



A SMALL WORLD

HALF-YEAR RESULTS 2021

26TH AUGUST 2021



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



FINANCIAL HIGHLIGHTS H1 2021

Record half-year results despite ongoing negative impact from global pandemic

- **SALES GROWTH OF 62%** to CHF 9.5M vs. CHF 5.9M in H1 2020, despite ongoing market challenges from COVID-19 restrictions and uncertainty
- **EBITDA INCREASED BY 232%** to CHF 1.3M, from CHF 0.4M
- **NET INCOME INCREASED BY 126%** to CHF 0.7M vs. CHF 0.3M; **EPS** CHF 0.07
- **OPERATING CASH FLOW** of CHF 4.1M vs. CHF 1.4M
- **CASH POSITION** of CHF 5.3M per end of June

OPERATIONAL HIGHLIGHTS H1 2021

We continued to drive sales with products in demand while we maintained our focus on costs

- Ongoing uncertainty from **COVID-19 RESTRICTIONS** continued to limit the demand for our social networking and travel services
- Continued to focus on improving our **COST POSITION**; reduced personnel expenses by 17% and other operating expenses by 10%
- Focused on marketing and sales of products with robust demand:
 - **ASW PRESTIGE MEMBERSHIP** - steady demand for Business and First Class travel
 - **FIRST CLASS & MORE** Business and First Class flight packages and upgrade options
- Continued to invest in our **LONG-TERM REVENUE POTENTIAL**: expanded functionality of social network; further upgraded the ASW Collection

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SUBSCRIPTIONS BUSINESS PERFORMANCE

Strong revenue growth driven by ASW Prestige membership sales; profitability increased significantly

In CHF	2021 H1	2020 H1	CHANGE
REVENUE	5.8M	3.7M	+59%
EBITDA	0.6M	0.1M	+461%
EBITDA MARGIN	11%	3%	+8%-pt.

- **ASW PRESTIGE MEMBERSHIPS** main contributor to strong segment growth; ongoing high demand for Business and First Class flights
- **MEMBER BASE** grew by 3% to 62'469 compared to June 2020
- ASW renewal rates steady but **NEW SIGNUPS** slowed due to ongoing COVID-19 environment
- Continued to **INVEST IN TECHNOLOGY** and features for ASMALLWORLD social network

ASMALLWORLD PRESTIGE MEMBERSHIP SALES STRONG

ASW Prestige Memberships contributed significantly during H1 due to ongoing interest in Business and First Class travel



PRESTIGE MEMBERSHIP SALE

10% more for 10% less:

- 10% more miles
- 10% discount on the price

ASMALLWORLD
PRESTIGE MEMBERSHIP
12345678
JOHN SMITH

Partner of
Miles & More

The graphic features a woman in a white dress standing on a balcony overlooking a city with hot air balloons in the sky. The background is a scenic view of a city with red-roofed buildings and a large rock formation.

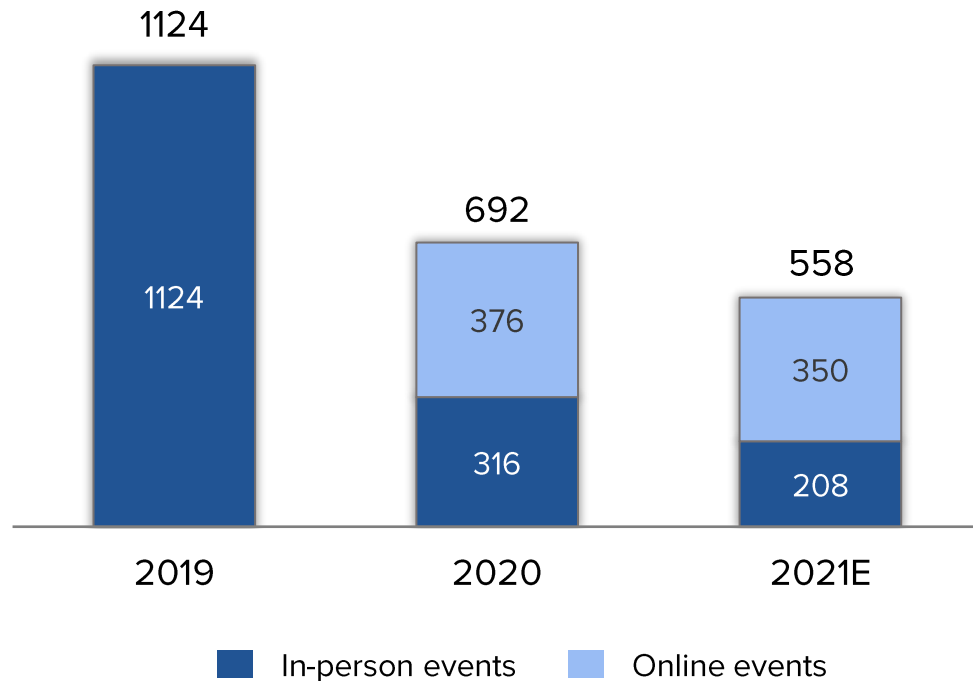
- ASMALLWORLD membership
- 250,000 miles from Miles & More or Etihad Guest
- World's Finest Clubs membership
- DragonPass airport lounge access
- Status levels from Sixt, Jumeirah, Discovery

