



Investors Newsletter Q1 - 2023

1 mensaje

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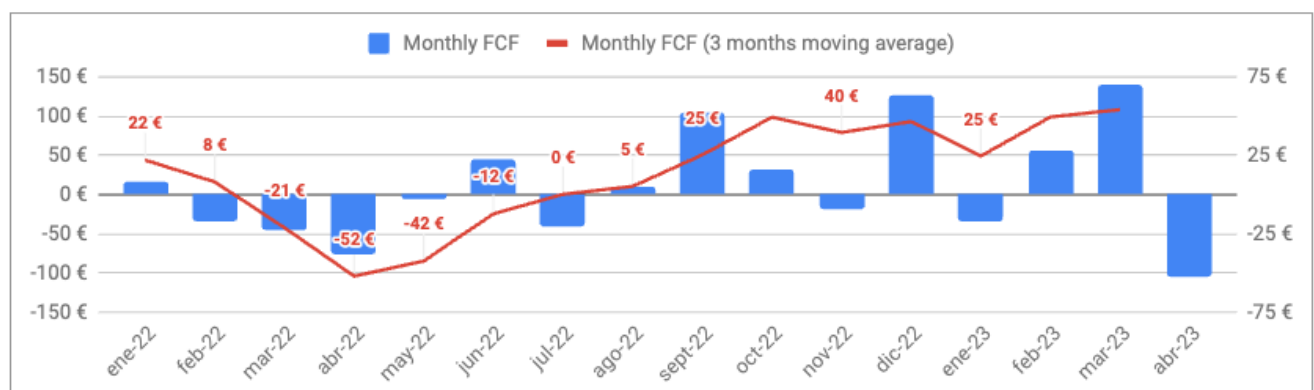
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Good morning/afternoon to everybody,

I do have the pleasure to send you our newsletter for Q1 2023. I remember you that within the [Investor's webpage](#) you have access to Sales Dashboards and other important information.

Summary Jan-March 2023

1. Kroll process is ongoing, although we have decided to stop temporarily (2-3 weeks) the process before the Eastern break because of SVB Bank and Credit Swiss scenario. We think it is better to make this break to give time for the market to get back to normal.
2. Very good quarter in terms of Free Cash Flow, even better than Q4 2022, with +162.6K €, which makes the last six months with +302K in terms of FCF. The leverage in Q1 2023 has been -176.9 K, which makes a total Burn in Q1 2023 of -14.3K. Q2 2023 is going to be very different because of the team increase on IT and yearly bonus payment. Our yearly budget is +133K [FCF] and a leverage of -270 K, which gives a total Burn in the year of -137K €.
3. New Sales are not helping, although we are still positive with the year. Q1 has not been good in MRR, although Sales have been +11% vs Q1 2022 and 93% vs Budget. We have enough Tier1 customers in the pipeline which makes us think we will recover within the year. We have been having a more prudent scenario about new projects in our customers and potential leads. Some decisions have been postponed to Q2 2023. Lost MRR in Q1 2023 has been -5.2K lost, vs -19.5 budget and -1.4K Q1 2022.
4. The product roadmap is at capacity, and we are struggling to hire senior backend engineers. Prices are still out of our standards, and probably we will have to react through 2023 to keep the team that it is becoming out of the market. Besides current developments of the actual portfolio we are doing POCs with:
 - a. New "Natural language Search Box", to be able to integrate it as another way to look for, (search box using ChatGPT style but for Travel Companies)
 - b. Video at Scale to increase SEO (POC with Trip.com)



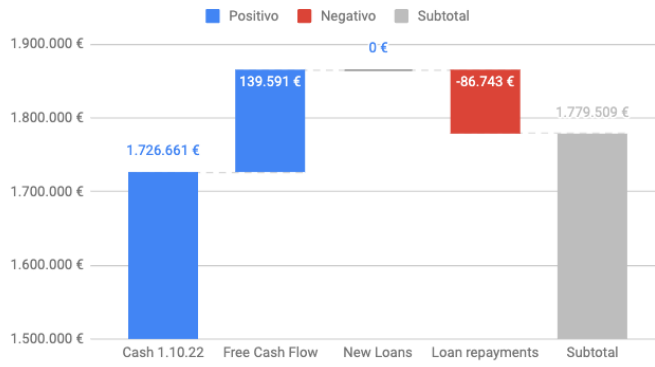
[REAL DATA JAN22 - MAR23 | ESTIMATED APR23]

As it is clear in the graph since Jul22 we are on positive Free Cash Flow (cash from customers minus operating expenses and capex). It is relevant to see the 3-month average to compensate for the IRPF and VAT payments (every quarter). Please bear in mind that between March and April gets paid the annual bonus. Average Q4 22 and Q1 23 around +50K/month.

Apr23 it is estimated considering Bonus 2022 payment, IVA and IRPF.

