



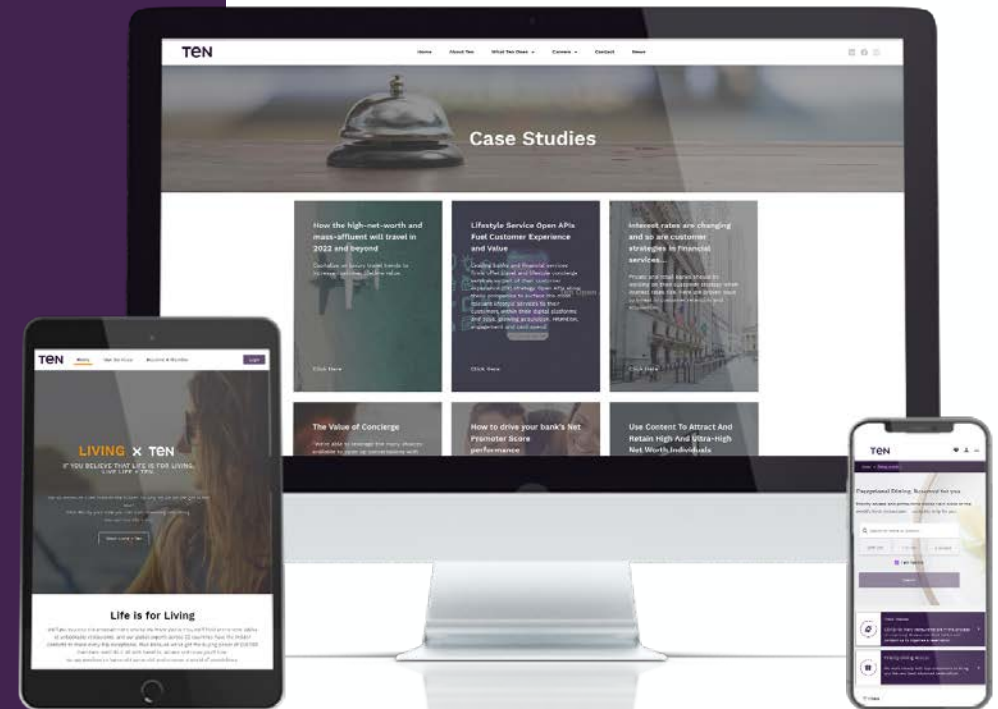
TEN

**Preliminary Results for Year to
31 August 2021**

November 2021

Our Mission

To become the world's
most trusted service



Investment Case



Established market leader

Long-term, well retained corporate contracts, global HNWI member base

Growth

Sustained revenue, proven ability to activate Members from a growing eligible base, a strong sales pipeline

Improving profitability

Driven by technology and operational efficiencies

Huge market opportunity

Best way to organise dining, travel, entertainment and premium shopping

Proven growth engine

Investment in tech delivers a stronger member proposition, engagement, and client ROI

2021: Building healthy foundations for growth



Tom Dean

- Won 200M freestyle GOLD
- Won 4 x 200M GOLD
- First British male swimmer to win 2 Golds since 1908



Ten

- Net Revenue¹ down 21.6%
- Adapted proposition
- Improved Adjusted EBITDA margin² and PBT
- Maintained investment in technology
- Record member satisfaction³
- 100% retention of all contracts.
- Secured contract expansions, renewals and new wins

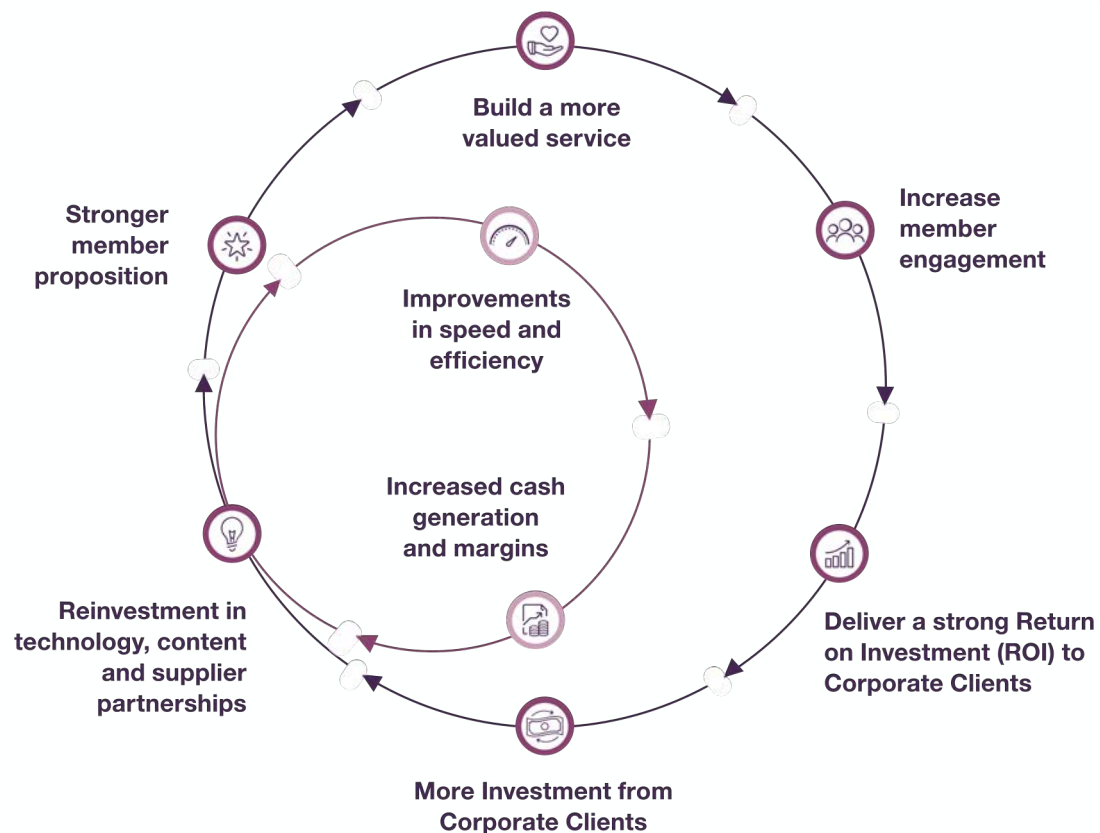
¹ Net Revenue excludes the direct cost of sales relating to certain member transactions managed by the Group.

² Adjusted EBITDA is operating profit/(loss) before interest, taxation, amortisation, depreciation, share-based payments expense and exceptional items. Adjusted EBITDA margin is Adjusted EBITDA as a percentage of Net Revenue.

³ Measured using the Net Promoter Score management tool.

Ten's Growth Engine

Growing Proposition, Profitability and Scale



Watch the Growth Engine video at
www.tenlifestylegroup.com/investors/

Financial Results

Preliminary Results

Year to 31 August 2021

More details at tenlifestylegroup.com/investors



Key Financial Highlights

Maintained profitability amidst challenging conditions

- Net Revenue down 21.6% to £34.7m (2020: £44.2m)
 - Corporate revenue down 22% to £31.9m (2020: £40.9m)
 - Supplier revenue down 15.2% to £2.8m (2020: £3.3m)
- Operating expenses: £30.3m, £9.1m below 2020: £39.4m
- Adjusted EBITDA: £4.4m (2020: £4.8m)
- Adjusted EBITDA margin: 12.8% (2020: 10.8%)
- Loss before tax: £(5.5)m (2020: £(5.9)m)
- Net cash: £6.7m (2020: £10m)



Hotel Éclat Beijing, a 2021 addition to Ten's Global Hotel Collection

Income Statement

- Operating expenses reduced by £9.1m due to:
 - continuing operational efficiencies
 - freeze on salary/bonus increases, some redundancies
 - salary sacrifice scheme saving £1.2m (2020: £0.9m)
 - COVID-19 government support of £2m (2020: £1.6m)
 - US Payroll Protection Program (US PPP) loan of £1m; fully forgiven
- Depreciation decreased by £1.2m, driven by reducing right-of-use assets under IFRS 16.
- Share based payments charge of £1.6m (2020: £1.5m) and exceptional items of £0.6m (2020: £0.4m)
- Net finance expense of £0.5m includes IFRS interest charge of £0.3m and FX loss of £0.2m
- Loss before tax of £5.5m, improved by £0.4m

