



AS SMALL WORLD

# 2023 H1 RESULTS

17<sup>TH</sup> AUGUST 2023





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
- SEGMENT REPORTING
- CONSOLIDATED FINANCIALS
- OUTLOOK



# FINANCIAL RESULTS H1 2023

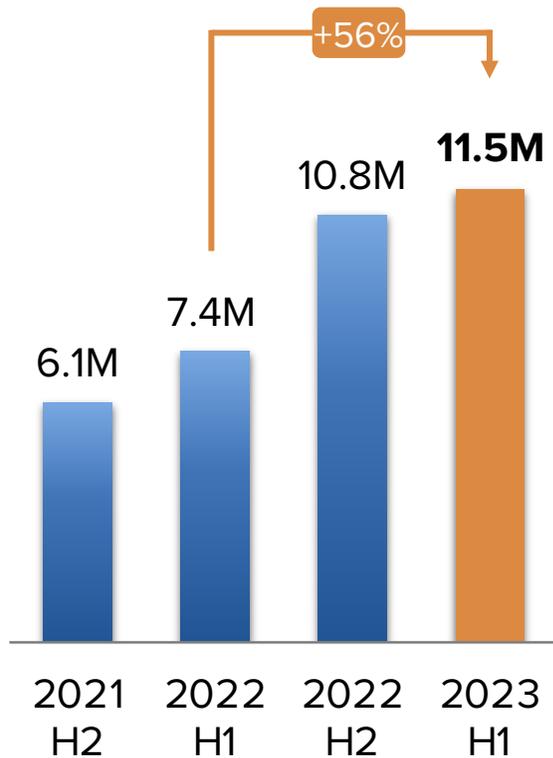
Strongest sales period in company's history

- **NET SALES +56%** from CHF 7.4M to CHF 11.5M
- **COGS +126%** due to strong Prestige and Signature membership sales
- **PERSONNEL AND OTHER OPEX +5%** and 17% respectively
- **EBITDA -25%** from 1.4M to CHF 1.0M
- **NET INCOME -39%** from 960k to CHF 584k – **EPS: CHF 0.05**
- **CASH POSITION** of CHF 2.4M

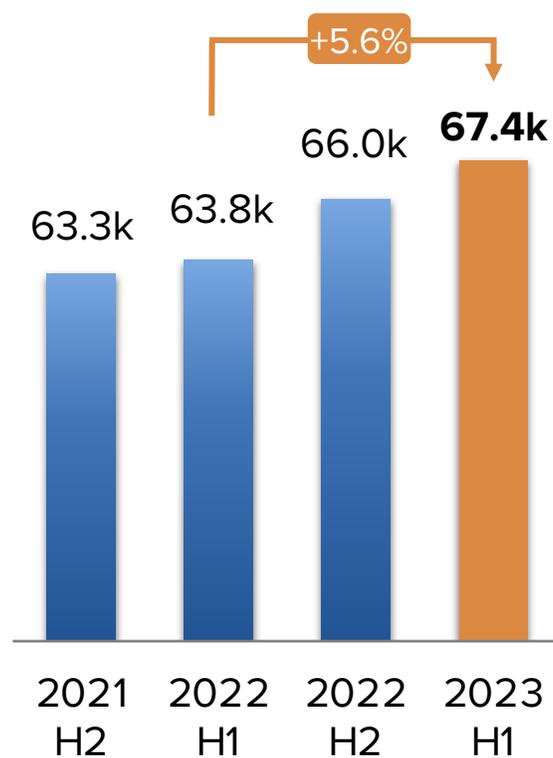
# KPI OVER TIME (HALF-YEAR VIEW)

