

Small Worlds ME Dubai



Dubai lacks affordable family leisure entertainment - we bring a unique affordable attraction

German digital technology brings creativity, interactivity, edutainment to a new market

Introduction (August 2024)



SUMMARY FACT SHEET



Typology

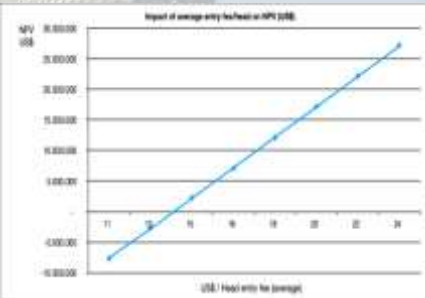
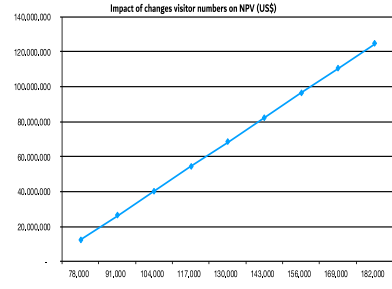
Name: Small Worlds Expo City, Dubai, UAE
Segment: Visitor Attraction, Family led Entertainment
Market: UAE Residents (families), short haul tourists (GCC)

Description

- Experiential visitor attraction (EVA) in Dubai: **interactive miniature worlds**. New and unique concept to the GCC
- Scaled at 1:87 - all parts move which makes the miniature worlds **appear alive** when observing and interacting
- Highly **successful** in Hamburg Germany - since copied in Austria, Switzerland, New York, St. Petersburg and Tokyo.
- Target segment: families -> affordable entry price levels (due to low Capex and large demand segments).
- Incremental revenues: F&B, retail and events. Experience can be taken home as a family hobby – Small Worlds will offer products, training and home building service.
- **Sustainability** and **German digital technology** in focus.
- Phases 1&2: ~500 m² exhibit, highly interactive, F&B, Shops. Ongoing expansion to ~ 1.000 m² over 3 years.
- P1 building started Q2 2024, Opening Q4 2024

Market

- Most EVAs in Dubai reach 1 mn visits p.a. within 1-2 years from opening (40-70% during Covid).
- Small Worlds need only 120k p.a. visits to reach targets in a high demand market and insufficient supply (12%).
- We are family oriented/affordable (wide target groups).
- Market entry and marketing strategies being implemented.



Status

- Detail planning Phase 1 completed.
- Incorporation done. 75% financed.
- Building leased and moved in.
- Supplier negotiations completed. Orders placed.
- 75% of material arrived.
- Technical team (50% from comparable projects) & managers (experience in attraction opening) in place.
- Works started April 2024 - 50% completion reached

Projected Performance

Target IRR: ~ 200%
10-year ROI: 542%
Project NPV: AED 118 mn (12 times Capex)
Stabilised year: AED 41 mn Revenue
AED 15 mn EBITDA (36%)

Investment Criteria

Currency US\$: AED pegged @ 3.68 AED/\$US1
P1 Capital: AED 4mn (75% in place)
Finance target: AED 1.6 mn (as loan or JV)
Valuation now: AED 4 mn
Payback period: 2 years (loan)
VPS: Y1 AED 1,400 Y5 AED 4,136
EPS: Y1-5 AED 9,556
Finance will complete Capex/Opex for Phase 1 to opening

WHAT ARE WE DOING?

WE ARE ...

...building a fascinating, interactive, experiential leisure attraction ...

... featuring very active & exciting miniature worlds, "brought to life".

It is affordable for family leisure due to its low Capex base ...

... which creates wide target segments and high repeat visitation ...

... in a booming market desperately needing affordable leisure activities.

The concept idea is proven and highly successful in Hamburg ...

... and already multiplied around the world.

We are introducing it to the Middle East - fast.



WHY ARE WE DOING IT?