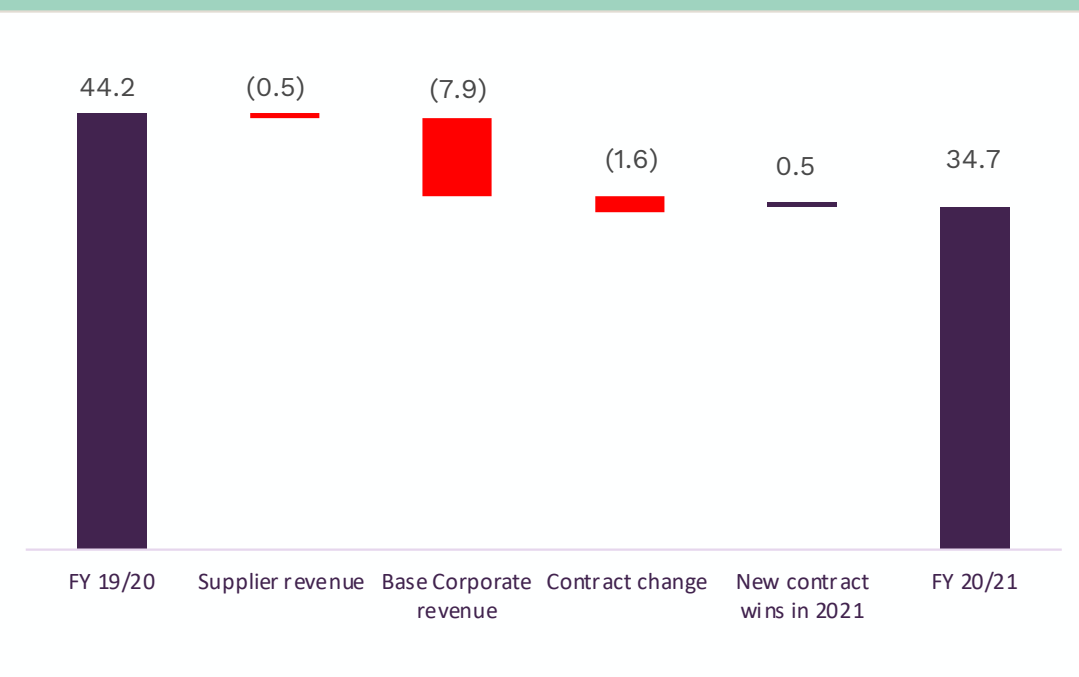
Income statement for year ending 31st August 2021

£m	2021 £m	2020 £m	YOY change £m
Revenue	35.1	46.4	(11.3)
Net Revenue	34.7	44.2	(9.5)
Operating expenses and Other income	(30.3)	(39.4)	9.1
Adjusted EBITDA	4.4	4.8	(0.4)
Adjusted EBITDA %	12.8%	10.8%	
Depreciation	(3.2)	(4.4)	1.2
Amortisation	(4.0)	(3.4)	(0.6)
Share-based payments	(1.6)	(1.5)	(0.1)
Exceptional items	(0.6)	(0.4)	(0.2)
Operating loss before interest and tax	(5.0)	(4.9)	(0.1)
Net finance income/(expense)	(0.5)	(1.0)	0.5
Loss before taxation	(5.5)	(5.9)	0.4
Taxation (charge)/credit	(0.2)	(1.0)	0.8
Loss for the period	(5.7)	(6.9)	1.2

Net Revenue

- Net Revenue of £34.7m, a reduction of 21.6% due to COVID-19
- We have not lost any clients even during the pandemic
- The base corporate revenue contracted by £7.9m
- Supplier revenue of £2.8m declined by £0.5m
- Revolut contract change: annualised impact of Large⁴ contract that moved to a Small affiliate contract model in September 2020
- New contracts in the year: 2 new Medium contracts

Net Revenue Growth FY 2020 vs FY 2019 (£m)

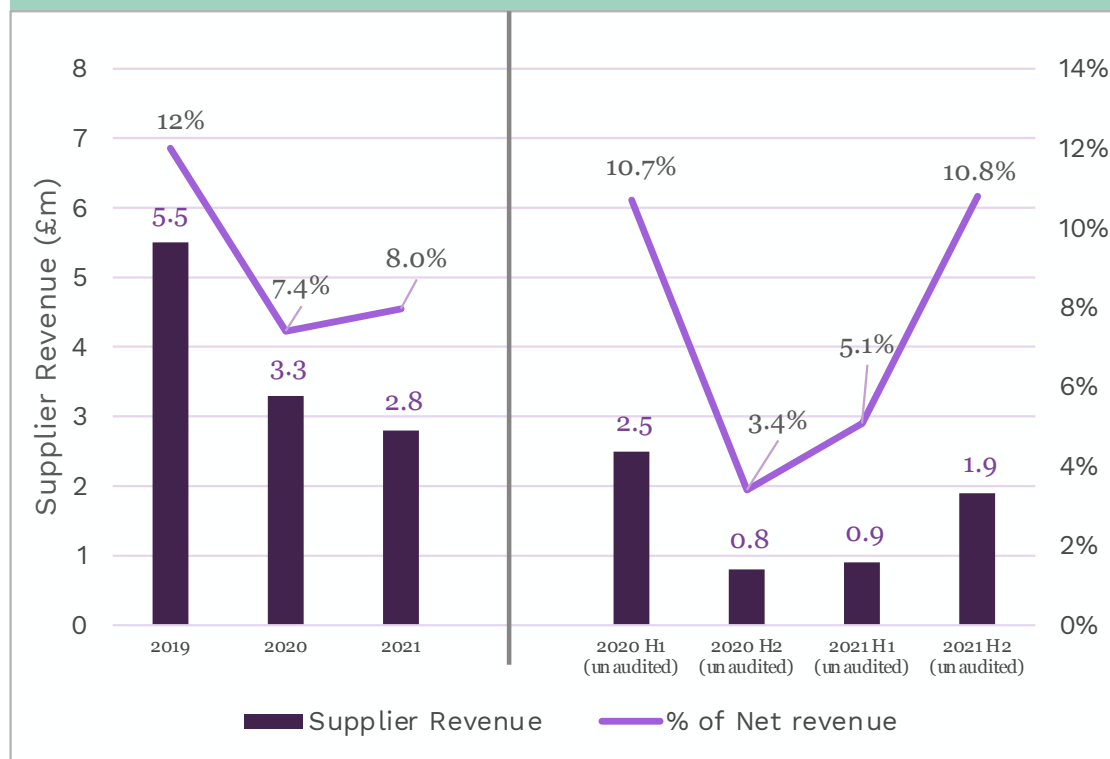


⁴ Corporate client contracts categorised based on the annualised value paid, or expected to be paid, by the corporate client for the provision of concierge and related services: Small (<£0.25m), Medium (£0.25m - £2m), Large (£2m - £5m); and Extra Large (>£5m).

Supplier Revenue

- Supplier revenue of £2.8m (2020:£3.3m) was 8% of Net Revenue (2020: 7.4%).
- 2019 supplier revenue (pre-COVID-19) of £5.5m was 12% of Net Revenue
- Impact of COVID-19 started in H2 2020 as global travel restrictions were implemented
- Supplier revenue recovered in Q4 2021, as travel restrictions eased

Supplier Revenue by year and half-year (£m)



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Adjusted EBITDA by region

EMEA

- Adjusted EBITDA decreased by £2m to £6.2m
- Adjusted EBITDA margin remained strong although declined from 37% to 34%

Americas

- Adjusted EBITDA loss decreased by £1.7m to £2.2m
- Managed costs but also maintained key resources for when activity returns
- US PPP Loan forgiven of £1m

APAC

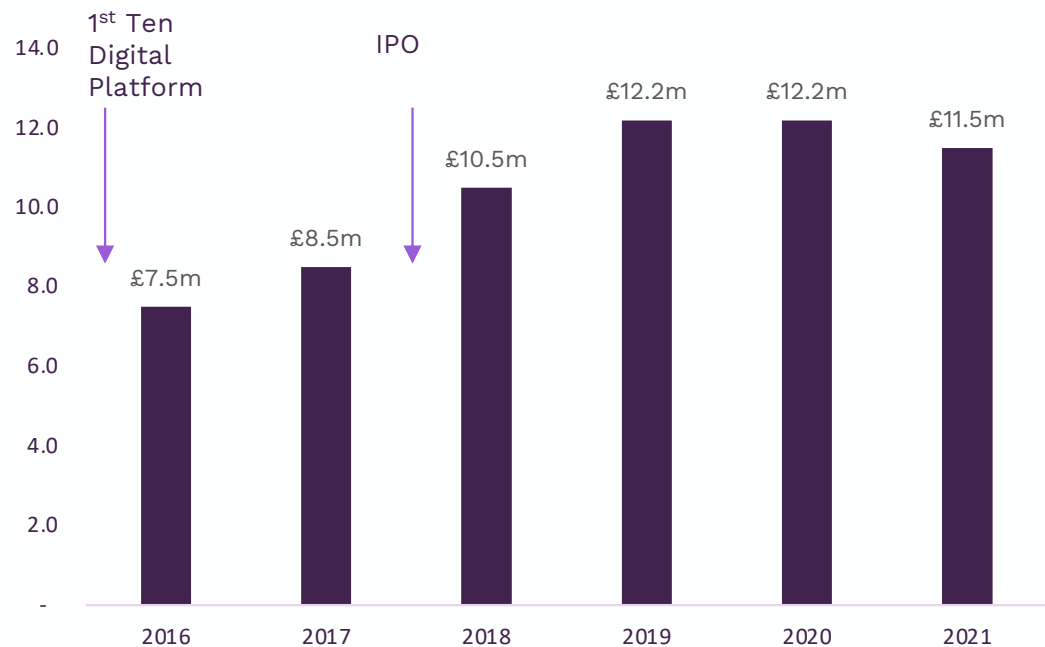
- Adjusted EBITDA profit of £0.5m, 2020: £0.4m
- Improved operational efficiencies and cost control measures