Strong sales growth and more members, EBITDA lower

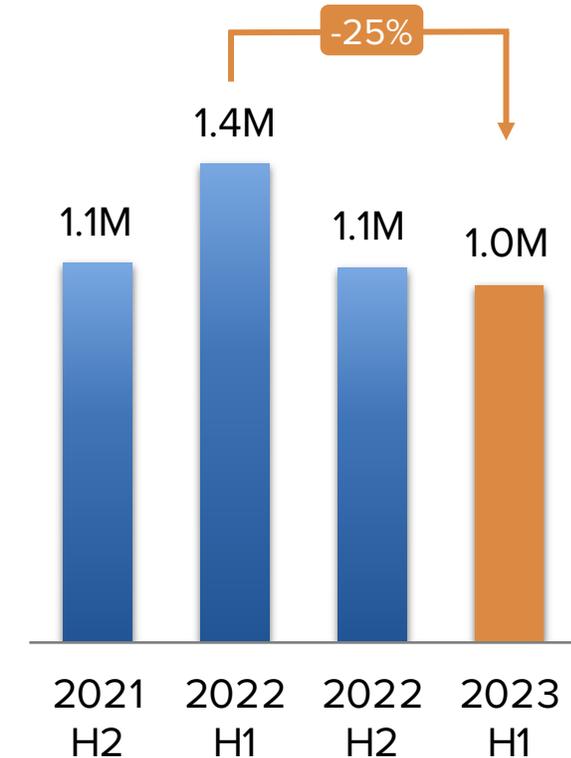
## NET SALES



## MEMBERS



## EBITDA



# OPERATIONAL HIGHLIGHTS H1 2023 I/II

Strong growth and strategic investments into long-term growth of group

- **STRONG GROWTH** due to increased demand for Prestige and Signature memberships with Emirates Skywards miles, First Class & More travel services, increase in Collection bookings and fees from Global Hotel Alliance
- Continued to invest in **LONG-TERM REVENUE POTENTIAL:**
  - **ASMALLWORLD COLLECTION** grew 26% compared to H1 2022
  - **PARTNERSHIP WITH EMIRATES** allowed us to sell significantly more Prestige and Signature memberships packaged with Emirates Skywards miles
  - **PARTNERSHIP WITH GLOBAL HOTEL ALLIANCE:** contribution from services to GHA, first 11 hotels signed for ASMALLWORLD DISCOVERY, expecting dividend payment for H2
- Started investing into **TACTICAL MARKETING EFFORTS** including paid advertising and SEO to push our products

# OPERATIONAL HIGHLIGHTS H1 2023 II/II

Strong growth and strategic investments into long-term growth of group

- **LARGER HOSPITALY CONSULTING PROJECT** unfortunately absent during H1, compared to same period year (Ritz-Carlton Residences in Dubai)
- Joint effect of investments in key initiatives and lack of major consulting project led to a **LOWER EBITDA MARGIN** for the period
- Management expects **EBITDA CONTRIBUTION TO INCREASE AGAIN** during second half of the year

# INITIATIVES TO EXPAND REVENUE POTENTIAL

We keep focusing on three key initiatives to expand our revenue potential



Continue to build **ONLINE HOTEL BOOKING ENGINE** focused on luxury hotels



**Goal:**

Monetise travel-savvy AS SMALL WORLD members through hotel bookings

The Emirates logo, consisting of the word "Emirates" in white serif font on a red rectangular background.

