



Íñigo Valenzuela <ivalenzuela@smartvel.com>

## 2018-12-27 Smartvel's Investors Newsletter

Íñigo Valenzuela <ivalenzuela@smartvel.com>

26 de diciembre de 2018, 9:36

Para: Michel Sánchez de León García <msdl@sanchezdeleonabogados.com>, Alberto Goetsch Lara <agl@sanchezdeleonabogados.com>, Esperanza Zarauz <ezarauz@smartvel.com>  
 Cco: Íñigo Valenzuela <ivalenzuela@smartvel.com>, MARIA DEL ROCIO ESCONDRILLAS LABAD <rocio.escondrillas@alsa.es>, Jordi Iserte Vicente <jiserte@caixacapitalisc.es>, Esperanza Zarauz <ezarauz@smartvel.com>, José Rivera <jjrive@gmail.com>, Diego Giménez-Arnau <dgarnau@gmail.com>, Eduardo Meléndez Suárez de Lezo <emelendez@smartvel.com>, Jose Antonio Guillen <jag.ald.sot@gmail.com>, Javier Mejía <javier.mejiamarti@gmail.com>, max burger <max.burger@golien.hk>, Paloma Cañete Romero <paloma.canete@perennius.eu>, Alejandro Santana Garcia-Fuster <alejandro.santana@perennius.es>, Diego Sánchez <dsanchez@faraday.es>, Gonzalo Tradacete <gtradacete@faraday.es>, Jorge Maortua Ruiz-Lopez <jmaortua@gmail.com>, Marcel Rafart <marcel@galdanaventures.com>, FRANCISCO JAVIER ESTRADA FERNANDEZ HONTORIA <Jastrada@caixabank.com>, Manuel González Escudero <mgonzaleze@telefonica.net>, Pedro Melendo Derqui <pmelendoderqui@gmail.com>, Maria Rotondo <mrotondourcola@gmail.com>, Marta Miranda <marta.miranda.lopez@gmail.com>, Teodoro Seoane <teoseoane@gmail.com>, Macarena Davila <macarena.daco@gmail.com>

Good morning/afternoon to everybody,

I do have the pleasure to send you our newsletter for December 2018.

### Summary.

- We had our first Board Meeting with the new investors on board on Nov 20th. The board accepted a small increase of the investment of one of the investors (Faraday Ventures € 20.72 K) that confirmed their interest later and could not be included in the normal round. It will be managed as a Convertible Loan, and it is done with the same valuation. It means a dilution of 0,3174% to all the shareholders.
- We've received verbal confirmation from creditors to accept our debt restructuring.
- We signed the partnership agreement with Indra (the biggest tech company of Spain with more than 40 K employees, 500 of them fully dedicated to the Airline industry). Two others relevant partnership agreement in negotiation with Oracle (starting) and Amadeus (contract stage).
- A relevant new customer has been signed LATAM with a MRR of € 16.1 K. Other relevant leads has been accepted but we are on the contract nego phase (Riu Hotels and Melia Upselling).
- Our P&L expectations presented to the board (positive EBITDA in the year) are expected to be accomplished.
- Buenos Aires is going to pay their debt in two payments before the end of the tax year: 1) March-August already paid Dec19, and 2) Sept-Dec expected for the last week of the year, or the first one of next year.
- P&L results expected in 2018 are in line with the projections presented in the last Board Meeting with +46 K of EBITDA

### Key Metrics:

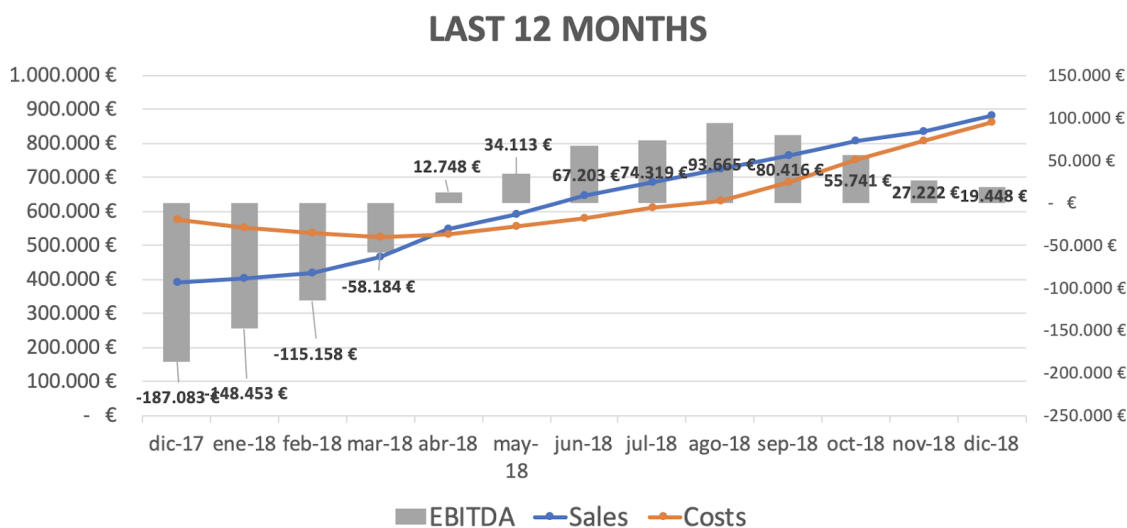
- Although we give preliminary figures in every newsletter, in this case we share the estimated P&L we gave to the Board for the whole year. Please be aware that, as always, it is a budget adjusted

with real income and real labor costs and our definitive figures are adjusted every quarter.