Adjusted EBITDA		
£m	2021 £m	2020 £m
EMEA	6.1	8.2
Americas	(2.2)	(3.9)
Asia	0.5	0.4
Total	4.4	4.8
Adjusted EBITDA %	12.8%	10.8%

Continued Technology Investment

- Continued 'good to great' investment in Ten Digital Platform, TenMAID, content, IT infrastructure and communications
- Creates competitive advantage
- Drives efficiency, service levels and revenues

Annual Cash Spend on Technology Platform, Communications and Infrastructure (£m per FY)



Cash Flow

- Operating Cash flow of £4.0m (2020: £7.2m):
 - Improving operational efficiencies and costs
 - Non cash items of £8.3m includes increased amortisation offset by loan forgiveness and depreciation reduction
- Investment in intangibles of £5.4m maintained as we continued to invest in technology
- Cash receipts of £0.9m on exercising of share options
- Net decrease in cash of £4.3m to £6.7m (2020: £11.0m)

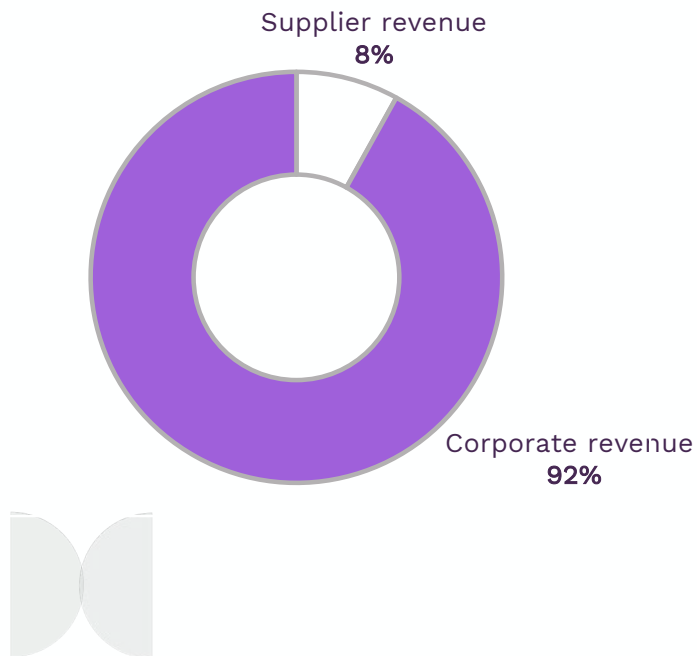
Cashflow		
£m	2021	2020
	£m	£m
Loss before tax	(5.5)	(5.9)
Net finance expense	0.5	0.5
Working capital changes	0.7	2.9
Non-cash items (share-based payments, depreciation, amortisation charges and US PPP loan)	8.3	9.7
Operating cash flow	4.0	7.2
Capital expenditure	(0.2)	(0.2)
Investment in intangibles	(5.4)	(5.3)
Taxation	(0.5)	(0.1)
Cash (outflow)/inflow	(2.1)	1.5
Cash flows from financing activities		
Receipts on exercising of options	0.9	0.0
Loan receipts	-	1.0
Repayment of leases and net interest	(2.9)	(3.6)
Net cash used by financing activities	(2.0)	(2.7)
Foreign currency movements	(0.2)	(0.3)
Net decrease in cash and cash equivalents	(4.3)	(1.4)
Cash and cash equivalents	6.7	11.0



Business Model

Our Revenue Model

Typical Contract



High-touch Requests

×

££ Per High-touch

+

Digital Requests

×

£ Per Digital

=

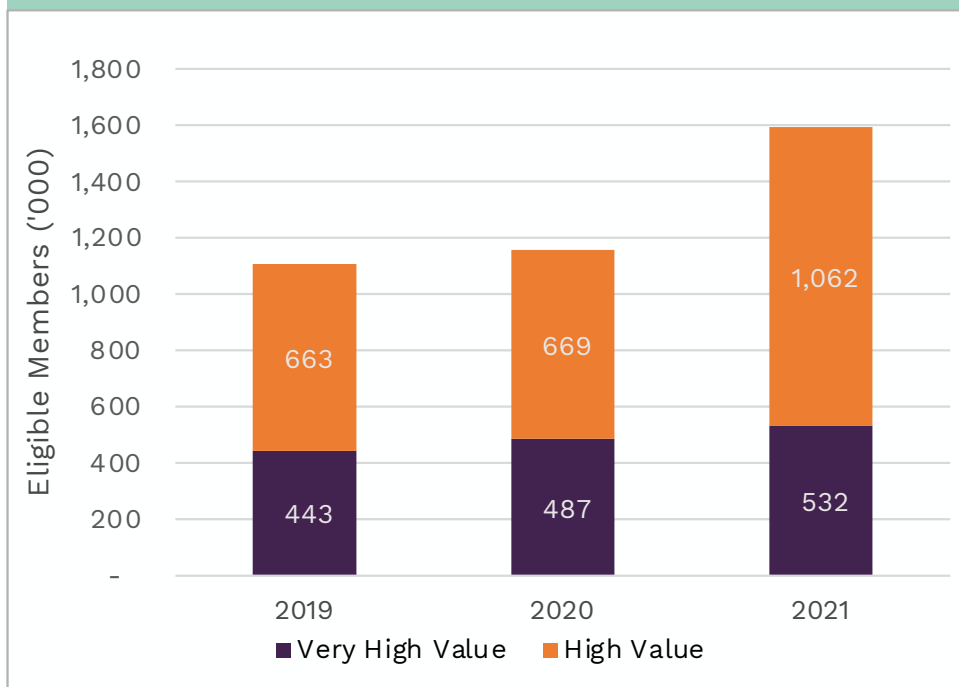
Total Corporate Client Revenue

Long term contracts often with
agreed minimums

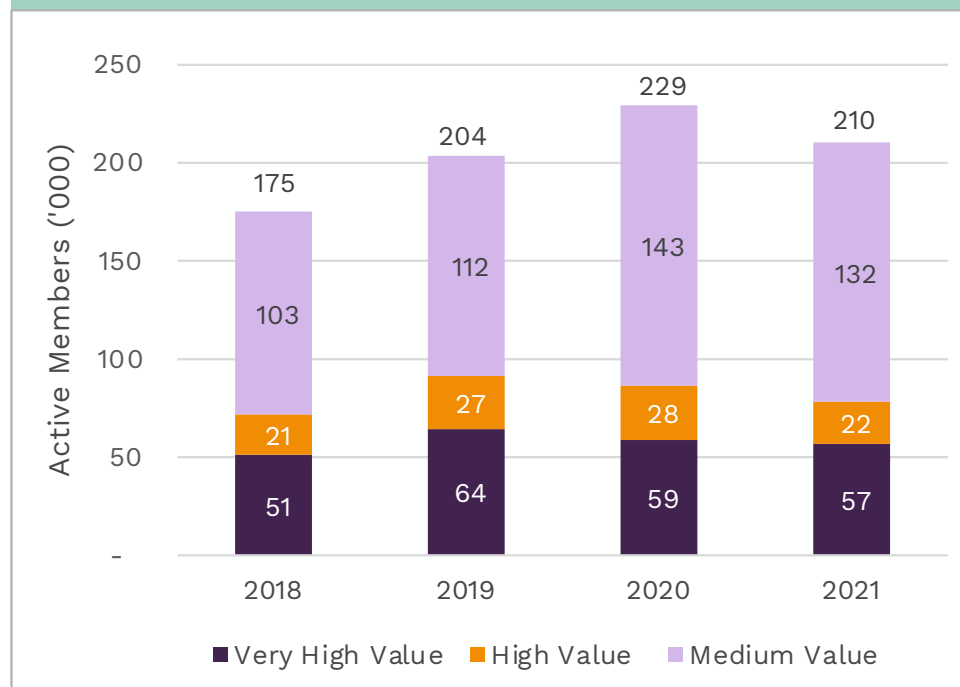
A record eligible member base to achieve growth