**Emirates**

Added **EMIRATES SKYWARDS MILES** to our premium memberships



**Goal:**

Sell more ASW premium memberships by adding an attractive air miles offering



Completed acquisition of **10% STAKE** in Global Hotel Alliance

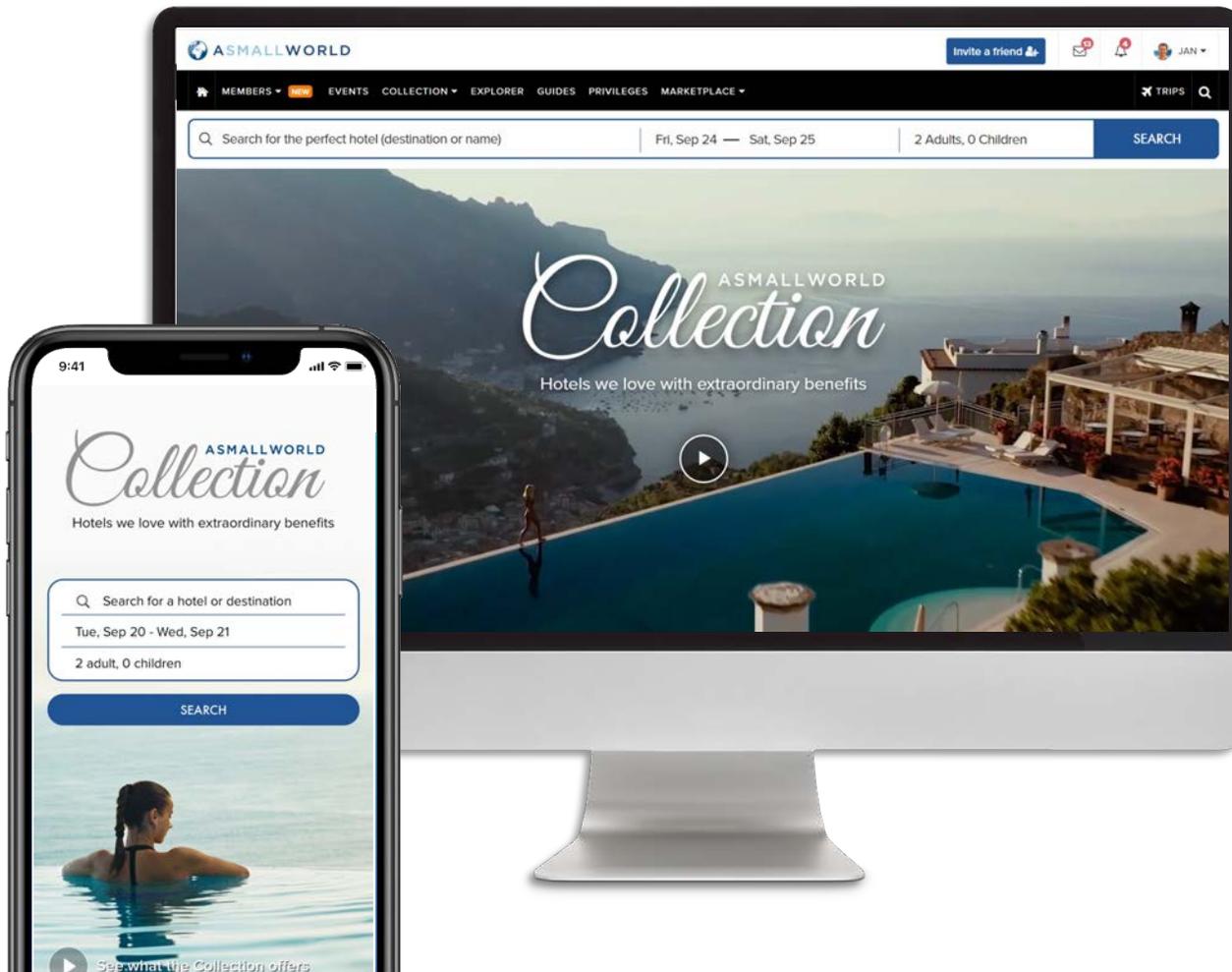


**Goal:**

Grow ASW community; offer vehicle for independent hotels to join GHA

# BOOKING ENGINE FOR LUXURY HOTELS

The ASMALLWORLD Collection is a hotel booking engine focused exclusively on luxury hotels



- A hotel booking engine focused on **THE WORLD'S BEST LUXURY HOTELS**
- Booking experience is **HIGHLY VISUAL AND STREAMLINED**
- Bookings can be made via **WEB** and via the **ASMALLWORLD APP**

[www.asmallworldcollection.com](http://www.asmallworldcollection.com)

# THE ASMALLWORLD VIP RATE

Our 'ASMALLWORLD VIP Rate' allows customers to enjoy extraordinary VIP benefits at no extra cost

OCEAN CLIFF ONE BEDROOM VILLA



300 m<sup>2</sup> / 3,229 ft<sup>2</sup> King bed Ocean view

Closest to the high cliff's edge are eight villas that stand out over the others. The cliff villa at Bvlgari Resort Bali offers a completely unobstructed view of the ocean's infinite horizon. These gracious dwellings include two equally ample spaces, one for the bedroom and the other for the bathroom, which has an enormous tub and spacious shower. Outstanding open air plunge pool – certain...

Show more

**LOWEST RATE**  
Most affordable

€ 2,096

Total 1 night Price per night € 2,096

**BENEFITS INCLUDED:**

- ✓ Our lowest price
- ✓ Breakfast not included

See full conditions

BOOK NOW

**ASMALLWORLD VIP**  
All our benefits

€ 2,096

Total 1 night Price per night € 2,096

**BENEFITS INCLUDED:**

- ✓ Marriott Bonvoy Points
- ✓ Room Upgrade
- ✓ Daily complimentary breakfast for two
- ✓ \$100 USD Hotel Credit
- ✓ Early check-in / Late check-out
- ✓ Welcome Amenity

See full conditions

BOOK NOW

• **LOWEST RATE:** lowest rate available, great for price-sensitive customers

• **ASMALLWORLD VIP RATE:** our exclusive “value-for-money rate” that includes extraordinary VIP benefits\*:

- Room upgrade\*
- \$100 hotel credit
- Complimentary breakfast for two
- Early Check-In\*
- Late Check-Out\*
- Complementary Wi-Fi

↓

**Lowest price**

↓

**Value-for-money**  
99% of our bookings

\*benefits may vary by hotel

# THE COLLECTION HAS STRONG PARTNERS

We have partnerships with all key players in the industry to give us access to a broad range of hotels and benefits

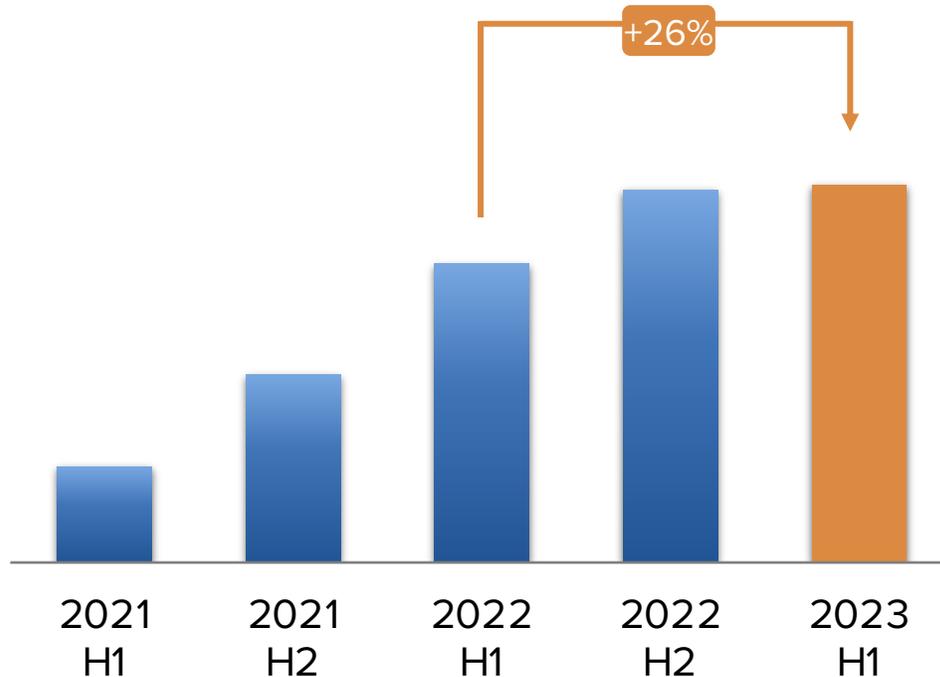


# BOOKING VOLUME STEADILY INCREASING

The ASmallWorld Collection is continuing to grow, underlining long-term growth potential for the business