- 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
- **TWO SPECIAL OFFERS** in H1 (Jan. and Jun.) resulting in strong H1 sales from Prestige memberships

ASMALLWORLD SIGNUPS STILL BELOW PRE-COVID

COVID-19 restrictions and fewer in-person events continue to limit new member signups for ASMALLWORLD

NUMBER OF ASMALLWORLD EVENTS



- Social distancing and travel restrictions resulting in **LOWER DEMAND FOR ASW MEMBERSHIP**
- **IN-PERSON EVENTS** drastically reduced due to Covid-19 restrictions in 2020
- **ONLINE EVENTS** introduced but can't fully offset lack of in-person events
- Renewal rates steady but **NEW SIGNUPS** in H1 at 53% of 2019 levels
- Overall **MEMBERSHIP GROWTH** at 3% vs. June 2020

ASW ONLINE FUNCTIONALITY FURTHER EXPANDED

A long-awaited 'Member Posts' feature is finally live giving users new ways to engage with ASMALLWORLD



- We continued to **INVEST IN OUR ONLINE PRODUCT**
- Introduction of '**MEMBER POSTS**' in June
- Feature allows users to upload and **SHARE PHOTOS** with other members via their respective news feeds
- Generates a wealth of new **USER-GENERATED CONTENT**
- Features will drive **USER ENGAGEMENT**, retention and ultimately growth

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SERVICES BUSINESS PERFORMANCE

Travel services from First Class & More in high demand and ASMALLWORLD Collection starts to contribute slowly

In CHF	2021 H1	2020 H1	CHANGE
REVENUE	3.7M	2.2M	+68%
EBITDA	0.7M	0.3M	+136%
EBITDA MARGIN	18%	12%	+6%-pt.

- **FIRST CLASS & MORE** service revenue up due to sales of Business and First Class flight packages and upgrade options
- **ASW COLLECTION** starting to contribute to service revenue
- **FIXED COST SIGNIFICANTLY REDUCED** in travel team (London office closed, tasks redistributed)
- **ASW EVENTS** significantly reduced due to social distancing restrictions

HOTEL INVENTORY SIGNIFICANTLY EXPANDED

The ASMAALLWORLD Collection now features over 1'200 hotels, providing a substantial list of high-class hotels

NUMBER OF HOTELS BY REGION

REGION	LAUNCH	TODAY	CHANGE
EUROPE & NORTH AFRICA	253	494	95%
NORTH AMERICA	97	236	143%
ASIA	94	184	96%
SOUTH AMERICA	23	75	226%
MIDDLE EAST	28	68	143%
CARIBBEAN	43	65	51%
INDIAN OCEAN	22	34	55%
ASIA-PACIFIC	12	34	183%
AFRICA	11	17	55%
TOTAL	583	1207	107%

- **HOTEL INVENTORY DOUBLED** since the launch of the ASMAALLWORLD Collection 12 months ago
- More than **600 HOTELS ADDED** in all locations, significantly expanding the geographic reach
- Today, **345 DESTINATIONS COVERED** vs. 156 destinations at launch
- Improved inventory offers customers **MORE HIGH-QUALITY CHOICES**, making the Collection more relevant

THREE NEW PARTNERSHIPS STARTED IN H1

We have added 3 new partners in H1, expanding our access to great hotels

HOTEL PARTNERSHIPS




New partnerships in H1

- Three **NEW PARTNERSHIPS** entered for the ASMALLWORLD Collection
 - Marriot (January)
 - Shangri-La (January)
 - The Doyle Collection (May)
- Further expands ASMALLWORLD's **ACCESS TO FIRST-CLASS HOTELS**
- Also allows collection to offer customers additional **BOOKING BENEFITS**


