



ASMALLWORLD

2023 FULL YEAR RESULTS

14TH MARCH 2024





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 2023 PERFORMANCE
- SEGMENT REPORTING
- CONSOLIDATED FINANCIALS
- OUTLOOK 2024



2023 FINANCIAL RESULTS

Another record year: highest sales in ASMALLWORLD's history

- NET SALES +15% from CHF 18.5M to 21.2M
- EBITDA -16% from CHF 2.5M to 2.1M
- NET INCOME +5% from CHF 1.45M to 1.53M – EPS: CHF 0.13
- GHA INVESTMENT DIVIDEND payments received: USD 0.3M
- CASH POSITION of CHF 3.0M per end of year plus securities of CHF 1.2M

STRONG DEBT REDUCTION OF 54%

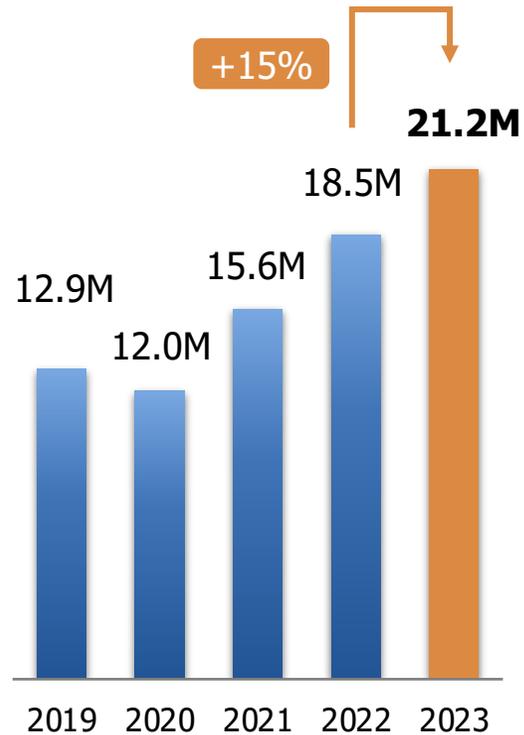
After becoming self-funding in 2022, we significantly reduced our debt in 2023

- **DEBT REDUCED BY 54%:** a total of CHF 4.9M of debt was repaid in 2023, bringing the outstanding debt from CHF 9.1M to 4.2M
- **CAPITAL INCREASE IN OCTOBER:** ASW issued 2.7M in new shares and increased share capital to 14.5M shares
- **REPAID ALL DEBT TO PELLEGRINO CAPITAL:** 4.4M of debt was fully repaid with CHF 3.8M from capital increase and 0.6M in cash
- **HEALTHY BALANCE SHEET:** Per end of 2023 we had CHF 3.0M in cash and CHF 1.2M in investment assets (already been converted back to cash), which could repay all remaining debt instantly, if we wanted to do so
- *Additionally, CHF 570k of outstanding COVID-19 loan by government was fully repaid in March, further reducing ASW's outstanding debt (not in 2023 period)*

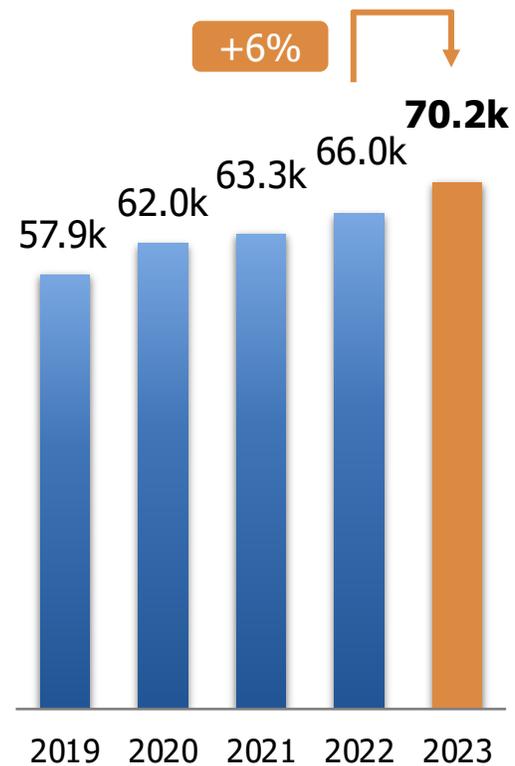
KPI OVERVIEW 2023

Strong sales and solid member base growth; EBITDA lower due to product mix shift and investments in business growth

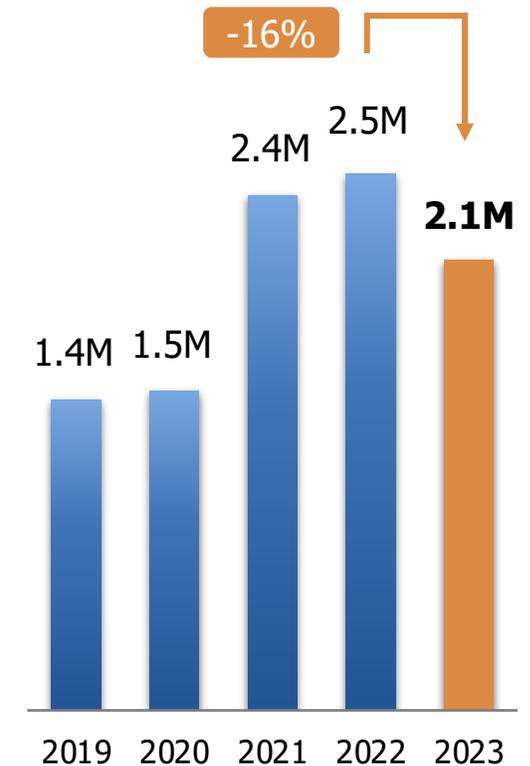
NET SALES



MEMBERS



EBITDA



OPERATIONAL HIGHLIGHTS 2023 I/II

Strong growth due to Prestige and Signature memberships and continued investments into long-term growth of group