PROBLEMS & SOLUTIONS



Dubai needs more leisure offerings for families (not tourists)

Small Worlds goes beyond the first visit. Target: repeat visits and „continue the experience at home“

Most existing leisure attractions are too expensive for „normal“ families

Through low capex and volume (wide target segments) we can offer affordable pricing

Many of the affordable offerings are of sub-optimal quality (no value for money)

Our products feature very high technical, contentual and qualitative value (established German technology)

Inter-generation relations in families suffer (Screen Syndrom, insufficient experiences to continue at home)

Small Worlds inspires to continue the experience at home (we offer products, courses and home assistance service)

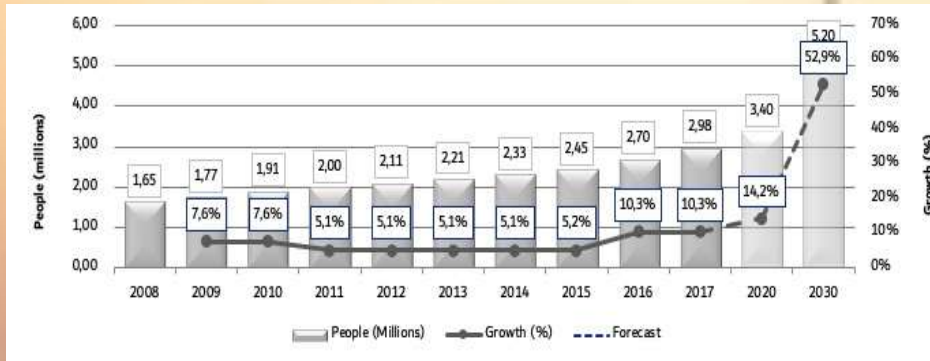
Sustainability is not often a focus (in leisure activities and edutainment)

Recycling (plastic bottles), renewable energies (solar) and smart insulation instead of AC demonstrated and taught

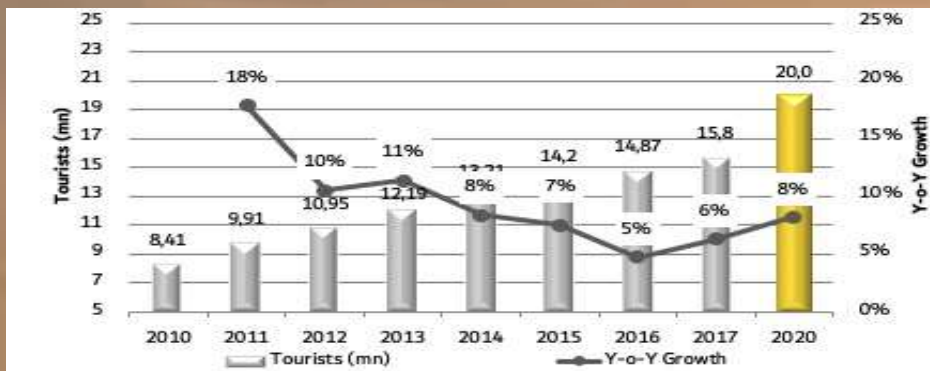
Employees in Dubai are often not adequately tasked and/or paid

For us fair conditions and emphasis on disadvantaged employees are easy to offer and implement

MARKET KPIS POTENTIAL



- Dubai's population grows continuously ...
- ... regardless of global or regional crises
- it features a very high share of families
- average household income US\$ 4.000-5.500 (pcm), incl. ca. 20% „leisure surplus“
- tourism was impacted by Covid but is growing strongly again (2022: 15mn tourists)
- a high short haul tourists' portion (ca. 30%), who return frequently (ca. every 3 months) is important



Target segment potential:

SAM

SOM

55% Dubai population (3,4 mn)

= 1,9 mn

20% other UAE (9,5 mn)

= 1,9 mn

10% Dubai tourists 20 mn

= 2 mn

Total target segment (SOM):

= **5,8 mn**

Annual visits required:

120.000 (2%)

(typical for Dubai attractions: 1mn p.a.)