LOYALTY POINTS INTRODUCED AS NEW BENEFIT

In March we introduced our latest booking perk: customers can now earn loyalty points with their favourite programs





THE DIXON, TOWER BRIDGE, AUTOGRAPH COLLECTION
London, United Kingdom

Night from € 203




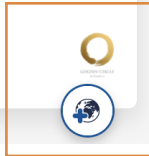
ANDAZ LONDON LIVERPOOL STREET
London, United Kingdom

Night from € 320



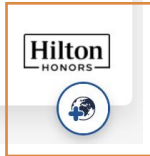
SHANGRI-LA THE SHARD, LONDON
London, United Kingdom

Night from € 697



CONRAD LONDON ST. JAMES
London, United Kingdom

Night from € 310



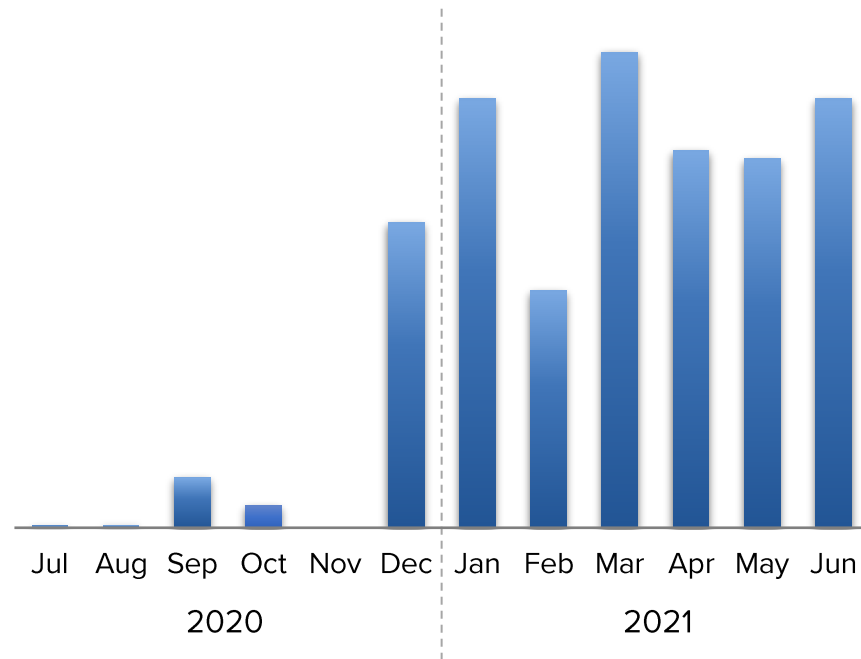
- Since March, customers can now **EARN LOYALTY POINTS** when booking the ASMALLWORLD Preferred rate
- We work with four of the world's **LEADING LOYALTY PROGRAMS:**
 - World of Hyatt
 - Marriott Bonvoy
 - Hilton Honors
 - Shangri-La Golden Circle
- Points are usually only earned on direct bookings with the hotel programs, giving us another **COMPETITIVE ADVANTAGE**

COLLECTION BOOKING VOLUME UP SIGNIFICANTLY

The ASMALLWORLD Collection is starting to contribute to our Service revenue

BOOKING VOLUME

Booking volume indexed



- The ASMALLWORLD Collection revenue in H1 is **5.6 TIMES THE VOLUME** of H2 2020
- Bookings are starting to become **MORE STEADY...**
- ...but are still heavily influenced by **TRAVEL UNCERTAINTY** resulting in high cancellation rates
- Hotel bookings are expected to **INCREASE STEADILY** going forward...
- ...especially as we expand the **HOTEL INVENTORY** and drive traffic with our **AFFILIATE PROGRAM**

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INCOME STATEMENT 2021 HY1

Significant increase in sales and reduction in fixed cost resulted in strong EBITDA result for the period