- **PARTNERSHIP WITH EMIRATES** allowed us to sell significantly more Prestige and Signature memberships this year
- **ASMALLWORLD COLLECTION** hotel bookings increased by 29%
- Demand for **FIRST CLASS & MORE'S BUSINESS AND FIRST-CLASS FLIGHT** services increased again
- **PARTNERSHIP WITH GLOBAL HOTEL ALLIANCE LED TO FIRST** services fee payments from GHA for complimentary memberships; first dividend payment also received
- New **ASMALLWORLD DISCOVERY** business signed first 18 hotels
- Started investing into **TACTICAL MARKETING EFFORTS** including paid advertising and SEO to push our products

OPERATIONAL HIGHLIGHTS 2023 II/II

Strong growth due to Prestige and Signature memberships and continued investments into long-term growth of group

- **ACQUIRED JETBEDS.COM**, an online flight booking tool, to expand our setup of online travel booking tools
- **LARGER HOSPITALY CONSULTING PROJECT** unfortunately absent compared to 2023 (Ritz-Carlton Residences in Dubai) but recent win with Rosewood Barbuda should lead to a new long-term project
- **LOWER EBITDA** due to a combination of factors: investments in key initiatives, a changing product mix from Miles & More to Emirates, a lack of major consulting project and higher legal cost (court case and capital increase) as well as general staff cost increases

PARTNERSHIP WITH EMIRATES

Emirates

Prestige and Signature memberships with Emirates Skywards miles contributed strongly to 2023 result



ASMALLWORLD Prestige or Signature membership

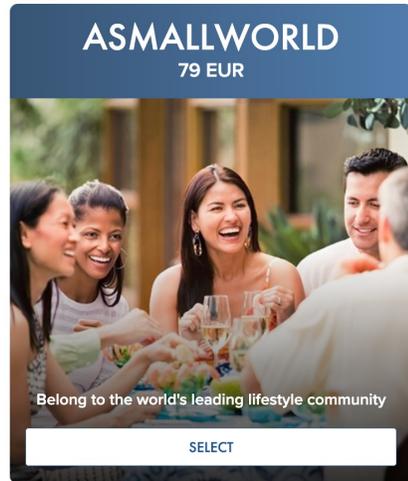
- 250,000 or 500'000 miles Emirates Skywards
- DragonPass airport lounge access
- The World's Finest Clubs membership
- Status levels from Sixt, Jumeirah, Discovery

- 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 memberships, especially in Middle East
- Sales started in September 2022 and product has **NOW OVERTAKEN MILES & MORE**

PREMIUM MEMBERSHIPS MOST IMPORTANT PRODUCT

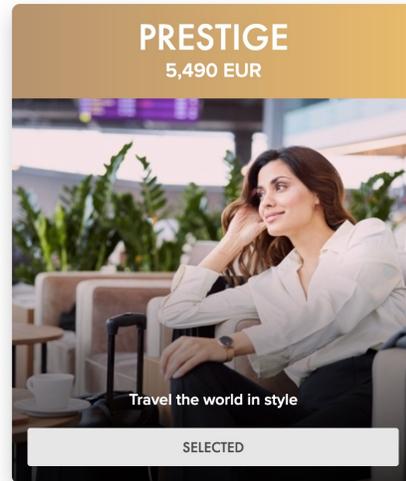
The ASmallWorld Premium Memberships have become the most important revenue drivers