COMPETITION

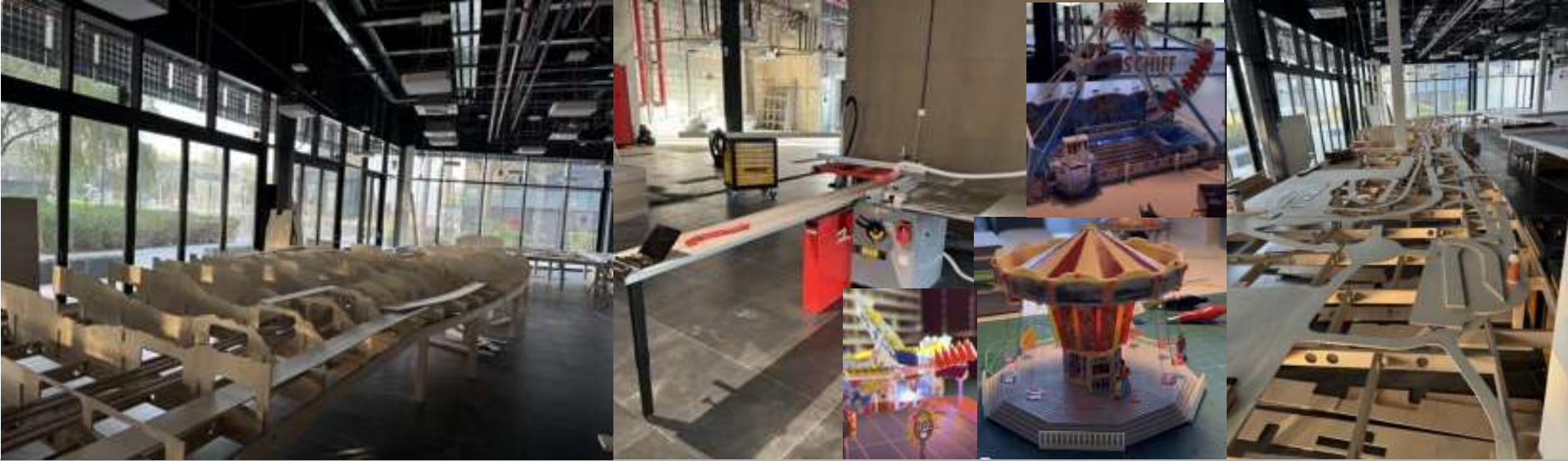
OUR ADVANTAGES



- Attractions in Dubai: geared towards international tourists – and expensive
- A typical resident family (4 pax) would need to plan on an all-in cost for a day out of ca. 400-500 US\$
- That is not often repeatable, reduces target segments and prevents return visitation
- **The opportunity – our niche:** Dubai's insufficient offering in the **affordable** family segment