- We've reached accrued positive EBITDA, multiplying by 3 Net Sales compared with 2017.

	ESTIMATED DEC 18				DEC 17		
	Accrued	Budget	€	%	Accrued	€	%
<b>Total Revenue</b>	905,4	1.114,4	-209,0	-18,8%	389,9	515,5	132,2%
<b>Net Sales</b>	756,4	1.009,1	-252,7	-25,0%	247,5	508,9	205,6%
<b>Costs</b>	858,9	843,5	15,4	1,8%	576,9	282,0	48,9%
<b>EBITDA</b>	46,5	270,9	-224,4	-82,8%	-187,0	233,5	124,9%

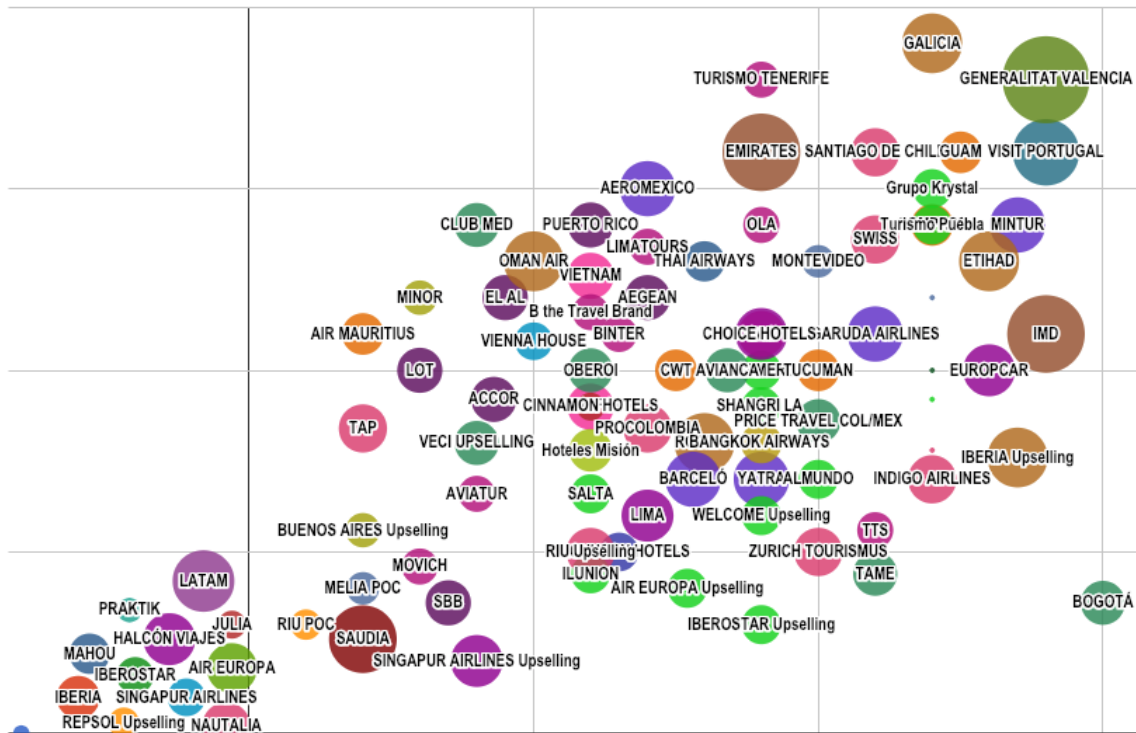
We enclose a graph with the last 12 months figures (Revenue/Costs/EBITDA):



[THIS ARE NOT OFFICIAL FIGURES, WE CLOSE OUR ACCOUNTS QUARTERLY. THIS TABLE IS NOT UPDATED. THE DIFFERENCE SHOULD BE SMALL]

- Our MRR kept has gone up till 74 K in December.
- Invoices paid has been 50.194,00 € in November and 85.312,21 € (1-24th Dec).
- As it is visible in the graph, the trend of the cost line (orange) is higher than income (blue). That is because from Sept-Dec 17 the monthly costs of the company were aggressively reduced up to 30 K €/month, while from July-Dec 18 the structure of the company has been set up to the real needs. This trend is going to be kept during Q1 and Q2 2019.
- We keep our goal of having enough liquidity for up to 18 months since the round has been done on a stressed scenario.
- We receive verbal confirmation of the acceptance to the 2018 debt restructuring, gaining an average of 12 more months for the payment of the 250 K € that were due on Nov18. We opened a new loans search (ENISA and CDTI) to cover it and expect to keep our goal to reduce debt 10% every year (instead of 33%). We are going to pay it in 12 months starting on July 19.