ASSmallWORLD MEMBERSHIPS



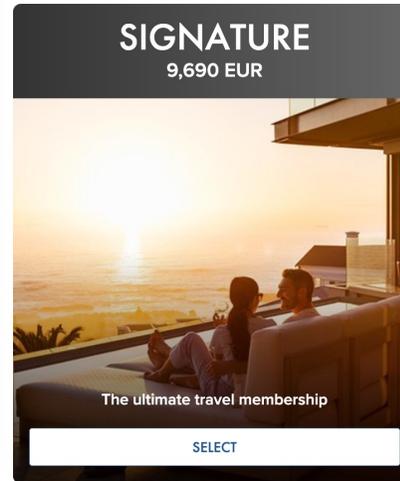
Basic Membership

Access to the ASW community



Premium Memberships

Package of travel benefits, including air miles



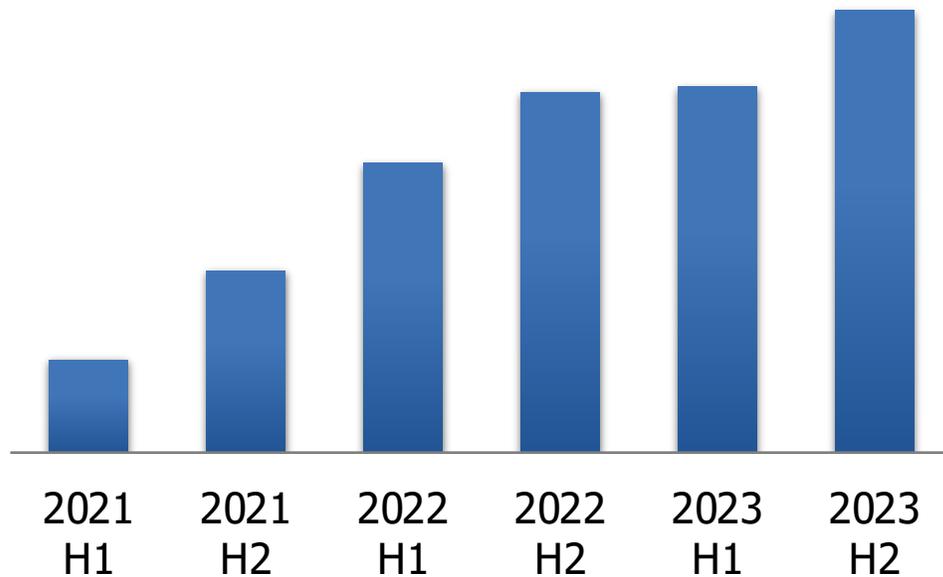
- ASSmallWORLD offers **2 TYPES OF MEMBERSHIPS**:
 - Basic Membership: Community access
 - Prestige and Signature: Travel benefits packages
- Premium Memberships cost **EUR 5,490** (Prestige) and **EUR 9,690** (Signature)
- These two memberships have **BECOME INCREASINGLY IMPORTANT** for ASSmallWORLD as sales for these memberships keep growing

HOTEL BOOKING VOLUME STEADILY INCREASING

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

STAYS BY HALF-YEAR

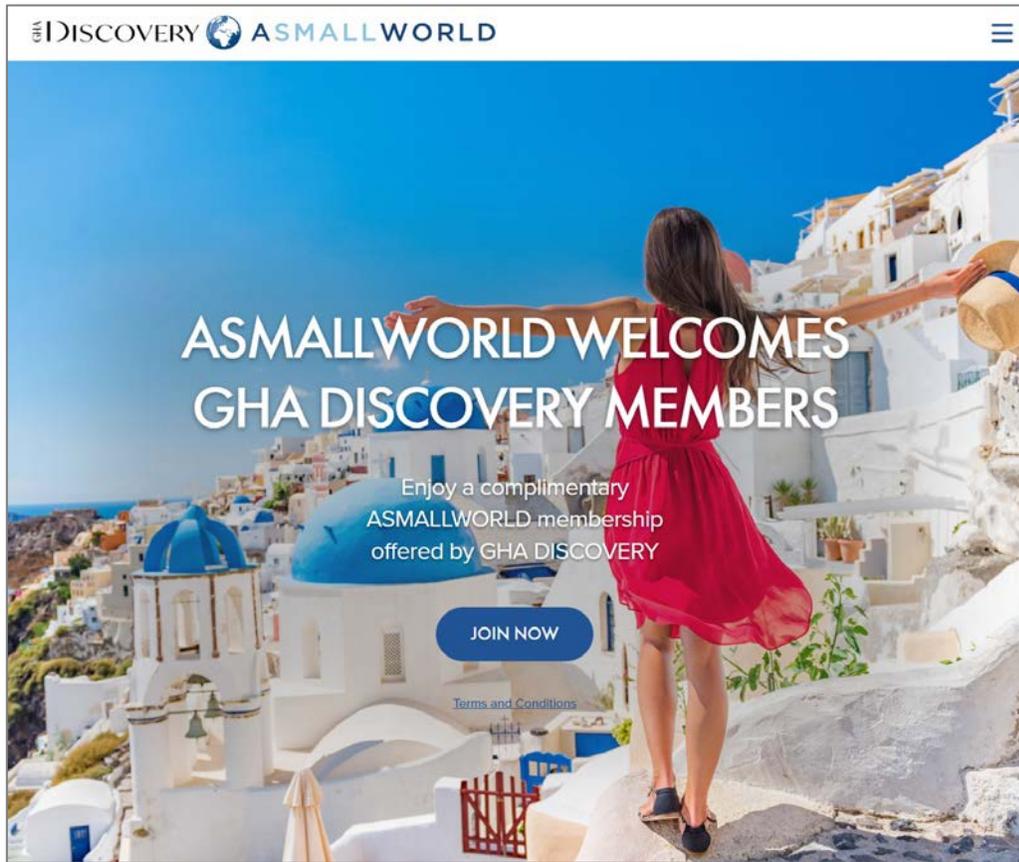
Value of stays per half-year (indexed)



- **VALUE OF BOOKINGS WERE UP BY 29%** vs. last year (20% more bookings, 7% higher average value of bookings)
- Stays for the ASmallWorld Collection **GREW BY 24%** vs. last year
- **ADDITIONAL STAFF** has been hired to increase the hotel portfolio and to add additional booking features
- **SEO IMPROVEMENTS** with an external consulting company driving new customers to site

GHA PARTNERSHIP IS STARTING TO PAY OFF

Global Hotel Alliance partnership is on track; paid first service fee and (unexpected) first dividend