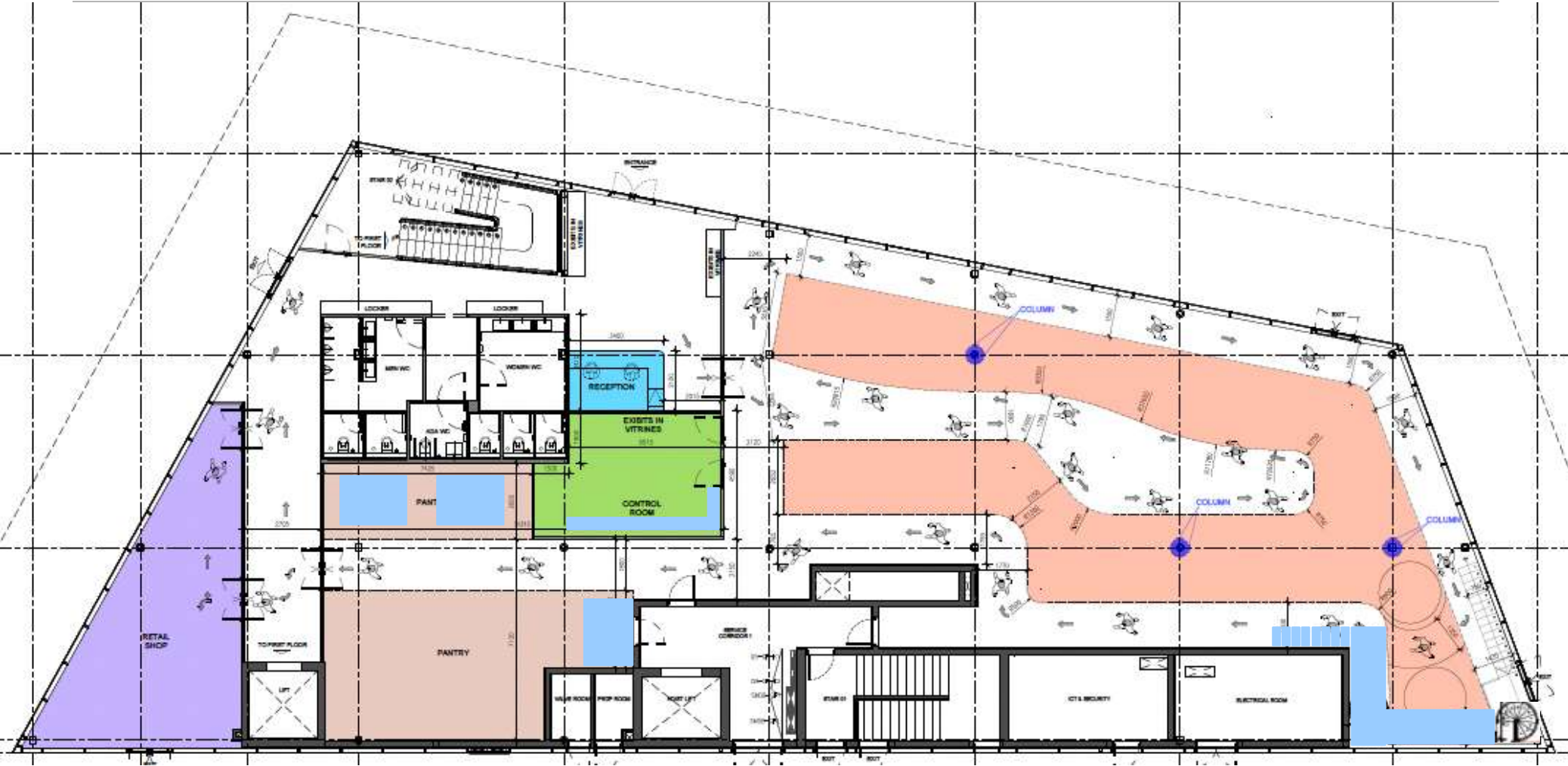
Free or almost free (max 10)	AED 11 - 100	AED 100 +
Window Shopping / Mall Cruising (no buying)	Global Village (16 without purchase)	La Mer Laguna Water Park (100)
Visit public beach	Dubai Frame (50)	Green Planet (120)
Visit a Park (Safa, etc.)	Butterfly Garden (55)	Dinner Dhow Cruise (120)
SMCCU visit	Miracle Garden (55)	FLEC visit (mall, etc.) (120)
Visit Souks (no buying)	Dubai Safari Park (85)	Dubai Garden Glow (120)
Walk the Marina / JBR / City Walk	Ice Skating Dubai Mall (100 for 1.5 hr)	RIB Boat (124)
Self organised Desert Trip	not enough	Burj Khalifa At the Top (145)
ImaGINE Festival City events		Bollywood Park (175)
View an Aquarium (outside)		Visit an Aquarium (199)
See Dubai Fountain (walk only, transport cost)		Desert Safari (200)
Walk Downtown and Burj Khalifa (walk only, transport cost)		Ski Dubai (210)
Visit La Mer (walk only, transport cost)		Motiongate (245)
Visit Dubai Water Canal (walk only, transport cost)		Legoland (245)
Visit Ras Al Khor (walk only, transport cost)		Dubai Opera (250)
Visit Al Qudra (walk only, transport cost)		Bus Tour hop on / off (250)
Visit Fishmarket (walk only, transport cost)		IMG World (285)
Abra Ride Creek (1)	affordable leisure	Hotel Beach Day Pass (300)
Visit Al Fahidi, Al Bastakiya, Dubai Museum, etc. (3)		Wild Wadi Waterpark (310)
Visit Palm Jumeirah (transport cost)		Seaplane Flight DXB (940)
	for families	