## STAYS BY HALF-YEAR

Value of stays per half-year (indexed)



Note: includes seasonality; second half of the year usually stronger

- Stays for the ASmallWorld Collection **GREW BY 26%** vs. last year
- Bookings during the first half of year were up by 20% vs. last year
- **ADDITIONAL STAFF** has been hired to increase the hotel portfolio and to add additional booking features
- Taking steps to **IMPROVE SEO PERFORMANCE** with an external consulting company with the intent to drive more customers to book with us

# PARTNERSHIP WITH EMIRATES

Emirates

Prestige and Signature memberships with Emirates Skywards miles contributed strongly to H1 result



## ASMALLWORLD Prestige or Signature membership

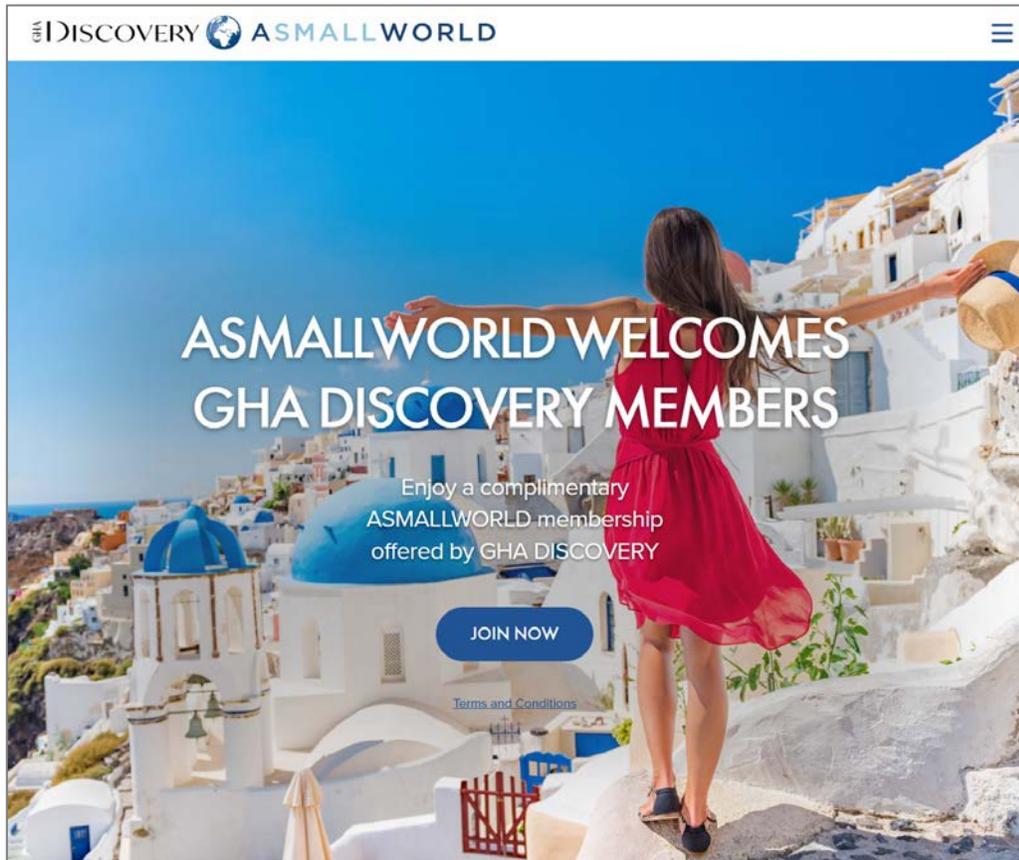
- 250,000 or 500'000 miles Emirates Skywards
- DragonPass airport lounge access
- The World's Finest Clubs membership
- Status levels from Sixt, Jumeirah, Discovery

- Emirates Airlines one of the few airlines with **STRONG INTERNATIONAL APPEAL**
- Signed a **PARTNERSHIP** in July 2022
- Next to Miles & More and Etihad, **THIRD OPTION** for customers to choose from
- New offering **EXPANDED REACH** of Prestige (EUR 5'490) and Signature (EUR 9'990), especially in Middle East
- Sales started in September 2022 and product have **NOW OVERTAKEN MILES & MORE**

# GHA PARTNERSHIP GOING WELL



Global Hotel Alliance partnership is on track; also expecting a dividend payment in H2



- **GLOBAL HOTEL ALLIANCE (GHA)** is the world's largest alliance of independent hotel brands
- **ASmallWorld ACQUIRED 10% STAKE** last year
- GHA DISCOVERY elite members started to receive **COMPLIMENTARY ASmallWorld MEMBERSHIP** (started July last year)
- GHA **PAID SERVICE FEE** for complimentary memberships for first time, contributing to ASW sales
- **GHA BUSINESS STRONG** with 60% sales increase last year: expecting dividend payment for H2 as return on financial investment is starting to pay off

# ASW ADDED TO DISCOVERY BRAND PORTFOLIO

40 brands and over 800 hotels are part of the DISCOVERY hotel portfolio, now including ASmallWORLD