- **GLOBAL HOTEL ALLIANCE (GHA)** is the world's largest alliance of independent hotel brands
- **ASMALLWORLD ACQUIRED 10% STAKE** at the end of 2021
- GHA DISCOVERY elite members started to receive **COMPLIMENTARY ASMALLWORLD MEMBERSHIP** in July 2022
- Investment is starting to pay off:
 - GHA **PAID SERVICE FEE** for complimentary memberships for first time in 2023
 - **GHA BUSINESS STRONG:** unexpected dividend payment paid out to shareholders: ASW received USD 300'000 in 2023

ASMALLWORLD DISCOVERY

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



<https://asmallworlddiscovery.com/>

ASMALLWORLD DISCOVERY: 18 HOTELS SIGNED

ASMALLWORLD DISCOVERY hotel portfolio steadily growing

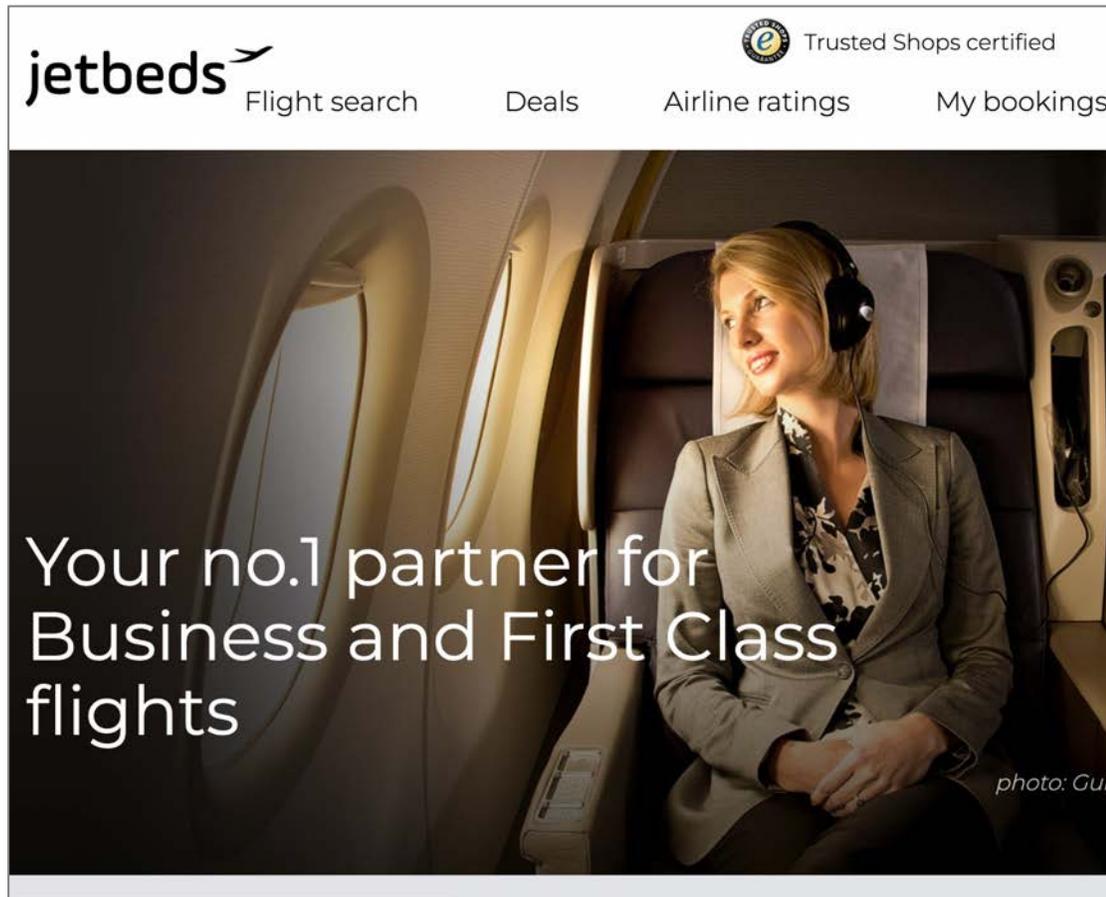


ASMALLWORLD | DISCOVERY

- **18 HOTELS** signed so far to join ASMALLWORLD DISCOVERY
- **4 HOTELS ARE FULLY CONNECTED** and are now bookable by customers on GHA DISCOVERY: The Chedi Andermatt, the Mandrake in London, Hotel Alex Zermatt and the Grand Cosmopolitan in Dubai
- **MORE HOTELS CURRENTLY IN TECHNICAL PREPARATION** and will follow shortly