Eligible Members in High and Very High value segments



Total Active Members by value segments



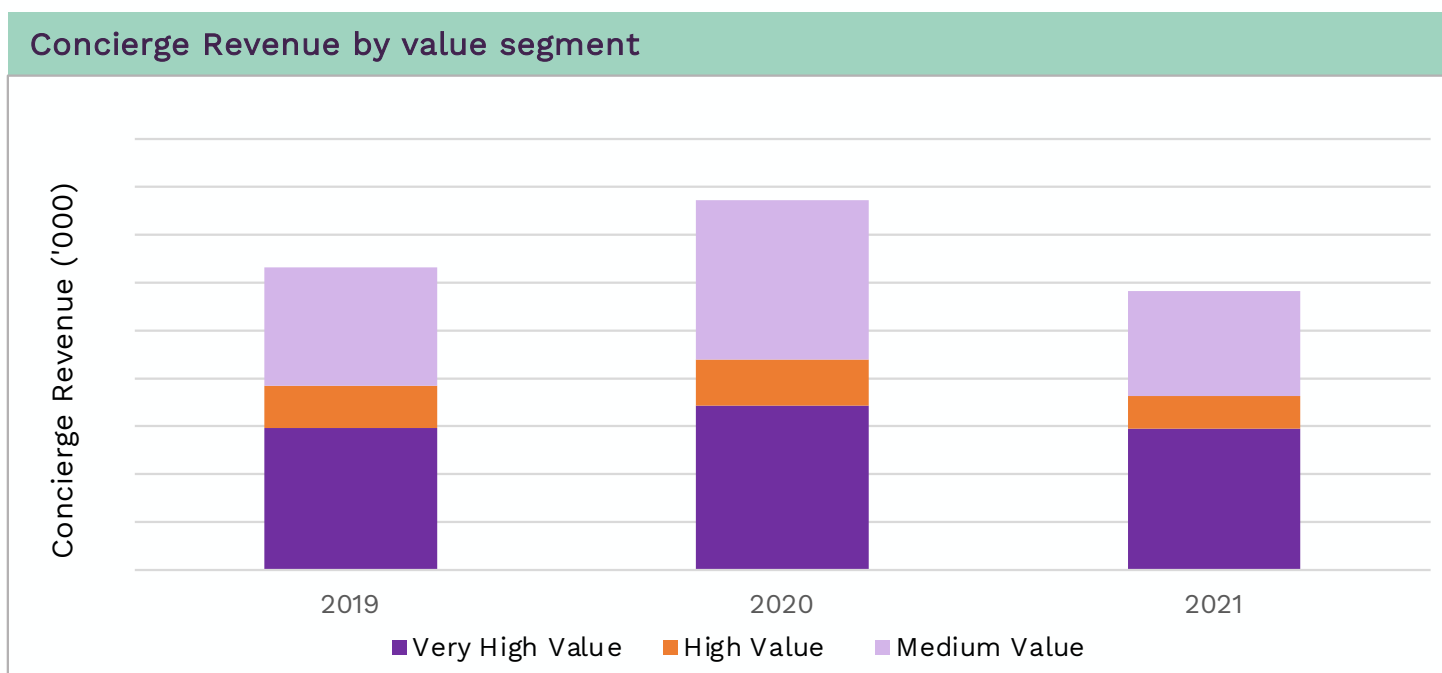
“Eligible members” are individuals who have an eligible product, employment, account or card offered by one of Ten’s corporate partners and have legitimate access to the service.

“Active Members” are members who have used the service at least once in the past 12 months.

Concierge Revenue by Value Segment



62% of Ten's concierge revenue is underpinned by Material Contracts⁵ where the members are of High or Very High value to the corporate partners



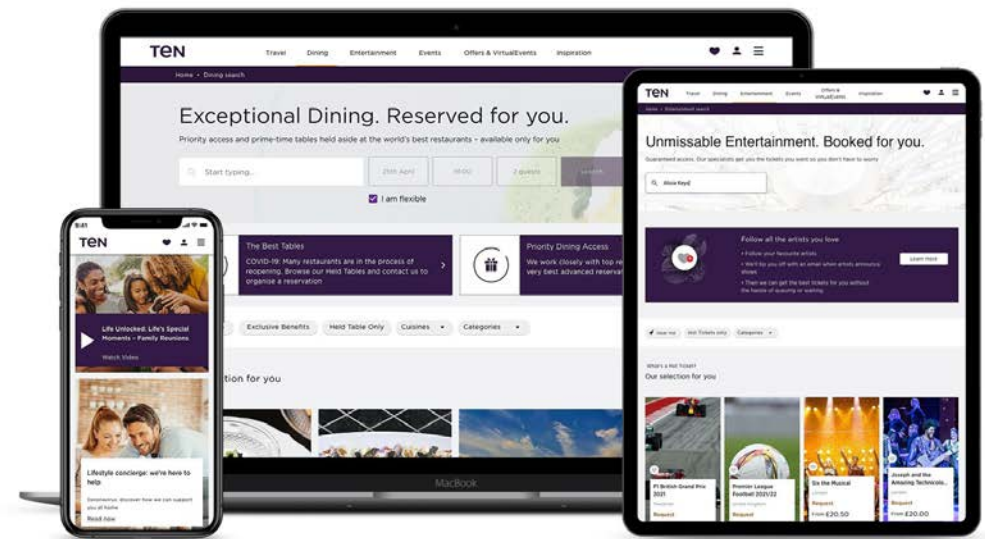
⁵ Medium, Large and Extra Large contracts are collectively "Material Contracts".