GHADISCOVERY  
REWARDING LIFE'S JOURNEYS



ASSmallWORLD



THE DOYLE COLLECTION



# ASMALLWORLD DISCOVERY

ASMALLWORLD DISCOVERY supports independent hotels who want to become part of GHA DISCOVERY loyalty platform



<https://asmallworlddiscovery.com/>

# ASMALLWORLD DISCOVERY: 11 HOTELS SIGNED

ASMALLWORLD DISCOVERY steadily growing in size, many more hotels soon bookable through GHA DISCOVERY

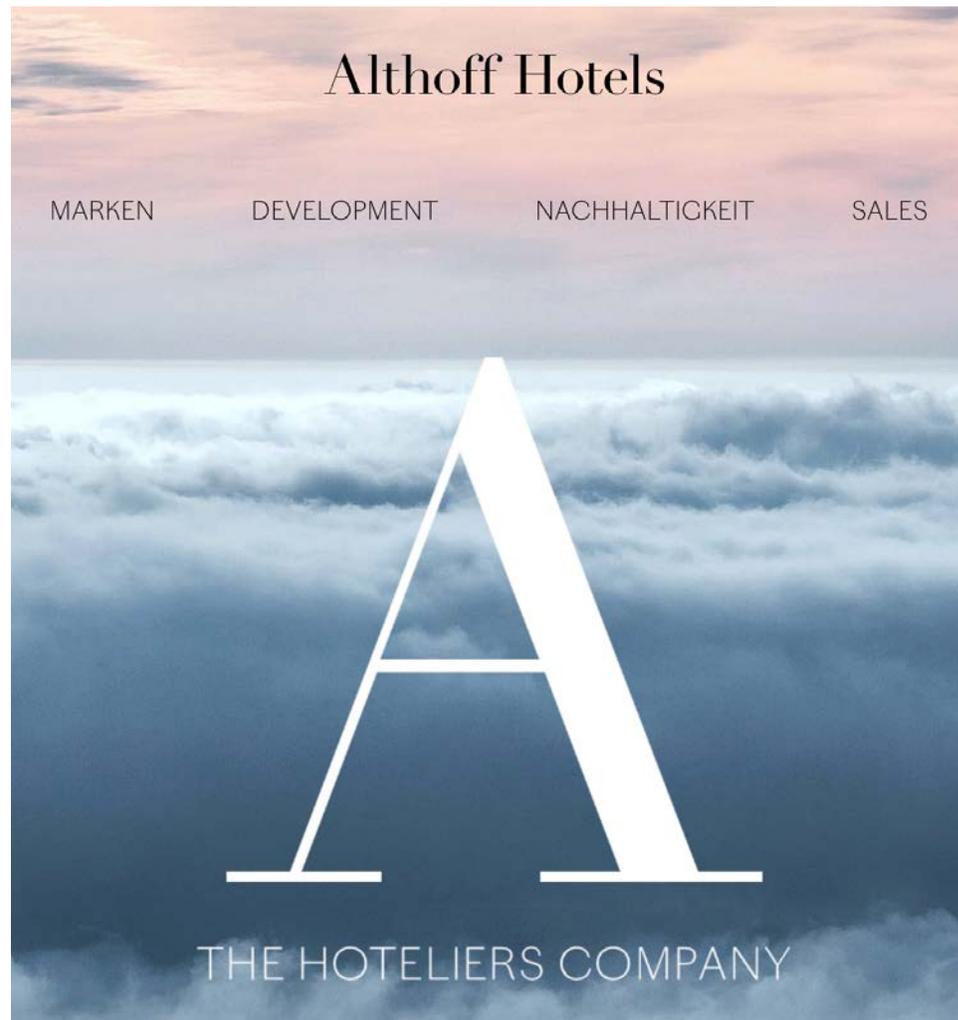


## ASMALLWORLD | DISCOVERY

- **11 HOTELS** have been signed already
- **2 HOTELS ARE FULLY CONNECTED** and are now bookable by customers: The Chedi Andermatt and the Mandrake in London
- **5 MORE HOTELS TO FOLLOW SHORTLY**, including the Beau Rivage in Geneva and the Hotel Alex in Zermatt

# ALTHOFF HOTELS MOST RECENT ADDITION

Four Althoff properties will be added this year: potential to add all 18 hotels to the ASMALLWORLD portfolio in future



## ASMALLWORLD | DISCOVERY

- German hotel group Althoff Hotels has agreed to bring **FOUR OF ITS HOTELS** into ASMALLWORLD DISCOVERY
- These hotels include **ALTHOFF ST. JAMES'S HOTEL & CLUB** in London, **ALTHOFF VILLA BELROSE** in Saint Tropez
- The go-live for these hotels is expected **TOWARDS THE END OF THIS YEAR**
- Should initial phase go well, the Althoff may bring **REMAINING 14** properties into ASW

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# SUBSCRIPTIONS BUSINESS PERFORMANCE

Strong sales growth due to increased demand for Prestige and Signature memberships (Emirates)

In CHF	2023 H1	2022 H1	CHANGE
REVENUE	<b>7.5M</b>	4.8M	+55%
EBITDA	<b>0.8M</b>	0.7M	-16%
EBITDA MARGIN	<b>16.2%</b>	8.7%	-7.5%-pt.