ACQUIRED JETBEDS FLIGHT BOOKING PORTAL

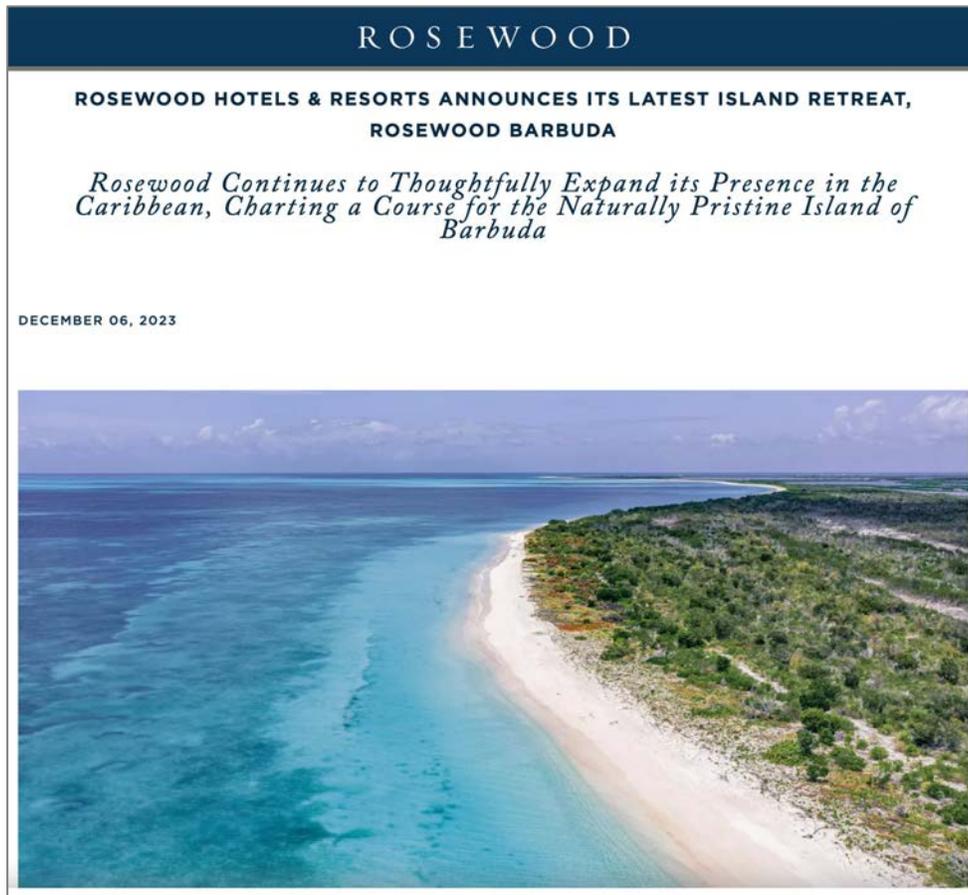
In November 2023, we acquired online flight booking portal Jetbeds.com to add flight booking capabilities



- Jetbeds.com is an online booking engine to book **FIRST AND BUSINESS CLASS FLIGHTS**
- Acquisition will further expand **ONLINE TRAVEL BOOKING CAPABILITIES**, next to ASMALLWORLD Collection (hotels)
- We will continue to operate the standalone website Jetbeds.com...
- ...but also leverage the booking platform to offer flight bookings from within the **ASMALLWORLD AND FIRST CLASS & MORE APPS AND WEBSITES** in the future

BIG WIN FOR HOSPITALITY CONSULTING BUSINESS

ASMALLWORLD Hospitality reached a milestone for hotel development with Rosewood in Barbuda



- ASMALLWORLD client Murbee Resorts has signed a **DEAL WITH ROSEWOOD HOTELS & RESORTS** to bring the first Rosewood hotel to the island of Barbuda
- ASMALLWORLD Hospitality has been **ADVISING MURBEE RESORTS** on this project for over a year and has played a vital role in brokering this deal with Rosewood
- Going forward, ASMALLWORLD will **COORDINATE THE DEVELOPMENT OF THE RESORT AND OVERSEE THE SALE** of all residential units
- ASMALLWORLD's compensation will consist of an ongoing **CONSULTING FEE** for the duration of the project, as well as a **PERFORMANCE-BASED FEE** from the sale of the residential units

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SUBSCRIPTIONS BUSINESS

Solid growth driven by ASW Prestige and Signature memberships but lower profitability due to higher COGS

In CHF	2023	2022	CHANGE
REVENUE	14.8M	13.0M	+13%
EBITDA	1.2M	1.7M	-27%
EBITDA MARGIN	8.4%	13.0%	-4.6%-pt.

- Strong **ASW PRESTIGE AND SIGNATURE** membership sales due to increased demand for new Emirates option
- **HIGHER COGS** due to a shift from Miles & More to Emirates membership sales
- **ASMALLWORLD'S MEMBER BASE** expanded by 6% to 70,200 members
- **FIRST CLASS & MORE** with solid demand for Gold and Platinum memberships but Diamond sales slowed
- Smaller increases in **STAFF COSTS**

SERVICES BUSINESS

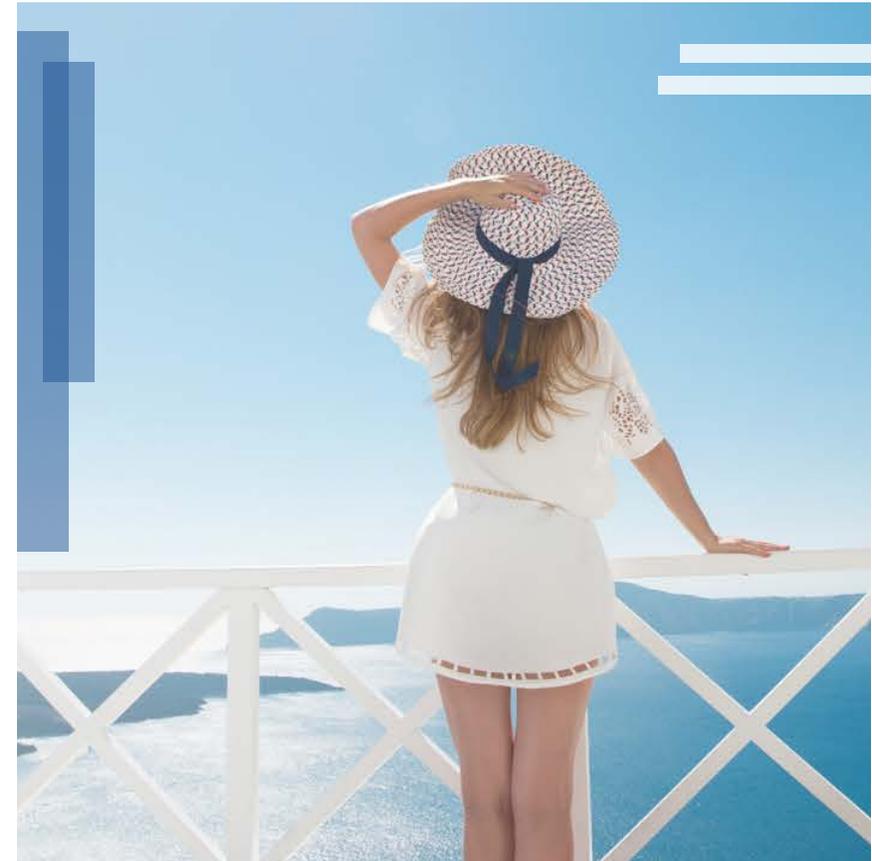
Services business with strong growth, driven by FCAM flight packages, ASW Collection and GHA service fees