OUR BUILDING IN EXPO CITY— A VERY DISTINCT DESTINATION ...
... AND WORK IS WELL UNDERWAY



PHASE 1 – OPENING IN Q1

GROUND FLOOR OFFERING THE FULL RANGE



VALUATION AND INDICATIVE RETURNS (IN AED)



- Finance Target: AED 1,600,000
- Tranches possible (min. AED 160,000)
- >75% financed to date
- Finance will complete Capex/Opex for Phase 1 and opening
- **2 Options to participate:**
 - loan (2 years, 12-15% p.a. reducing balance, 4-month principal moratorium – interest only) or
 - JV (AED 1.6 mn = 10% shares)

Valuations AED	2022	2023	2024	2025	2026	2027	2028	2029	2030
Revenue	-	-	3,883,538	26,797,860	40,925,797	40,925,797	40,925,797	40,925,797	40,925,797
EBITDA	- 360,018	- 283,318	- 1,275,958	7,320,191	14,894,181	14,894,181	14,894,181	14,894,181	14,894,181
Valuation/Business Value Spot (Ebitda*Multiplier)		-	13,996,311	73,201,911	148,941,811	148,941,811	148,941,811	148,941,811	148,941,811
3 yr average			4,665,437	29,066,074	78,713,345	123,695,178	148,941,811	148,941,811	148,941,811
4 yr average				21,799,556	59,035,008	96,270,461	130,006,836	148,941,811	148,941,811
Average of methods	#DIV/0!	-	13,996,311	41,355,847	95,563,388	122,969,150	142,630,153	148,941,811	148,941,811

Share Funders

Cap Table	Opening/Ops	Ops/Growth	Ops/Growth	Ops/Growth	Stabilised	Stabilised	Stabilised	Stabilised	Stabilised
Capitalization									
Owner Shares	96%	96%	90%	90%	90%	90%	90%	90%	90%
Investor Shares (AED 3.3 mn)	4%	4%	10%	10%	10%	10%	10%	10%	10%

Share Value and Earnings

VPS (Value per Share, AED1472/share purchase price)		-	1,400	4,136	9,556	12,297	14,263	14,894	14,894
EPS (Earnings per Share)			-	732	1,489	1,489	1,489	1,489	1,489

Total Shares in company	10,000								
10% investment	1,633,920	1,633.92	per share						
EBITDA				- 732,019	1,489,418	1,489,418	3,123,338	1,489,418	16,383,599.24
Cumulative				- 732,019	2,221,437	3,710,855	6,834,193	8,323,612	24,707,211
NPV stabilised (year 7)	15,528,654								

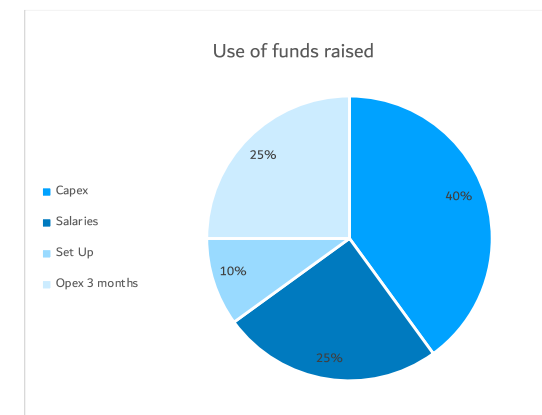
CASH FLOW 10 YEARS (IN AED)