- Strong **ASW PRESTIGE AND SIGNATURE SALES** with new Emirates option
- **SALES FOR MILES & MORE PRESTIGE LAGGING** behind last year's performance due to competitor product (Bundle & Go) and late second sales period shifting sales into H2
- **EBITDA DOWN** due to higher COGS for Emirates option and investment in marketing efforts for memberships
- **MEMBER BASE** grew by 5.6% to 67'454 compared to June 2022

# SERVICES BUSINESS PERFORMANCE

Travel services from First Class & More in high demand but lack of hospitality consulting project with impact on margins

In CHF	2023 H1	2022 H1	CHANGE
REVENUE	<b>4.0M</b>	2.6M	+56%
EBITDA	<b>0.4M</b>	0.6M	-37%
EBITDA MARGIN	<b>23.7%</b>	9.6%	-14.1%-pt.

- Strong sales of **FIRST CLASS & MORE** flight and upgrade services
- **ASMALLWORLD COLLECTION** growing
- Increase in **ASW EVENTS**
- **ASMALLWORLD HOSPITALITY** missing larger consulting project (Ritz-Carlton Residences project in Dubai in 2022)
- **LOWER MARGINS** reflect loss of high-margin hospitality consulting business and investment into ASMALLWORLD DISCOVERY hotel portfolio

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# INCOME STATEMENT 2023 HY1

ASMALLWORLD achieves record net sales for HY1

In CHF '000	2023 HY1	2022 HY1	CHANGE
<b>NET SALES</b>	<b>11'471.3</b>	<b>7'372.8</b>	<b>+56%</b>
OTHER OPERATING INCOME	0.0	0.0	0%
DIRECT EXPENSES	-7'389.5	-3'264.4	+126%
PERSONNEL EXPENSES	-1'151.0	-1'093.8	+5%
R&D EXPENSES	-127.9	-116.1	+10%
OTHER OPERATING EXPENSES	-1'769.0	-1'512.7	+17%
<b>EBITDA</b>	<b>1'033.9</b>	<b>1'385.8</b>	<b>-25%</b>
EBITDA MARGIN	9.0%	18.8%	-9.8%-pt.
DEPRECIATION	-4.6	-12.8	-64%
AMORTIZATION	-233.6	-337.6	-31%
<b>OPERATING RESULT</b>	<b>795.7</b>	<b>1'035.4</b>	<b>-23%</b>
FINANCIAL INCOME	61.7	83.6	-26%
FINANCIAL EXPENSES	-213.7	-135.3	+58%
<b>ORDINARY RESULT</b>	<b>643.8</b>	<b>983.7</b>	<b>-35%</b>
INCOME TAXES	-59.6	-23.1	+158%
<b>NET RESULT</b>	<b>584.2</b>	<b>960.6</b>	<b>-39%</b>
EARNINGS PER SHARE (IN CHF)	0.05	0.08	-41%

- **NET SALES** increased by 56% due to strong demand for Prestige & Signature memberships (Emirates option)
- **DIRECT EXPENSES** increased by 126%, driven by COGS for Emirates Prestige and Signature memberships
- **OTHER OPERATING EXPENSES** increased due investments in people/technology and a tactical decision to spend more on marketing for ASMALLWORLD DISCOVERY and the ASMALLWORLD Collection
- **FINANCIAL EXPENSES HIGHER** due to debt interest payments
- **NET RESULT** 36% lower as a result

# BALANCE SHEET 2023 HY1 – PART 1

Stable balance sheet size

In CHF '000	2023 HY1	2022 FY
CASH	2'412.8	4'013.6
RECEIVABLES FROM SERVICES	1'034.4	1'402.1
OTHER SHORT-TERM RECEIVABLES	255.6	225.9
PREPAYMENTS AND ACCRUED INCOME	1'315.1	839.9
<b>TOTAL CURRENT ASSETS</b>	<b>5'017.9</b>	<b>6'481.5</b>
TANGIBLE FIXED ASSETS	28.7	30.7
FINANCIAL ASSETS	5'877.3	4'678.4
INTANGIBLE ASSETS	1'093.6	1'111.5
<b>TOTAL NON-CURRENT ASSETS</b>	<b>6'999.6</b>	<b>5'820.6</b>
<b>TOTAL ASSETS</b>	<b>12'017.4</b>	<b>12'302.1</b>

- **CASH POSITION** decreased due to CHF 1.2M investment in real estate investment fund “GE Super Prime Hospitality Holdings” – goal: short term return on investment plus hospitality consulting work for fund managers
- **RECEIVABLES FROM SERVICES** decreased due to reduction in outstanding invoices
- **PREPAYMENTS AND ACCRUED INCOME** increased due to prepayments for travel arrangements, member privileges, consulting/legal services
- **FINANCIAL ASSETS** increased due real estate investment (see above)

# BALANCE SHEET 2023 HY1 – PART 2

Liabilities decreased due to debt repayments, steadily reducing leverage and interest costs