In CHF	2023	2022	CHANGE
REVENUE	6.5M	5.4M	+19.8%
EBITDA	0.8M	0.8M	+8.7%
EBITDA MARGIN	13.1%	14.4%	-1.3%-pt.

- Demand for **FIRST CLASS & MORE'S BUSINESS AND FIRST-CLASS FLIGHT PACKAGES** increased again
- **ASMALLWORLD COLLECTION** hotel bookings increased by 29%
- **GLOBAL HOTEL ALLIANCE** first services fee payment
- New **ASMALLWORLD DISCOVERY** business signed first 18 hotels
- **ASMALLWORLD HOSPITALITY** lacking major project but strong with with Rosewood Barbuda

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INCOME STATEMENT

Best year in the company's history in terms of sales and 5% increase in net result

In CHF '000	2023	2022	CHANGE
NET SALES	21,242	18,455	+15%
OTHER OPERATING INCOME	53	-250	+121%
TOTAL SALES	21,295	18,205	+17%
DIRECT EXPENSES	-13,483	-10,721	+26%
PERSONNEL EXPENSES	-2,238	-2,182	+4%
R&D EXPENSES	-290	-251	+16%
OTHER OPERATING EXPENSES	-3,200	-2,581	+23%
EBITDA	2,083	2,470	-16%
EBITDA MARGIN	10%	13%	-27%
DEPRECIATION	-9	-24	-62%
AMORTIZATION	-491	-621	-21%
OPERATING RESULT	1,583	1,825	-13%
FINANCIAL INCOME	634	96	+60%
FINANCIAL EXPENSES	-521	-325	+557%
ORDINARY RESULT	1,696	1,596	+6%
INCOME TAXES	-163	-142	+14%
NET RESULT	1,533	1,453	+5%
EARNINGS PER SHARE (IN CHF)	0.13	0.13	0%

- **SALES INCREASED BY 15%** due to strong Prestige & Signature memberships demand and higher demand for FCAM flight upgrade options
- **DIRECT EXPENSES** increased due to higher COGS for Prestige and Signature memberships (mix shift)
- **THE INCREASE IN R&D, STAFF, AND OPEX** was due to the initial setup of ASMALLWORLD DISCOVERY, the acquisition of Jetbeds, an increase in marketing costs and higher legal cost (capital increase, court case)
- **FINANCIAL RESULT** improved mainly due to dividend income from GHA and favorable FX conditions

BALANCE SHEET - ASSETS

No major shifts on the asset side

In CHF '000	2023	2022
CASH	3,029	4,014
RECEIVABLES FROM SERVICES	207	1'402
OTHER SHORT-TERM RECEIVABLES	164	226
PREPAYMENTS AND ACCRUED INCOME	1'294	840
TOTAL CURRENT ASSETS	4,693	6,481
TANGIBLE FIXED ASSETS	26	31
FINANCIAL ASSETS	5'823	4'678
INTANGIBLE ASSETS	1,253	1,112
TOTAL NON-CURRENT ASSETS	7,102	5,821
TOTAL ASSETS	11,795	12,302

- **CASH POSITION** decreased due to an investment in financial assets (1.2M) and repayments of debt (1.1M)
- **RECEIVABLES FROM SERVICES** decreased due to settlement of invoices from hospitality projects
- **PREPAYMENTS AND ACCRUED INCOME** increased due to prepayments for travel arrangements, member privileges, consulting and legal services.
- **FINANCIAL ASSETS** increased due to an investment in a luxury hotels fund (see comment on cash position)

BALANCE SHEET - LIABILITIES

Balance sheet strengthened: debt reduced from 9.1M to 4.2M

In CHF '000	2023	2022
SHORT-TERM FINANCIAL LIABILITIES	543	543
PAYABLES FOR GOODS AND SERVICES	1,189	1,549
OTHER SHORT-TERM LIABILITIES	194	146
SHORT-TERM PROVISIONS	101	36
ACCRUED LIABILITIES AND DEFERRED INCOME	2,738	3,643
TOTAL CURRENT LIABILITIES	4,764	5,917
LONG-TERM FINANCIAL LIABILITIES	3,629	8,590
LONG-TERM PROVISIONS	30	0
TOTAL NON-CURRENT LIABILITIES	3,659	8,590
TOTAL LIABILITIES	8,423	14,506
SHARE CAPITAL	14,462	11,719
CAPITAL RESERVES	18,732	17,407
RETAINED EARNINGS	-29,822	-31,330
TOTAL EQUITY	3'372	-2'204
TOTAL LIABILITIES AND EQUITY	11,795	12,302