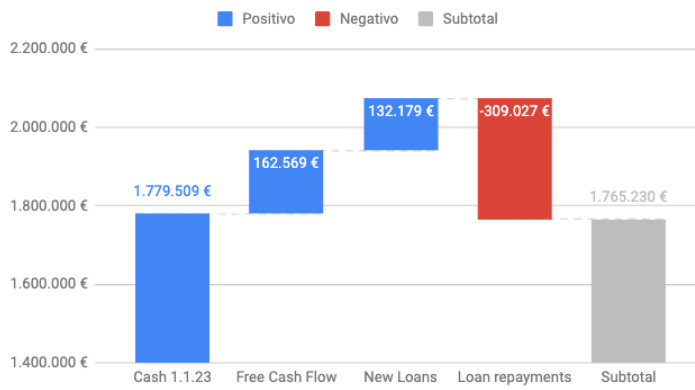
Monthly average FCF : Q1-22 -21K, Q2-22 -12K, Q3-22 +25K, Q4-22 +46K, Q1-23 +54K

CASH EVOL Q4 2022



[CASH CONSIDERED DO NOT INCLUDES FINANCIAL GUARANTEES, AND INCLUDES UNUSED LOAN LINES]

CASH EVOL Q1 2023



5. Accrued P&L (EBITDA) first draft included below.

Key Metrics Q1:

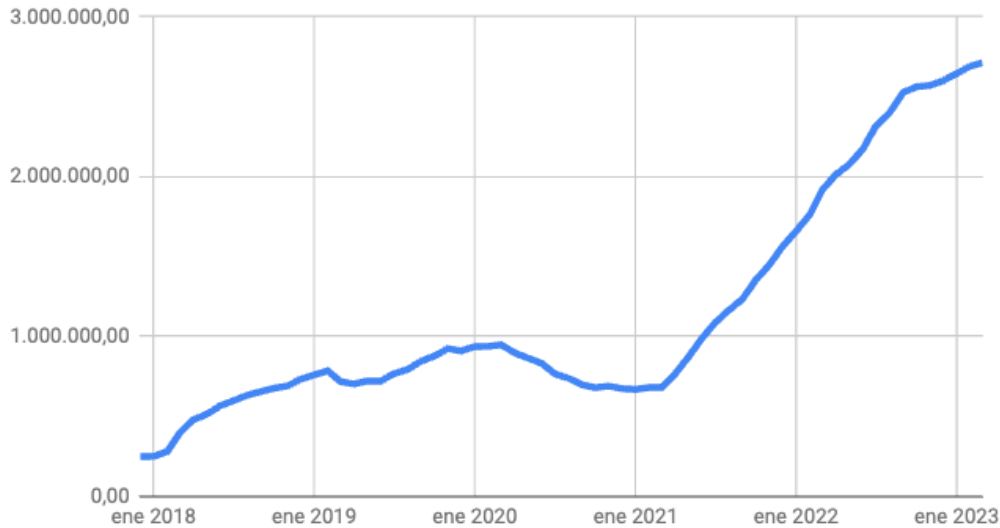
We share a preliminary P&L until March 23. Please, bear in mind that it is a preliminary figure, and some changes may be done.

In thousands (€ k)	MAR 23				MAR 22		
	Month	Budget	€	%	Month	€	%
Total Revenue	235,7	267,2	-31,5	-11,8%	235,3	0,4	0,2%
Net Sales	209,6	241,0	-31,4	-13,0%	206,1	3,5	1,7%
Costs	196,5	238,7	-42,2	-17,7%	196,0	0,5	0,3%
EBITDA	39,2	28,5	10,7	37,7%	39,3	-0,1	-0,2%

	MAR 23				MAR 22		
	Accrued	Budget	€	%	Accrued	€	%
Total Revenue	733,5	763,0	-29,5	-3,9%	632,9	100,6	15,9%
Net Sales	655,3	690,8	-35,5	-5,1%	545,2	110,1	20,2%
Costs	603,4	687,1	-83,7	-12,2%	542,7	60,7	11,2%
EBITDA	130,2	75,9	54,3	71,5%	90,2	39,9	44,2%
EBITDA I	51,9	3,6	48,3	1336,1%	2,5	49,4	1973,7%

	ESTIMATED 2023 (YEAR)				2021		
	Budget	2022	€	%	Accrued	€	%
Total Revenue	3.551,0	2.747,9	803,1	29,2%	1867,3	1.683,7	90,2%
Net Sales	3.243,0	2.424,8	818,2	33,7%	1.583,6	1.659,4	104,8%
Costs	2.932,0	2.267,6	664,4	29,3%	1618,4	1.313,6	81,2%
EBITDA	619,0	480,2	138,8	28,9%	248,9	370,1	148,7%
EBITDA I	311,0	157,1	153,9	97,9%	-34,8	345,8	992,7%

LAST 12 MONTHS SALES



As we said in our last newsletter the trend starts to reduce growth, as predicted.

MAIN ACTION PLANS

= **KROLL PROCESS**

= **Sales reinforcements (done in Q1 2023)**

= **IT reinforcements (2-3)**

Team

Rotation has finally reduced, although some changes will have to be made.

KickOff Meeting Jan31st to push targets and efforts.

Strong focus on IT recruitment.

Thanks, take care, I wish you a great Q2 2023, anything that you need, please let me know.

Iñigo Valenzuela

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[\[TO SCHEDULE A MEETING CLICK HERE, THANKS\]](#)

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