	2019 H1
SHORT-TERM FINANCIAL LIABILITIES	0.0	12.6
PAYABLES FROM GOODS AND SERVICES	995.8	1'058.5
OTHER SHORT-TERM LIABILITIES	615.7	4'589.1
SHORT-TERM PROVISIONS	1'984.7	2'128.3
ACCRUED LIABILITIES AND DEFERRED INCOME	3'998.5	3'155.4
TOTAL CURRENT LIABILITIES	7'594.7	10'943.8
LONG-TERM FINANCIAL LIABILITIES	4'355.1	2'769.0
LONG-TERM PROVISIONS	3'624.0	5'611.8
TOTAL NON-CURRENT LIABILITIES	7'979.1	8'380.8
TOTAL LIABILITIES	15'573.8	19'324.6
SHARE CAPITAL	11'367.2	11'367.2
CAPITAL RESERVES	16'785.0	16'785.0
RETAINED EARNINGS	-35'475.8	-35'867.5
TOTAL EQUITY / NET ASSETS	-7'323.7	-7'715.3
TOTAL LIABILITIES AND EQUITY	8'250.1	11'609.3

- **OTHER SHORT-TERM LIABILITIES** reduced significantly due to FCAM payout
- **ACCRUED LIABILITIES** increased due to prepayments for Prestige and FCAM memberships
- **LONG TERM FINANCIAL LIABILITIES** increased due to financing provided by Pellegrino Capital and government loans
- **LONG TERM PROVISIONS** reduced due to FCAM payout
- **EQUITY** slightly less negative due to business improvements

CASH FLOW STATEMENT 2020 H1 – PART 1

Operating cash flow increased significantly year-on-year

In CHF '000	2020 H1	2019 H1
NET RESULT	328.7	337.3
DEPRECIATION OF TANGIBLE FIXED ASSETS	17.3	23.6
AMORTIZATION OF INTANGIBLE ASSETS	356.4	355.9
INCREASE OF PROVISIONS THAT DO NOT AFFECT THE FUND	-43.5	-75.9
OTHER EXPENSE/INCOME THAT DO NOT AFFECT THE FUND	-100.0	211.0
INCREASE OF RECEIVABLES FROM SERVICES	346.3	135.3
+/- OF OTHER RECEIVABLES AND PREPAYMENTS AND ACCRUED INCOME	-297.0	-258.7
+/- PAYABLES FROM GOODS AND SERVICES	-62.7	-128.9
+/- OF OTHER SHORT-TERM LIABILITIES AND ACCRUED LIABILITIES AND DEFERRED INCOME	819.6	-675.6
OPERATING CASH FLOW	1'365.2	-76.2
OUTFLOWS FOR INVESTMENT (PURCHASE) OF TANGIBLE FIXED ASSETS	-2.4	-4.0
INFLOW FROM SALE OF TANGIBLE FIXED ASSET	0.6	0.0
OUTFLOWS FOR INVESTMENT OF FINANCIALS ASSETS	5.9	12.8
ACQUISITION OF SUBSIDIARIES	-5'607.8	72.2
OUTFLOWS FOR INVESTMENT (PURCHASE) OF INTANGIBLE ASSETS	-269.2	-237.6
CASH DRAIN FROM INVESTING ACTIVITIES	-5872.9	-156.5

- **OPERATING CASH FLOW** improved to CHF 1.4M, vs. -0.1M in previous year
- **DEFERRED INCOME** increased due to Prestige membership and FCAM early renewals
- **CASH FLOW FROM INVESTING ACTIVITIES** impacted by First Class & More payout of CHF 5.6M

CASH FLOW STATEMENT 2020 H1 – PART 2

Smaller financing activities in H1 and overall change in net cash of CHF -3.1M

In CHF '000	2020 H1	2019 H1
ISSUANCE/REPAYMENT OF SHORT-TERM FINANCIAL LIABILITIES	0.0	-6.5
ISSUANCE/REPAYMENT OF LONG-TERM FINANCIAL LIABILITIES	1'541.7	609.3
CASH INFLOW FROM FINANCING ACTIV.	1'541.7	602.8
CURRENCY TRANSLATION EFFECTS	-155.7	-111.0
NET CHANGE IN NET CASH	-3'121.7	259.1
OPENING BALANCE OF NET CASH 1 JANUARY	6'876.5	6,056
CLOSING BALANCE OF NET CASH AS OF 31 DECEMBER	3'754.8	6,315
NET CHANGE IN NET CASH	-3'121.7	259.1

- Cash flow from **FINANCING ACTIVITY INCREASED** due to financing provided by Pellegrino Capital and government loans
- **NET CASH** reduced by CHF 3.1M over period

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OUTLOOK FOR H2

Expand and promote ASW Collection and start refining individual businesses where needed

- Continue to drive awareness for **ASMALLWORLD COLLECTION** and increase hotels offering so it is well positioned for when travel bookings resume
- Now that ASMALLWORLD travel & lifestyle ecosystem is completely built, focus can shift to **REFINING INDIVIDUAL BUSINESS**
- Initial focus on **ASW MALLWORLD NEWS FEED** and social networking functionality to increase service attractiveness and stickiness of users
- In terms of **GUIDANCE**, we anticipate H2 to result in sales comparable to H1 and to remain profitable for the full year



ASMALLWORLD

ASMALLWORLD AG

Löwenstrasse 40

8001 Zürich, Switzerland

info@asmallworldag.com

www.asmallworldag.com | www.asw.com