In CHF '000	2021 HY1	2020 HY1	CHANGE
NET SALES	9'548.2	5'897.6	+62%
OTHER OPERATING INCOME	-351.0	0.0	+100%
DIRECT EXPENSES	-5'544.5	-2'725.3	+103%
PERSONNEL EXPENSES	-1'015.9	-1'223.0	-17%
R&D EXPENSES	-68.7	-147.1	-53%
OTHER OPERATING EXPENSES	-1'264.0	-1'408.9	-10%
EBITDA	1'304.1	393.3	+232%
EBITDA MARGIN	14.2%	6.7%	+7.5%-pt.
DEPRECIATION	-11.1	-17.3	-36%
AMORTIZATION	-344.1	-356.4	-3%
OPERATING RESULT	948.8	19.6	+4751%
FINANCIAL INCOME	36.7	455.2	-92%
FINANCIAL EXPENSES	-161.9	-77.7	+108%
ORDINARY RESULT	823.7	397.1	107%
INCOME TAXES	-81.3	-68.4	+19%
NET RESULT	742.4	328.7	+126%
EARNINGS PER SHARE (IN CHF)	0.07	0.03	+126%

- **NET SALES** increased by 62%
- **DIRECT EXPENSES** increased due to higher COGS for Prestige and FCAM services
- **PERSONNEL EXPENSES** reduced by 17% due reorganization of the travel business and other team reductions
- **OTHER OPERATING EXPENSES** also reduced by 10%
- **FINANCIAL RESULT** lower YoY due to CHF/EUR FX impact on outstanding liabilities (was positive in 2020)

BALANCE SHEET 2021 HY1 – PART 1

Balance sheet increased due to an increase in cash

In CHF '000	2021 HY1	2020 FY
CASH	5'345.0	2'918.6
RECEIVABLES FROM SERVICES	503.8	557.9
OTHER SHORT-TERM RECEIVABLES	367.8	839.4
PREPAYMENTS AND ACCRUED INCOME	267.3	339.8
TOTAL CURRENT ASSETS	6'483.8	4'655.7
TANGIBLE FIXED ASSETS	27.4	38.5
FINANCIAL ASSETS	523.8	401.7
INTANGIBLE ASSETS	1'564.9	1'706.6
TOTAL NON-CURRENT ASSETS	2'116.1	2'146.8
TOTAL ASSETS	8'599.9	6'802.5

- **CASH POSITION** increased by CHF 2.4M but includes positive short-term effect of CHF 1.2M due to high amount of outstanding payables (see next page)
- **OTHER SHORT-TERM RECEIVABLES** reduced due to impairment in the amount of CHF 0.5M on outstanding license agreement deal
- **NON-CURRENT ASSETS** largely unchanged

BALANCE SHEET 2021 HY1 – PART 2

Liabilities increased due to higher temporary payables; provisions for FCAM reduced by CHF 2.0M

In CHF '000	2021 HY1	2020 FY
SHORT-TERM FINANCIAL LIABILITIES	71.5	0.0
PAYABLES FROM GOODS AND SERVICES	1'264.2	126.9
OTHER SHORT-TERM LIABILITIES	391.8	302.2
SHORT-TERM PROVISIONS	3'806.2	2'003.4
ACCRUED LIABILITIES AND DEFERRED INCOME	3'601.9	2'838.6
TOTAL CURRENT LIABILITIES	9'135.6	5'271.1
LONG-TERM FINANCIAL LIABILITIES	5'096.4	4'506.8
LONG-TERM PROVISIONS	0.0	3'706.2
TOTAL NON-CURRENT LIABILITIES	5'096.4	8'213.1
TOTAL LIABILITIES	14'231.9	13'484.2
SHARE CAPITAL	11'367.2	11'367.2
CAPITAL RESERVES	16'785.0	16'785.0
RETAINED EARNINGS	-33'784.2	-34'833.8
TOTAL EQUITY / NET ASSETS	-5'632.0	-6'681.7
TOTAL LIABILITIES AND EQUITY	8'599.9	6'802.5

- **PAYABLES FROM GOODS AND SERVICES** temporarily increased by 1.1M due to outstanding invoices for Miles & More air miles (was settled in July 2021)
- **SHORT-TERM AND LONG-TERM PROVISIONS** were reduced by 2.0M due to FCAM earnout payment; remaining 3.8M for final payment have moved to short-term provisions (due in early 2022)
- **ACCRUED LIABILITIES** increased due to deferred income for Prestige and FCAM memberships
- **LONG TERM FINANCIAL LIABILITIES** increased by ~600k due to financing provided by anchor investor Pellegrino Capital

CASH FLOW STATEMENT 2021 HY1 – PART 1

Operating cash flow increased significantly compared to H1 2020; investing activities lower due to smaller earnout payment