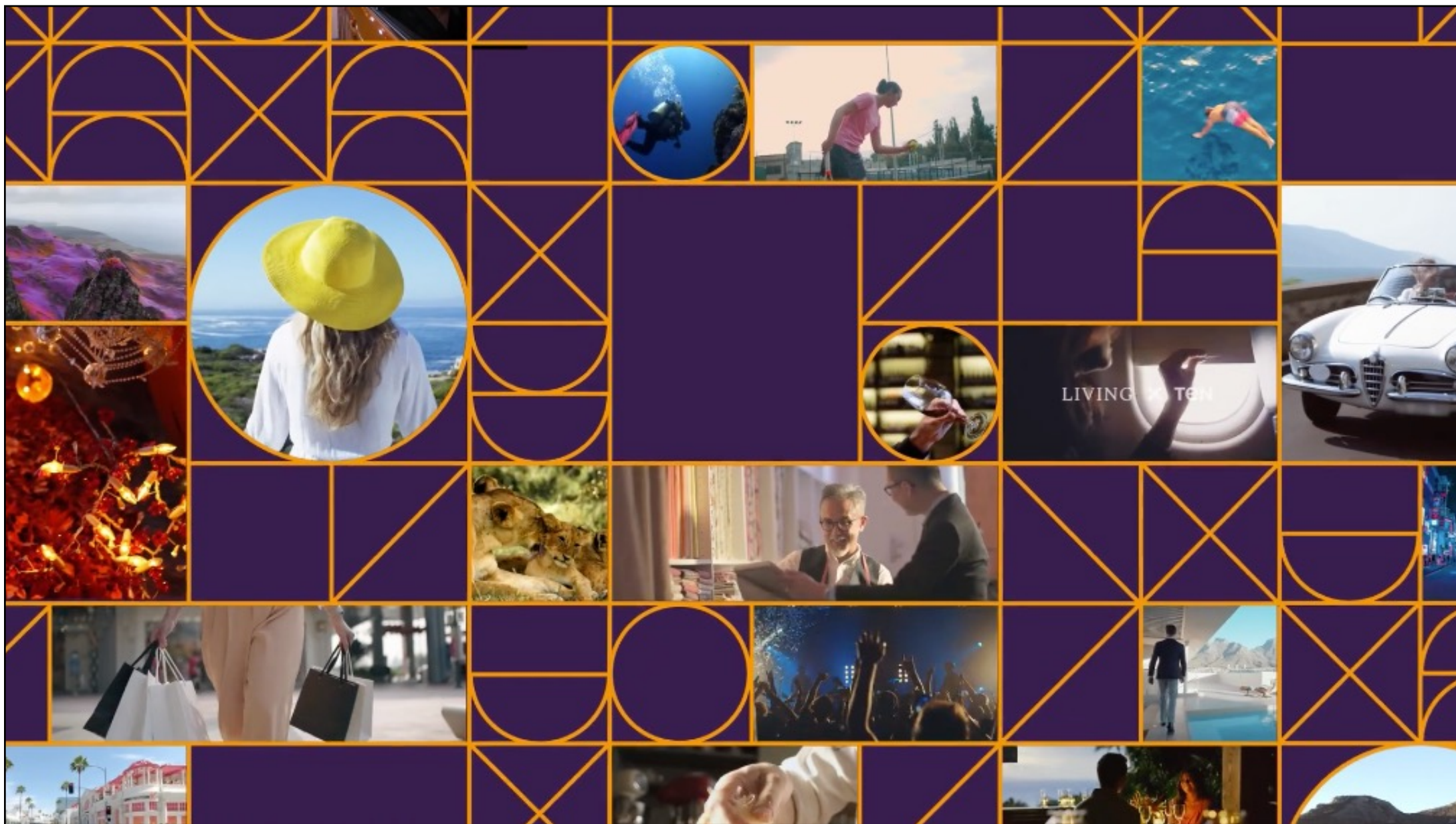
Operational update



Operational Highlights

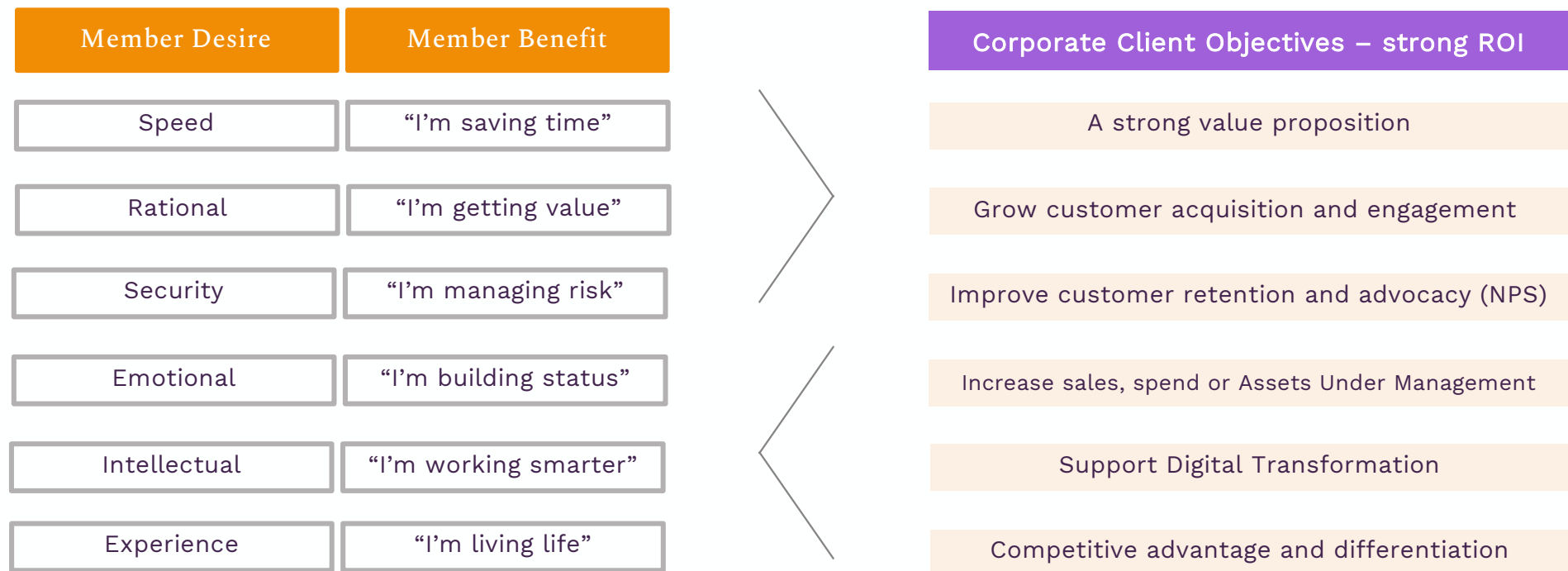
- Launched Westpac contract and won Credit Saison
- Retained all Material Contracts
- Investment in proprietary digital tech, content and comms helped efficiencies and service quality
- Ten Digital Platform live with 27 brands (2020: 22)
- Improved member proposition
- Record member satisfaction
- Retained high-performing Senior Leadership Team (SLT)
- Improved EBITDA margin



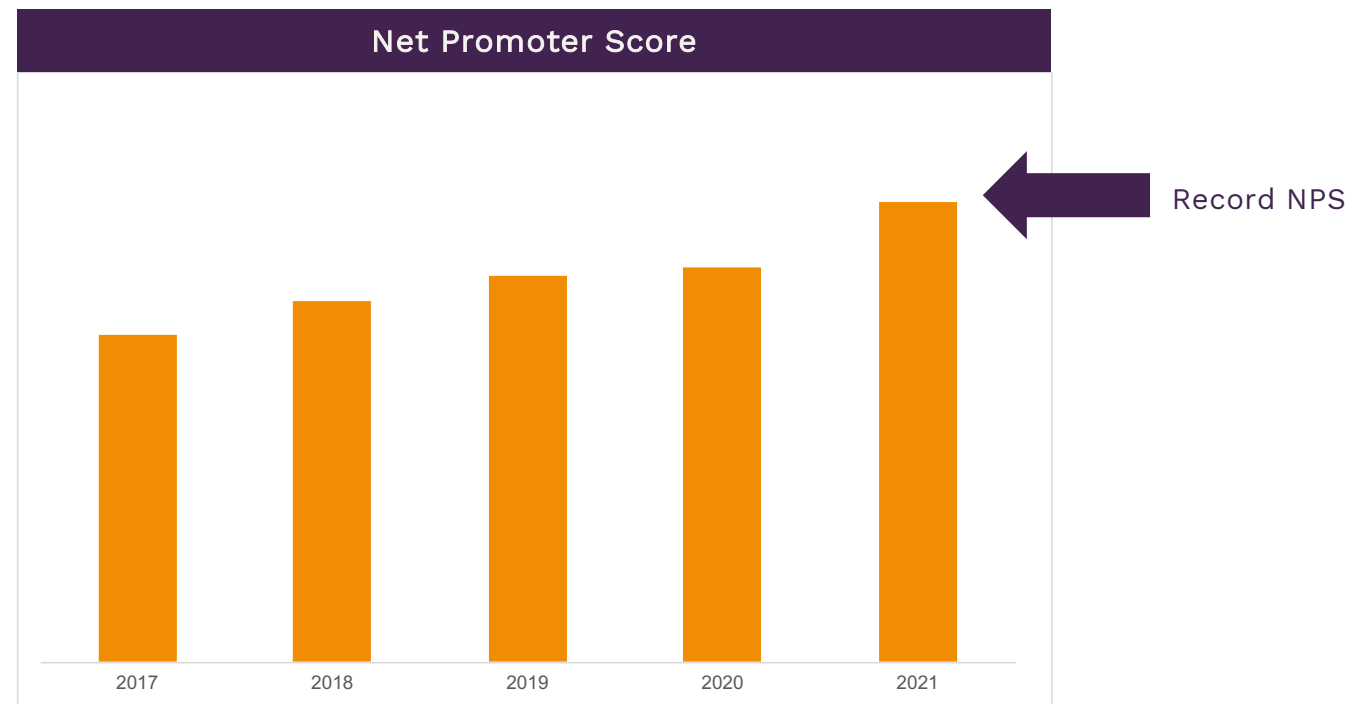


Our Proposition

Ten's proposition benefits both members and corporate clients



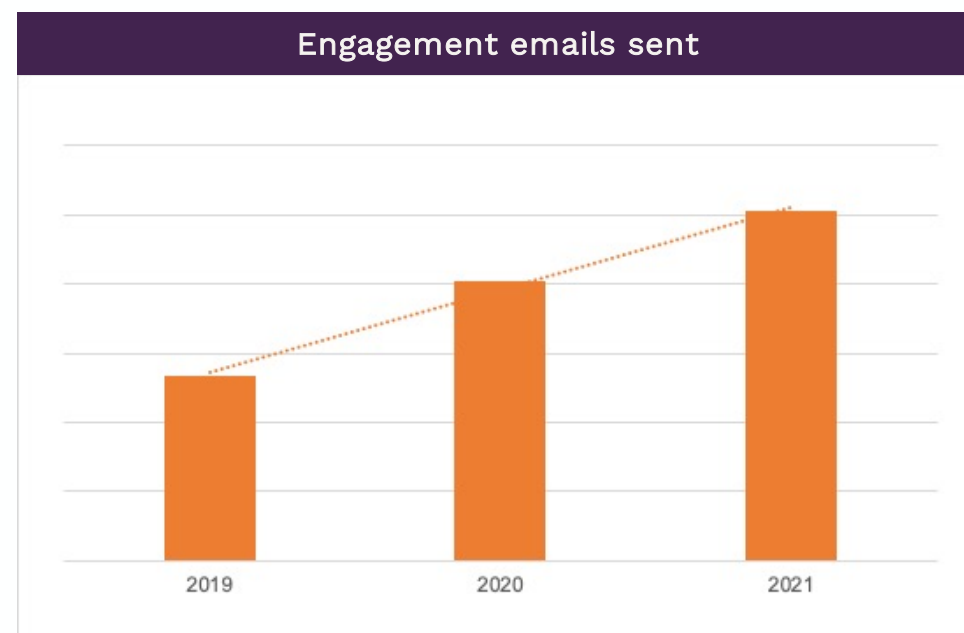
Build a more valued service



Build a more valued service

Increased regular engagement activities with the backing of corporate clients

- Targeted newsletters, events, offers, articles and guides
- Engagement emails sent increased
- Maintained high open rate
- Increased click-to-open rate