In CHF '000	2023 HY1	2022 FY
SHORT-TERM FINANCIAL LIABILITIES	543.1	543.1
PAYABLES FROM GOODS AND SERVICES	1'355.3	1'549.2
OTHER SHORT-TERM LIABILITIES	127.3	145.8
SHORT-TERM PROVISIONS	40.7	35.7
ACCRUED LIABILITIES AND DEFERRED INCOME	3'481.0	3'642.9
<b>TOTAL CURRENT LIABILITIES</b>	<b>5'547.3</b>	<b>5'916.6</b>
LONG-TERM FINANCIAL LIABILITIES	8'066.8	8'589.7
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>8'066.8</b>	<b>8'589.7</b>
<b>TOTAL LIABILITIES</b>	<b>13'614.1</b>	<b>14'506.3</b>
SHARE CAPITAL	11'718.7	11'718.7
CAPITAL RESERVES	17'407.4	17'407.4
RETAINED EARNINGS	-30'722.8	-31'330.3
<b>TOTAL EQUITY / NET ASSETS</b>	<b>-1'596.7</b>	<b>-2'204.2</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>12'017.4</b>	<b>12'302.1</b>

- **PAYABLES FROM GOODS AND SERVICES / ACCRUED LIABILITIES AND DEFERRED INCOME** decreased due to a reduction in open positions from Miles & More Prestige promotions at the end of 2022
- **SHORT-TERM FINANCIAL LIABILITIES** remain stable due to 12 months accounting rule (show next tranche of repayments, stable value)
- **LONG-TERM FINANCIAL LIABILITIES** reduced by CHF 0.5M due to repayments of bank loan and covid government support
- **EQUITY** increased due to positive net result

# CASH FLOW STATEMENT 2023 HY1 – PART 1

Operating cash flow decreased compared to H1 2022 due to lower net result and working capital changes

In CHF '000	2023 HY1	2022 HY1
NET RESULT	584.2	960.6
DEPRECIATION OF TANGIBLE FIXED ASSETS	4.6	12.8
AMORTIZATION OF INTANGIBLE ASSETS	233.6	337.6
+/- OF PROVISIONS THAT DO NOT AFFECT THE FUND	5.6	-52.1
OTHER EXPENSE/INCOME THAT DO NOT AFFECT THE FUND	77.6	125.1
-/+ OF RECEIVABLES FROM SERVICES	367.8	-863.2
+ OF OTHER RECEIVABLES AND PREPAYMENTS AND ACCRUED INCOME	-504.9	-207.4
-/+ PAYABLES FROM GOODS AND SERVICES	-193.9	324.2
-/+ OF OTHER SHORT-TERM LIABILITIES AND ACCRUED LIABILITIES AND DEFERRED INCOME	-178.6	365.2
<b>OPERATING CASH FLOW</b>	<b>395.9</b>	<b>1'002.6</b>
OUTFLOWS FOR INVESTMENT (PURCHASE) OF TANGIBLE FIXED ASSETS	-2.6	0.0
OUTFLOWS FROM ACQUISITION OF SUBSIDIARIES	0.0	-3'515.1
OUTFLOWS FOR INVESTMENT (PURCHASE) OF INTANGIBLE ASSETS	-216.0	-186.5
OUTFLOWS FOR INVESTMENT (PURCHASE) OF FINANCIAL ASSETS	-1'254.0	-3'333.7
INFLOWS FOR DIVESTMENT (SELLING) OF FINANCIAL ASSETS	14.9	0.0
<b>CASH DRAIN FROM INVESTING ACTIVITIES</b>	<b>-1'457.7</b>	<b>-7'035.3</b>

- **OPERATING CASH FLOW** decreased due to lower net result and changes in net working capital
- **CASH DRAIN FROM INVESTING ACTIVITIES** reflecting CHF 1.2M investment in real estate investment fund; no more outflows from past acquisitions

# CASH FLOW STATEMENT 2023 HY1 – PART 2

Financing cash flow driven by repayments of short-term financial liabilities

In CHF '000	2023 HY1	2022 HY1
REPAYMENT OF LONG-TERM FINANCIAL LIABILITIES	-522.9	-136.5
ISSUANCE OF LONG-TERM FINANCIAL LIABILITIES	0.0	4'000.0
<b>CASH INFLOW FROM FINANCING ACTIV.</b>	<b>-522.9</b>	<b>3'863.5</b>
CURRENCY TRANSLATION EFFECTS	-16.2	-57.3
<b>NET CHANGE IN NET CASH</b>	<b>-1'600.8</b>	<b>-2'226.5</b>
OPENING BALANCE OF NET CASH 1 JANUARY	4'013.6	5'226.0
CLOSING BALANCE OF NET CASH AS OF 30 JUNE	2'412.8	2'999.4
<b>NET CHANGE IN NET CASH</b>	<b>-1'600.8</b>	<b>-2'226.5</b>

- **CASH FLOW FROM FINANCING ACTIVITY** decreased due to debt repayments of CHF 0.5 Mio. (bank loan and Covid government support)
- **NET CASH** decreased by CHF 1.6M over the first 6 months of the year, primarily due to CHF 1.2M real estate investment and CHF 0.5M debt repayment