In CHF '000	2021 HY1	2020 HY1
NET RESULT	742.4	328.7
DEPRECIATION OF TANGIBLE FIXED ASSETS	11.1	17.3
AMORTIZATION OF INTANGIBLE ASSETS	344.1	356.4
DECREASE OF PROVISIONS THAT DO NOT AFFECT THE FUND	-19.8	-43.5
OTHER EXPENSE/INCOME THAT DO NOT AFFECT THE FUND	949.2	-100.0
DECREASE OF RECEIVABLES FROM SERVICES	24.6	346.3
-/+ OF OTHER RECEIVABLES AND PREPAYMENTS AND ACCRUED INCOME	44.1	-297.0
+/- PAYABLES FROM GOODS AND SERVICES	1'137.3	-62.7
+ OF OTHER SHORT-TERM LIABILITIES AND ACCRUED LIABILITIES AND DEFERRED INCOME	866.9	819.6
OPERATING CASH FLOW	4'099.9	1'365.2
OUTFLOWS FOR INVESTMENT (PURCHASE) OF TANGIBLE FIXED ASSETS	0.0	-2.4
INFLOW FROM SALE OF TANGIBLE FIXED ASSET	0.0	0.6
INFLOWS FOR INVESTMENT OF FINANCIALS ASSETS	2.2	5.9
OUTFLOWS FOR INVESTMENT OF FINANCIALS ASSETS	-185.3	0.0
ACQUISITION OF SUBSIDIARIES	-1'966.5	-5'607.8
OUTFLOWS FOR INVESTMENT (PURCHASE) OF INTANGIBLE ASSETS	-202.2	-269.2
CASH DRAIN FROM INVESTING ACTIVITIES	-2'351.7	-5'872.9

- **OPERATING CASH FLOW** improved to CHF 4.1M, vs. 1.4M in previous year, however temporary increase in payables of CHF 1.1M needs to be netted out for more meaningful comparison
- **OTHER EXPENSES THAT DO NOT AFFECT THE FUND** includes the impairment on a receivable in the amount of CHF 0.5M and CHF 0.3M share-based compensation
- **CASH FLOW FROM INVESTING ACTIVITIES** reflects 2.0M earnout payment to First Class & More (vs. 5.6M last year)

CASH FLOW STATEMENT 2021 HY1 – PART 2

Financing activities reduced and overall positive change in net cash of CHF 2.4M

In CHF '000	2021 HY1	2020 HY1
REPAYMENT OF LONG-TERM FINANCIAL LIABILITIES	-60.7	0.0
ISSUANCE OF LONG-TERM FINANCIAL LIABILITIES	700.0	1'541.7
CASH INFLOW FROM FINANCING ACTIV.	639.4	1'541.7
CURRENCY TRANSLATION EFFECTS	38.9	-155.7
NET CHANGE IN NET CASH	2'426.4	-3'121.7
OPENING BALANCE OF NET CASH 1 JANUARY	2'918.6	6'876.5
CLOSING BALANCE OF NET CASH AS OF 31 DECEMBER	5'345.0	3'754.8
NET CHANGE IN NET CASH	2'426.4	-3'121.7

- **CASH FLOW FROM FINANCING ACTIVITY** increased due to financing provided by Pellegrino Capital and partially offset by repayment of government loan in the UK
- **NET CASH** increased by CHF 2.4M over the first 6 months of the year

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OUTLOOK FOR H2

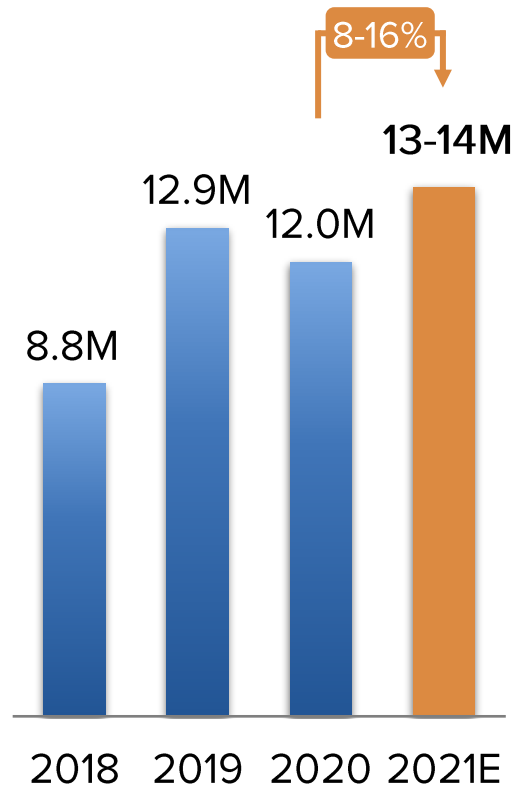
We will continue to focus on popular products and continue to invest in the long-term potential of our businesses