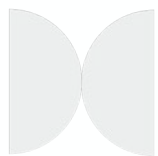
Investment in our B2B marketing

- Growing thought leadership and case studies
- Build content marketing and lead generation funnels



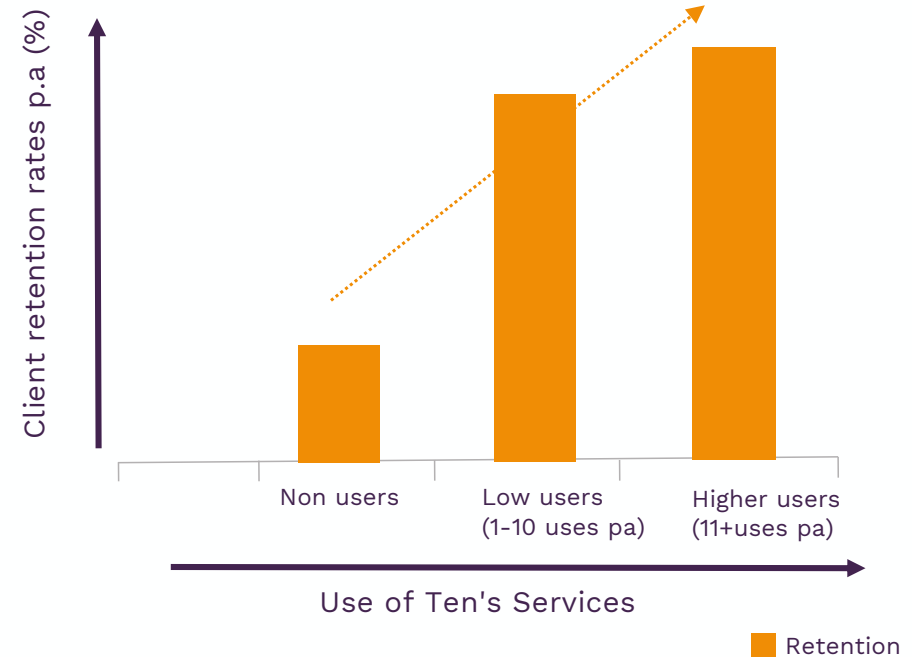
Corporate Partners Commercially Benefit From Ten

- Ten's corporate partners improve customer acquisition, retention and grow customer value
 - Users are 3 times more likely to be retained as customers and more likely to advocate
 - Users correlate with a higher average card spend vs non-users and with growth of Assets Under Management (AuM)
- Ten's corporate partners continue to invest in our service to delight their customers, drive Net Promoter Score (NPS) and differentiate their proposition



100% contract retention

Client Retention Rates

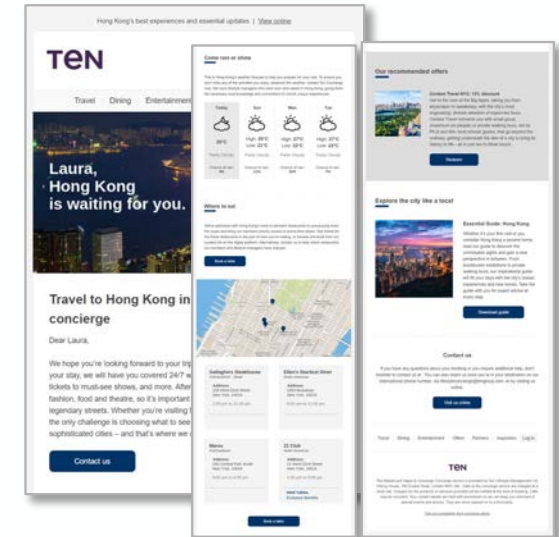
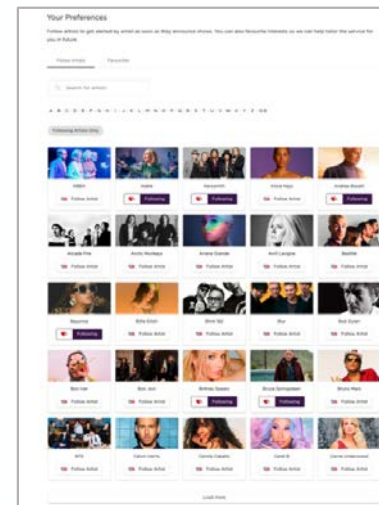
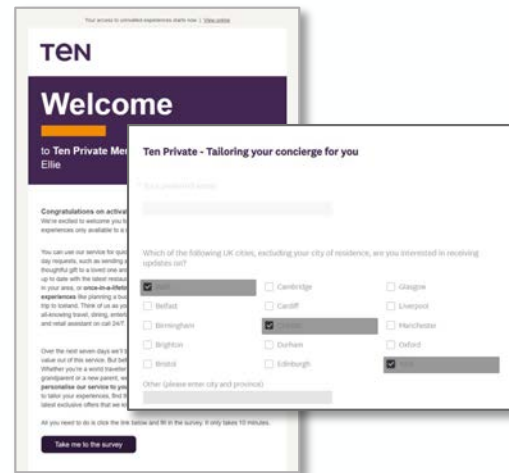


Our Corporate Clients

Visa	RBS	HSBC	DNB (Norway)	RBC	Credit Suisse
SEB	Coutts	American Express	City National Bank	CIBC	Rakuten
Mastercard	Barclays	NatWest	SMBC	ABSA	Bank of China
Diners Club	Merrill Lynch	Tokyo	Maserati	St George	Westpac
SuMi TRUST	AlphaCard	SwissCard	Scotiabank	OCBC	Neiman Marcus
China Merchants Bank	BEA	ICBC	US Bank	Credit Saison	Isetan

Reinvestment - technology

Improved member on-boarding and increased personalisation

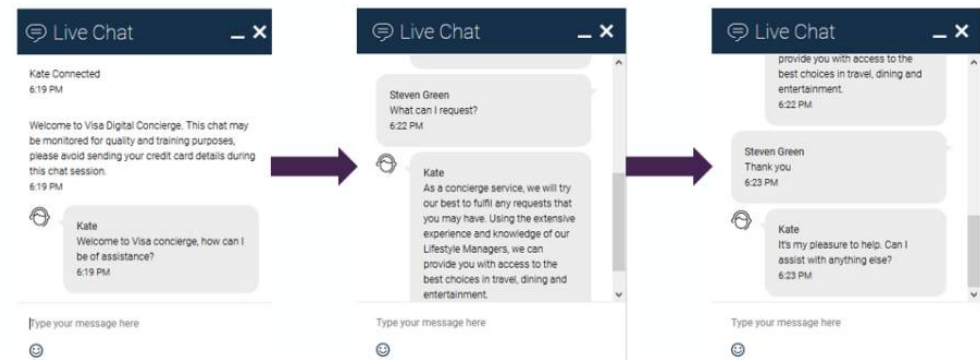


- New onboarding journey and welcome series increases member engagement
- Personalisation, helping us identify preferences and use data better to serve
- Preferences 2.0: members can **Favourite** and **Follow** artists and events on Entertainment module
- Pre-travel automation - personalised updates, recommendations and support

Reinvestment - technology

Increased automation, service quality and efficiencies

- Automation of service: increase automated processes
- Chat bot: upgraded existing live chat & launched chatbot FAQ capabilities
- Bullseye call routing: reducing transfers and hold time
- Abandoned baskets automation: Improves conversion
- Stay signed in: reduces login friction