Small Worlds Dubai 10 year Cashflow - AED

AED	2022	2023	2024	2025	2026	2027 (stab)	2028	2028	2028	2028	Total
Development (Capex)	-	-	- 1,650,000	- 700,000	- 3,300,000						- 5,650,000
Total NOP	- 360,018	- 283,318	- 1,275,958	9,923,735	14,146,181	14,894,181	14,894,181	14,894,181	14,894,181	14,894,181	96,621,528
Annual Interest	-	-	- 33,224	- 49,414	- 4,973						- 87,611
Principal Repayment	-	-	-	- 1,006,828	-						- 1,006,828
Equity Repayment	-	-	-	- 1,596,716	- 1,596,716						- 3,193,432
Operating Cashflow	- 360,018	- 283,318	- 2,959,182	6,570,777	9,244,492	14,894,181	14,894,181	14,894,181	14,894,181	14,894,181	86,683,657
Equity inflow	596,716	-	2,557,500	-	-						3,154,216
Debt finance inflow	596,716	-	400,000	-	-						996,716
Net Cashflow year	833,414	- 283,318	- 1,682	6,570,777	9,244,492	14,894,181	14,894,181	14,894,181	14,894,181	14,894,181	90,834,589
Cash Position before dividends	833,414	550,096	548,414	7,119,191	16,363,683	31,257,864	46,152,046	61,046,227	75,940,408	90,834,589	
EBITDA	- 360,018	- 283,318	- 1,275,958	7,320,191	14,621,154	14,894,181	14,894,181	14,894,181	14,894,181	14,894,181	94,492,957
Terminal Value										148,941,811	148,941,811
Free Cashflow	- 360,018	- 283,318	- 3,164,404	9,504,321	11,786,181	15,364,181	15,364,181	15,364,181	15,364,181	15,364,181	94,303,667
Investment/Terminal Value										148,941,811	148,941,811

- Raised funds used to complete Phase 1 plus 3-month Opex after opening (see left).
- Future phases Capex, Opex, repayments, etc. will be covered by post opening income.
- Raised to date: AED 5.2 mn (own resources/cash/equity/debt incl. PE investors)



REALISED BY EXPERTS

PROFILE SVEN P GADE, TEAM STRUCTURE



- German National with > 30 years of international (expat) life. That's more than 50% 😊.
- Entrepreneur & CEO. Built and led ~10 businesses/units. Start-up expert.
- 25 years working in the GCC, 20 years resident in Dubai. Been to 50 countries, speaks 6 languages (varying degrees).
- Qualifications: BSc Intl. Hospitality Mgmt, MSc Real Estate Development Mgmt, German Diploma Hotel Mgmt.
- 30 years of senior Business Advisory with Blue Chip Brands (EY, Deloitte, PKF).
- 40 years of Hospitality/Leisure/Tourism/Transportation Expertise, strong in real estate projects.
- Expert areas: Strategy, Positioning, Business Planning & Creation, Start Ups, Organisational Design.
- Last role as Executive Director Strategy @ Qiddiya KSA (giga attraction).
- Credentials: Tourism Master Plan KSA, Hotel Classification Oman, many MENA high-profile mixed-use projects – incl. leisure, attractions.
- Deep knowledge on technical subject matter (model world development).
- Long experience running businesses in Dubai. Deep negotiation/sourcing expertise. Fellow Institute of Hospitality since 2008.
- Core attitude: make it happen and spread enthusiasm to the team!



Already on board (confidential/stand-by):

Chief Admin/Finance Officer	Dileep PT, 20 years in Dubai, MBA, CFA, business set up and mgmt. consultancy experience
Chief Marketing Officer	Peter JC Gutsmuths, 15 years in Dubai, start-up tested, product and business development
Chief Technical Officer	Johann Lemp, 25 years professional model builder, deep experience in large attractions (Hamburg, Vienna)
complete technical team	10 pax, years of model building, all skills covered (structure, micro-electrical, micro-electronic, landscaping)

**WE WOULD BE DELIGHTED,
TO HAVE YOU JOIN
OUR JOURNEY
TO SUCCESS!**

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