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# OUTLOOK FOR H2

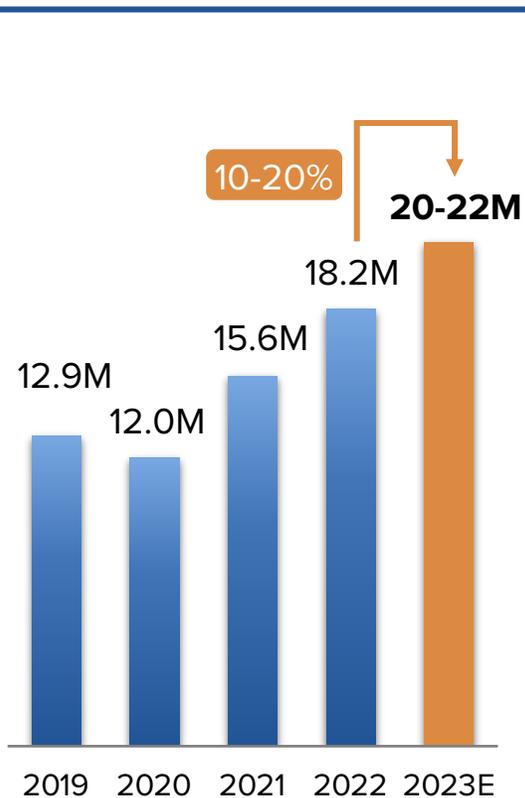
We believe the second half of the year see another strong revenue performance and higher EBITDA contribution

- Demand for **PRESTIGE AND SIGNATURE** memberships with Emirates Skywards miles should remain high and we may be able to push the Miles & More options stronger
- **EBITDA CONTRIBUTION SHOULD INCREASE FOR H2** but we will continue to invest in our strategic initiatives and tactical marketing campaigns
- More hotels are expected to sign up with ASMALLWORLD DISCOVERY, although a meaningful effect of the **GROWING HOTEL PORTFOLIO** on sales and EBITDA will only be visible in 2024 due to the long ramp-up
- For the Collection, we will further **EXPAND THE PRODUCT OFFERING**
- We will also **REVIEW THE ASMALLWORLD MEMBERSHIP LEVELS** and may restructure our membership offering in early 2024 to increase our customer pool

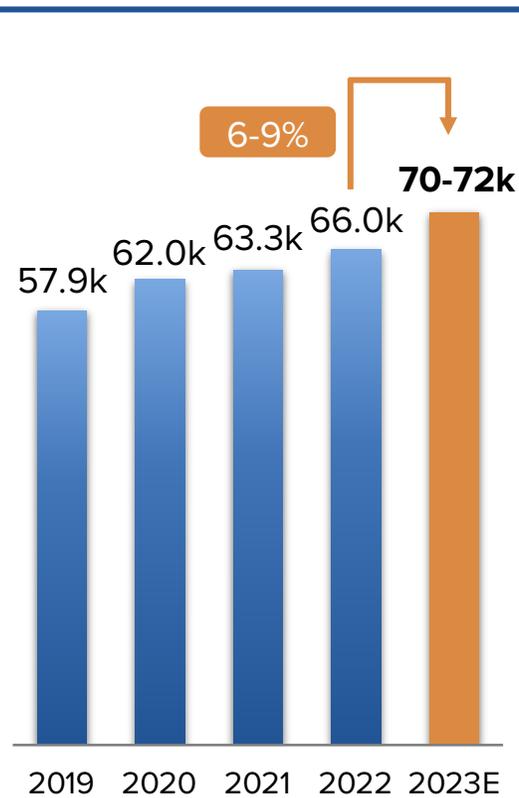
# GUIDANCE FOR 2023 FULL YEAR

Reiterating sales /member targets; EBITDA revised to CHF 2.2-2.4M due to investments in people, technology and marketing

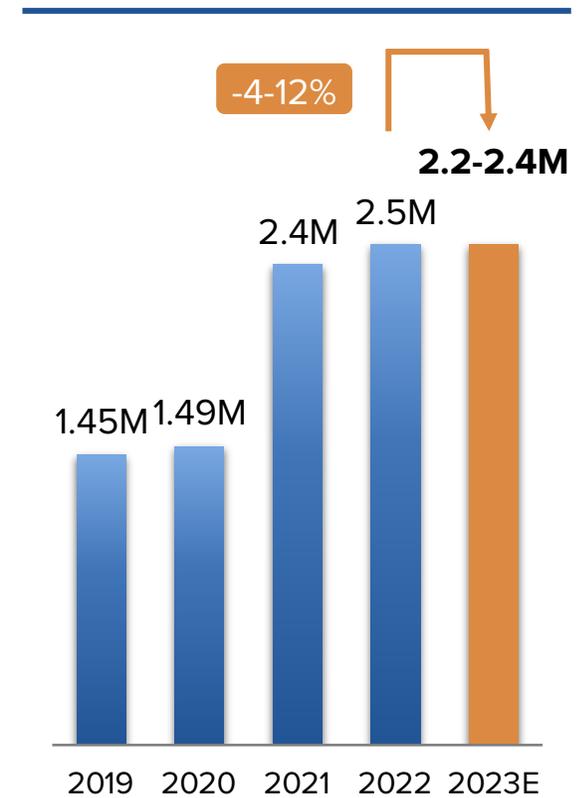
## NET SALES



## MEMBERS



## EBITDA



# Q&A





# ASMALLWORLD

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