Improvements in speed, efficiency and margin

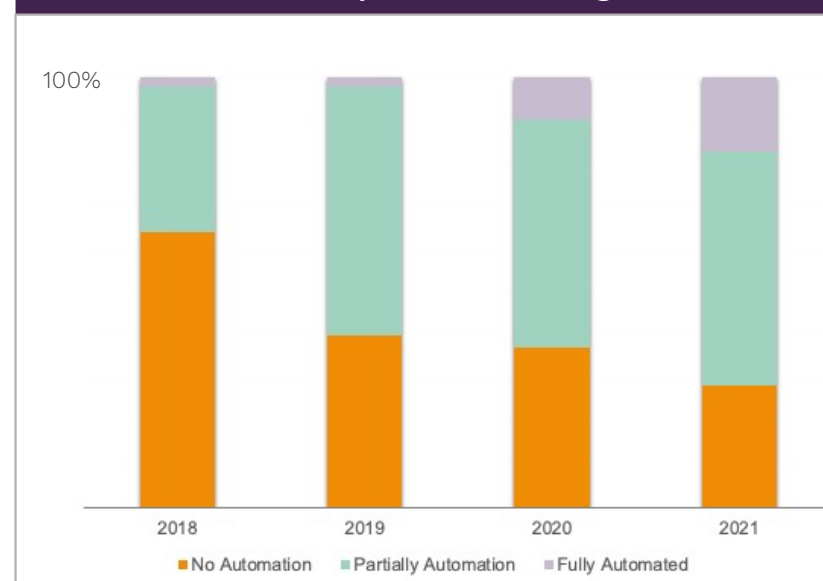
Digital transformation

- Fully-automated requests increased by 74%
- 70% of requests are now serviced using automation (2020: 63%)
- Record levels of requests from engagement emails and via chat, WhatsApp or on the Ten Platform

Technology is improving efficiencies

- Improved Adj EBITDA margin of 12.8% (2020: 10.8%)
- High level of investment £11.5m (2020: £12.2m) in proprietary digital platforms, communications and technologies maintained

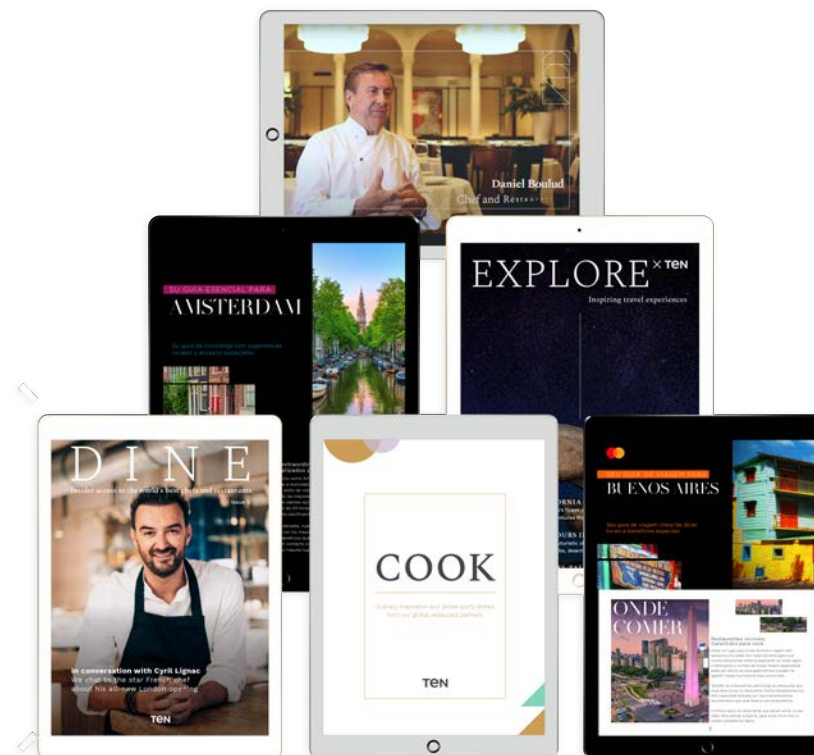
Automation of request servicing



Reinvestment – content

Increased production and range of content

- 25 (2020: 3) Lifestyle magazines covering dining, travel, days out, wellness, home & interiors, wine and fashion
- Over 300 (2020: c.200) destination and lifestyle guides
- Staycation guides
- Over 3,000 articles
- Members reading platform articles, guides and magazines are more likely to make a request

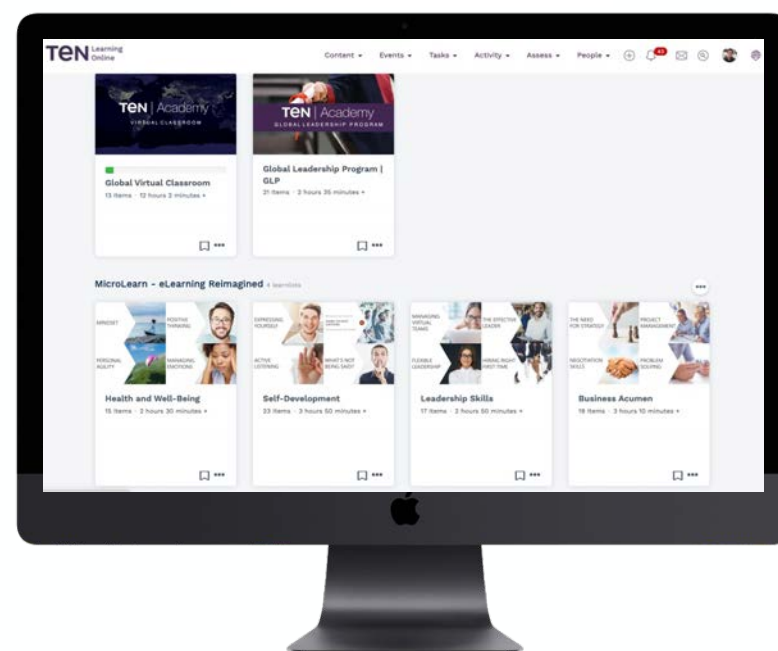


An improving team

We continue to invest in our people

- Continued success of **home/hybrid working**
- Developed home grown talent through our **Global Leadership Programme & Ten Academy**
- Retained all SLT members since January 2019 and attracted new talent
- **Diversity, Equity and Inclusion** initiatives
- Improved **internal communications**
- Record scores in the **annual all-employee engagement survey**

TEN | Academy



Ten's Digital and Product Transformation



Automation

- Over **70%** of requests serviced using full or partial automation
- **74%** increase in the number of fully automated requests
- APIs with supplier partners and aggregators on the Ten Digital Platform
- Improves efficiencies and service speed

Ten Digital Platform

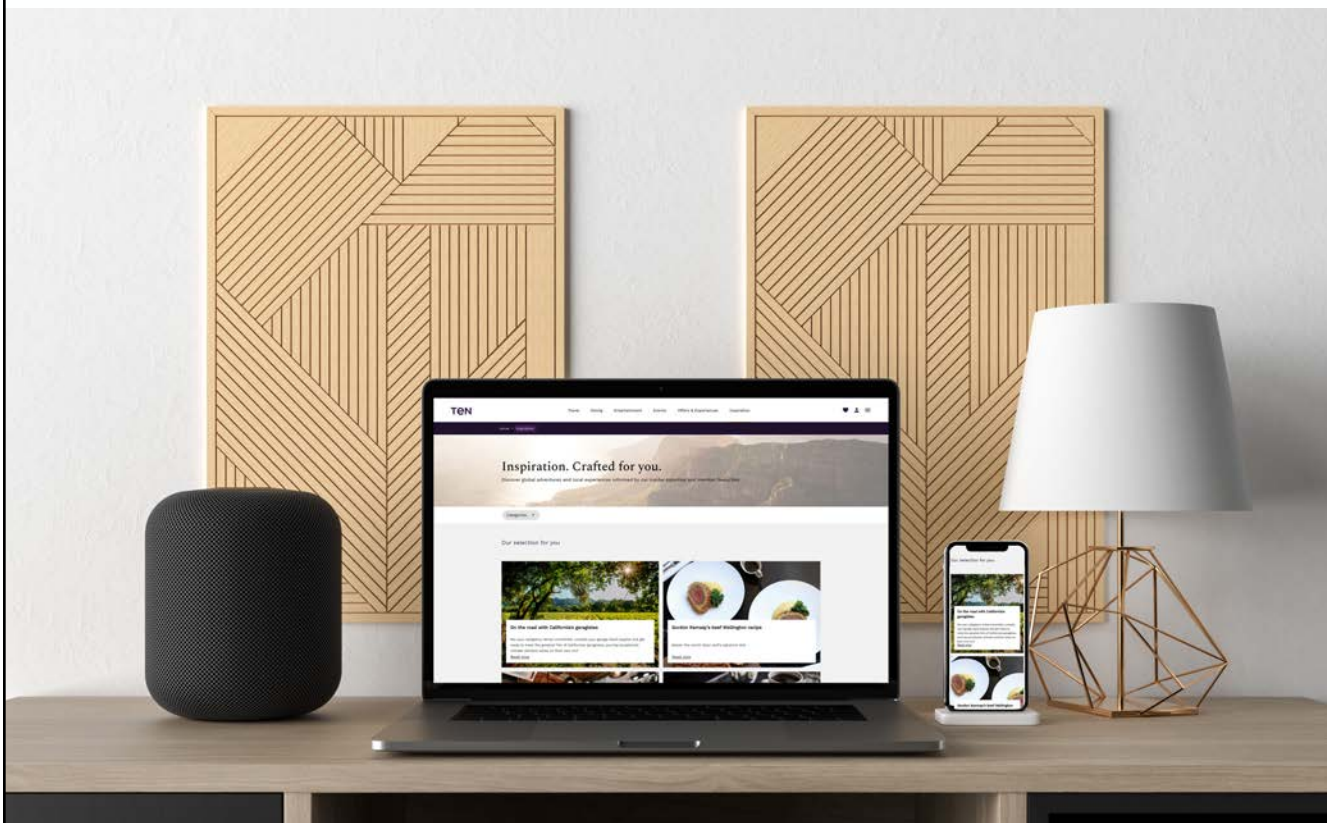
- Live with **27** brands, **100+** countries, **17** languages and **39** currencies
- Enhancement features across all modules
- Launch of fare families
- Preference gathering and preference as a service
- Loyalty points redemption
- Drives efficiencies, service improvements, member proposition and engagement, and competitive moat