- PAYABLES FROM GOODS AND SERVICES / ACCRUED LIABILITIES AND DEFERRED INCOME**
 The high sales volume of a Miles & More Prestige Membership promotion at the end of 2022 resulted in inflated positions in 2022; the positions normalized in 2023
- SHORT-TERM FINANCIAL LIABILITIES**
 Regular debt repayment of CHF 0.5M which was offset by reclassification of CHF 0.5M from long-term to short-term financial liabilities (annual payments)
- LONG-TERM FINANCIAL LIABILITIES / EQUITY**
 The entire loan of CHF 4.4M from Pellegrino Capital AG was repaid in 2023; CHF 3.8M came from a conversion into newly issued shares and remaining CHF 0.6M were settled in cash

CASH FLOW STATEMENT – PART 1

Operating cash flow decreased mainly due to seasonality effects in operating working capital

In CHF '000	2023	2022
NET RESULT	1,533	1,454
DEPRECIATION OF TANGIBLE FIXED ASSETS	9	24
AMORTIZATION OF INTANGIBLE ASSETS	491	621
LOSS FROM IMPAIRMENT	0	250
OTHER NON-CASH ITEMS	271	197.5
DECREASE/INCREASE OF RECEIVABLES FROM SERVICES	1,196	-829
INCREASE OF OTHER RECEIVABLES AND PREPAYMENTS AND ACCRUED INCOME	-392	-809
DECREASE/INCREASE OF PAYABLES FOR GOODS AND SERVICES	-361	920
DECREASE/INCREASE OF OTHER SHORT-TERM LIABILITIES AND ACCRUED LIABILITIES AND DEFERRED INCOME	-845	505
DECREASE IN PROVISION	-5.5	0
OPERATING CASH FLOW	1,897	2,334

- **OPERATING CASH FLOW** decreased due to lower expenses, such as depreciation, amortization, and impairment losses, which do not affect funds
- Additionally, changes in net working capital as of the reporting date contributed to this decrease
- The high sales volume of a Miles & More Prestige Membership promotion at the end of 2022 led to an above-average balance of payables for goods and services, accrued liabilities, and deferred income

CASH FLOW STATEMENT – PART 2

Cash drain from investing activities due to the investment in a hotels fund and the acquisition of jetbeds.com

In CHF '000	2023	2022
OUTFLOWS FOR INVESTMENT OF TANGIBLE FIXED ASSETS	-4.7	-2.1
OUTFLOWS FROM ACQUISITION OF SUBSIDIARIES	0	-3,515
OUTFLOWS FOR INVESTMENT (PURCHASE) OF INTANGIBLE ASSETS	-633	-383
OUTFLOWS FOR INVESTMENT OF FINANCIAL ASSETS	-1,254	-3,337
INFLOWS FOR INVESTMENT OF FINANCIAL ASSETS	15	0
CASH DRAIN FROM INVESTING ACTIVITIES	-1,877	-7,237

- **CASH DRAIN FROM INVESTING ACTIVITIES** due to an investment of CHF 1.2M in a luxury hotels fund (financial assets) and the acquisition of jetbeds.com (intangible assets) plus some tech capex

CASH FLOW STATEMENT – PART 3

Cash drain from financing activities driven by debt reduction

In CHF '000	2023	2022
INFLOW/OUTFLOWS FROM CAPITAL INCREASE	265	-25
REPAYMENT OF FINANCIAL LIABILITIES	-1,158.2	-273
ISSUANCE OF LONG-TERM FINANCIAL LIABILITIES	0	4,000
CASH INFLOW FROM FINANCING	-893	3,703
CURRENCY TRANSLATION EFFECTS	-111	-13
NET CHANGE IN NET CASH	-984	1,212
OPENING BALANCE OF NET CASH 1 JANUARY	4,014	5,226
CLOSING BALANCE OF NET CASH AS OF 31 DECEMBER	3,029	4,014
NET CHANGE IN NET CASH	-984	-1,212

- **CASH DRAIN FROM FINANCING ACTIVITIES** due three loan repayments: 0.6M to Pellegrino capital, 0.4M to bank and 0.1M government (Covid loan)
- **NET CHANGE IN NET CASH** was -1.0M for the period

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OUTLOOK FOR 2024

We anticipate steady revenue growth but also the need to invest in our business

- Demand for **PRESTIGE AND SIGNATURE** memberships with Emirates Skywards miles anticipated to remain high
- For the ASMALLWORLD Collection, we will further **EXPAND THE PRODUCT OFFERING**, leading to more sales in the future but also investments in staff and technology
- As part of our ongoing business model transformation, we will also **REVIEW THE ASMALLWORLD MEMBERSHIP LEVELS** and will most likely restructure our membership offering in 2024 to increase our community size which should lead to increasing demand for our service business

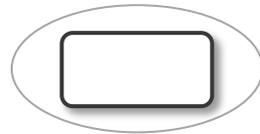
ONGOING BUSINESS MODEL TRANSFORMATION

We are transforming our business model from a single source business, to multiple revenue streams