### Pipeline and Sales:



SHORT TERM Q1-Q2      MID Q3-Q4      LONG 2020

- **Indra Partnership.** Smartvel's solution will be part of the offering in the airlines business of Indra . The partnership is already working with two RFPs presented together (TAP 9K and Saudia Airlines 22K), and with a pipeline of 20 more Leads where Indra is already managing the customer and where we will be introduced within Q1 2019.
- Indra's relationship is working well, and proposals have been sent to **Saudi Airlines, and TAP.** **With Saudia we are in the final step with a Set Up of 110 K and an MRR of 22 K €.** We keep the action plan to make proposals to the rest of their portfolio. **El Al, Lot,, Aegean** and others.
- **LATAM Airlines** contract has been signed with a Set Up Fee of 48.385,50 € (Dec) and a monthly fee of 16.128,50 €. They are going to implement all of their destinations with aprox 5 different touchpoints (web, app, emails ...) with our solution.
- **Riu** has accepted to go live with a POC with 10 hotels, but signing a contract covering the whole hotel chain.
- Pearlshare agreement is opening new leads (Oberoi, **Accor** and **Shangri La**, to name some. **SBB** process may be closed in Jan-Feb.
- New Partner in Colombia opening new deals.
- Delhi partners keep pushing opportunities with Yatra (biggest online agency of India, Indigo, Vistara, Makemytrip, and others).
- VP of LATAM is going to open the US market, as we do not see many more big leads in his region.

## Team

No relevant changes, in December. We are hiring for 3 months, 3 resources to cover LATAM implementation (80 new destinations, with 143 in total).

Still looking for a senior sales director, and also for a partner to represent us in China, also in the US. As you know we do have one partner in Bangkok and another in Delhi, and we see that the size and proactivity of the companies in that part of the world worth to invest more our resources there.

### **What's next**

- Implement LATAM succesfully
- Sell, sell, sell - specially Indra's deals
- Sales Director (to reinforce sale dpt)
- Close new Partner in China & US

### **What I need help with**

Nothing at the moment, any relevant sales lead or contact that you may think it will be of our interest, drop me a line.

Thanks, and I take the opportunity to wish you Merry Christmas and a Happy New Year 2019



---

Iñigo Valenzuela | CEO & Founder | **Smartvel**

Phone: +34 677 93 10 18  
Cedaceros, 11 · 6º | 28014 · Madrid · Spain  
[www.smartvel.com](http://www.smartvel.com) | [ivalenzuela@smartvel.com](mailto:ivalenzuela@smartvel.com)

MADRID – BUENOS AIRES – ZURICH – BANGKOK – LONDON – DELHI

CHECK OUT OUR NEW VIDEO ;) <https://youtu.be/DxKeF7-QZEK>

De conformidad con lo dispuesto en la Ley Orgánica 15/1999, de 13 de diciembre, de Protección de Datos de Carácter Personal y en la Ley 34/2002, de 11 de julio, de Servicios de la Sociedad de la Información y de Comercio Electrónico, le comunicamos que los datos de carácter personal utilizados en este envío están incluidos en el fichero "CLIENTES Y/O PROVEEDORES" cuya titularidad ostenta CONTENT TRIP SOLUTIONS SL B86591229. Usted puede ejercer sus derechos de acceso, rectificación, cancelación y oposición mediante comunicación escrita a CALLE CEDACEROS N° 11 6° B, MADRID en la dirección indicada o en el correo electrónico remitente.

Le notificamos que este mensaje va dirigido exclusivamente a la persona designada como destinatario y que la información que contiene es confidencial. Si Vd. ha recibido este mensaje por error le rogamos nos lo comunique mediante correo electrónico remitido a nuestra atención y proceda a su eliminación así como a la de cualquier documento adjunto al mismo, quedando prohibida cualquier divulgación, distribución o copia del mismo.

El consumo de papel es perjudicial para el medio ambiente. Por favor téngalo en cuenta antes de imprimir este mensaje.

According to the Organic Law 15/1999, of the 13th of December, governing the personal data protection and to the Law 34/2002, of the 11th of July, governing the services of the information society and the e-commerce, we inform you that the personal data used in this mail is included in the file "CLIENTES Y/O PROVEEDORES" owned by CONTENT TRIP SOLUTIONS SL B86591229. You can exercise your rights of access, rectification, cancellation and opposition by written communication to CALLE CEDACEROS N° 11, 6° B, MADRID, or to the sender email address.

We notify you that this message is exclusively addressed to the person designed as the addressee and that the information contained is confidential. If you have received this message by mistake, we ask you to communicate it to us by email and proceed to its elimination as well as any document enclosed. It is prohibited any disclosure, distribution or reproduction, in whole or in part.

Paper consumption is harmful to the environment. Please, take it into account before printing this message.