- An immediate recovery from COVID-19 has become more elusive and we anticipate a more **GRADUAL IMPROVEMENT OF THE MARKET ENVIRONMENT** over the next 2 years
- As a result we will continue to be **PRUDENT WITH OUR RESOURCES**
- Focus will remain on **PRODUCTS HAVE PROVEN RESILIENT** during pandemic
- At the same time, we will **CONTINUE TO INVEST** in the long-term earnings potential of our services, focusing on three areas:
 - Functional improvements to ASMALLWORLD social network (i.e. posting, ease of use)
 - Improvements to UX and functionality of ASMALLWORLD Collection
 - Launch of new World's Finest Clubs website (ongoing development)

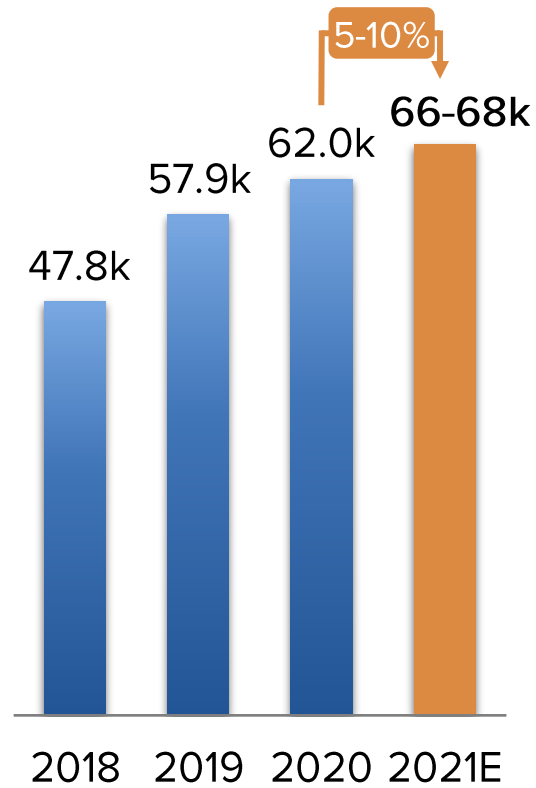
GUIDANCE FOR FULL-YEAR RAISED

Based on the strong H1 results we are raising our full year guidance for revenues and EBITDA

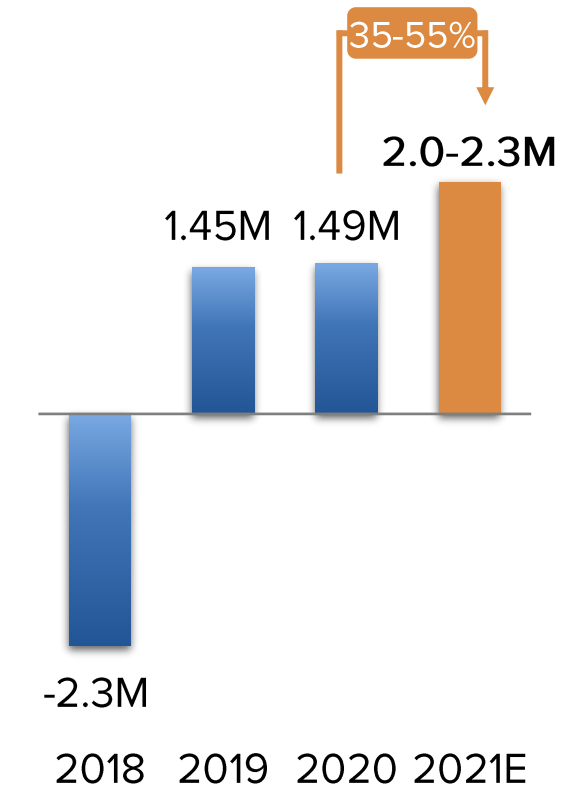
REVENUES



MEMBERS



EBITDA





AS SMALL WORLD

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