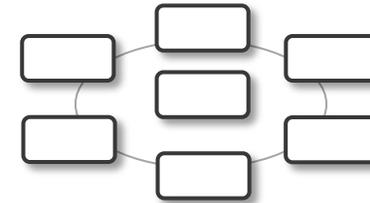
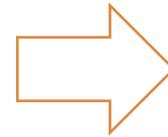
STARTING POINT

TARGET STATE

BUSINESS
CORES



Single core:
ASW community



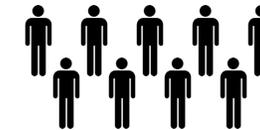
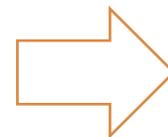
Multi-core:
Group of travel businesses

FOCUS 2024

COMMUNITY
SIZE



Small community

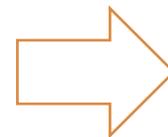


Larger community

MONETISATION

Single source

Basic ASW
membership



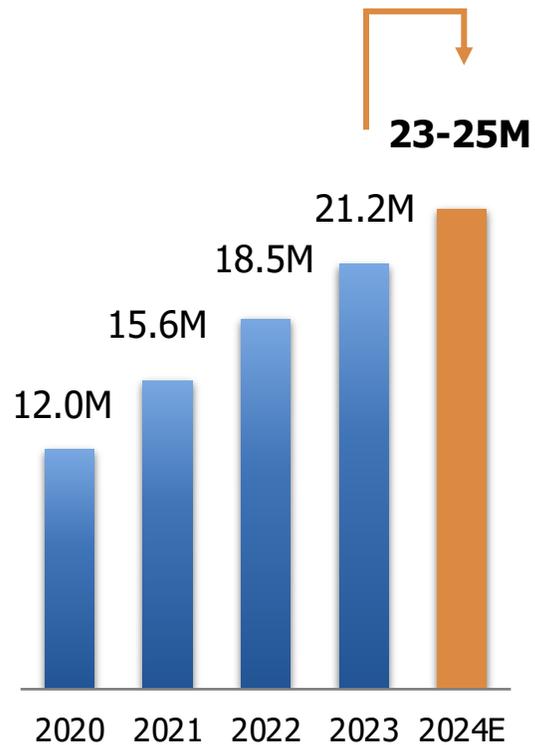
Multiple sources

Basic ASW membership + Premium ASW memberships + Service revenue

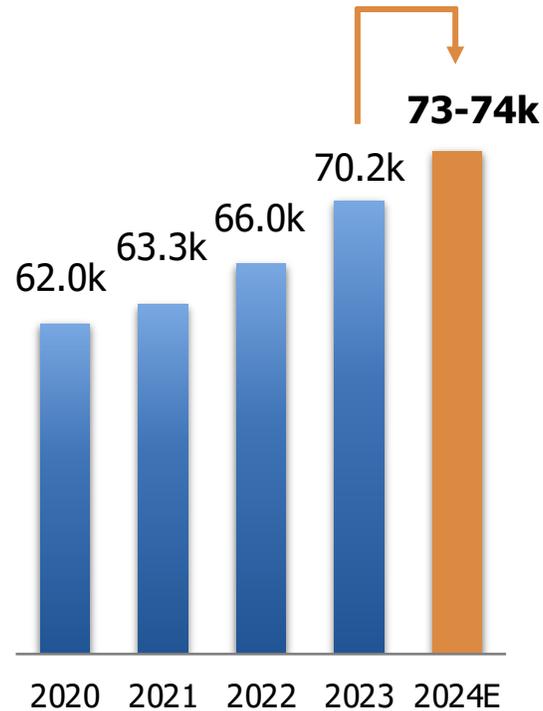
GUIDANCE FOR 2024

Steady growth and “investment year” with (temporarily) lower EBITDA

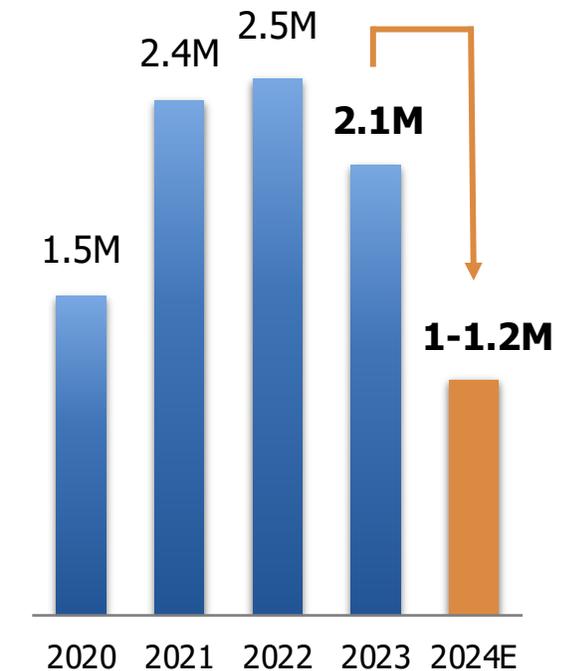
NET SALES



MEMBERS



EBITDA



Q&A





ASMALLWORLD

ASMALLWORLD AG

Seidengasse 20, 8001 Zürich, Switzerland

info@asmallworldag.com

www.asmallworldag.com www.asw.com