TenMAID and comms

- Ten's customer relationship management platform ("TenMAID")
- Personalised request fulfillment e.g. bullseye routing and chatbot
- Referral (member-get-member) program in Americas
- Service efficiency drives member satisfaction and operational efficiencies

Content

- In-house content team use editorial content and targeted e-comms to engage members
- **25%** increase in articles on Ten Digital Platform (e.g. inspiration articles, digital events, restaurant reviews, and event invites or offers)
- Over **300** new lifestyle and destination guides and **25** lifestyle eZines
- Over **10mil** proactive service emails (**c.30%** open rate)



Experience Ten digital platform through corporate or private membership

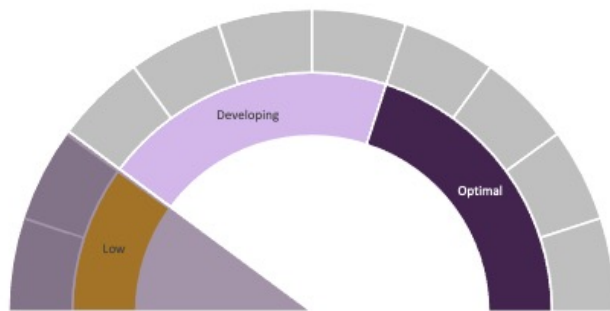
<https://ten-membership.com/>





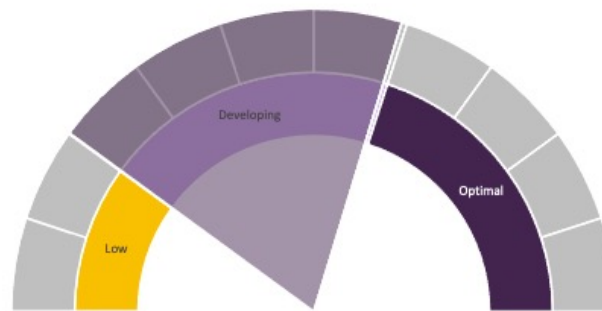
Outlook

Active Member Penetration evolution



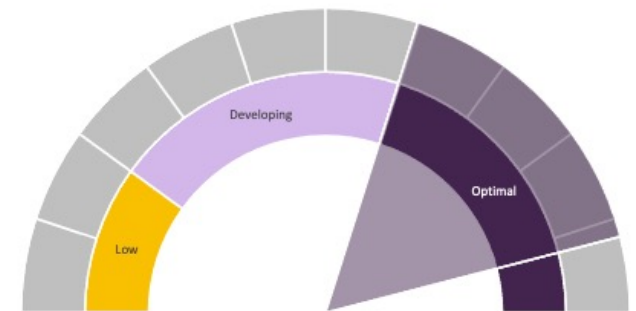
“New” (<3 years)

New clients tend to be ‘new’ or replacing competition. Penetration starts low and builds.



Developing (3-6 years)

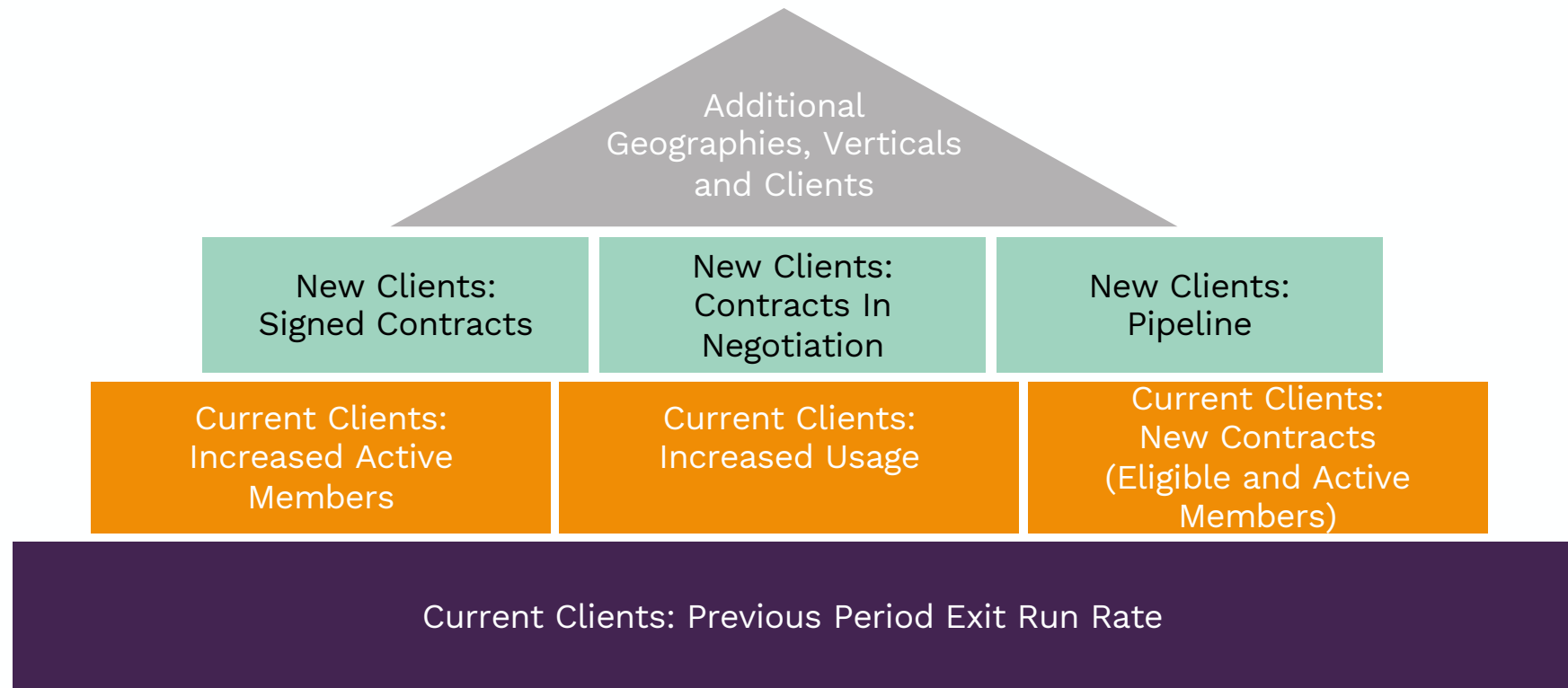
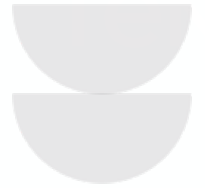
Increasing ‘proof’ grows budgets and turns Ten from ‘cost’ to ‘ROI driver’/partner



Optimum (>6 years)

Ten becomes a hero benefit and integrated part of the total corporate proposition

Clear Pathways To Revenue/Active Member Growth



Post COVID-19 Opportunities



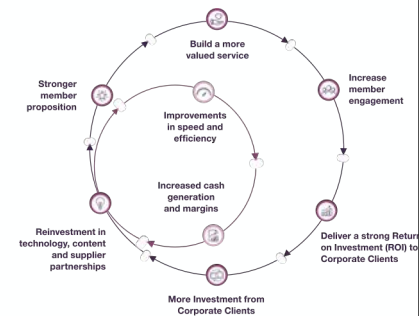
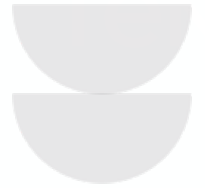
- Our **corporate clients need us**
 - We compete well against ‘competitors for budget’
 - We have developed stronger relationships during COVID-19
 - They always need high value customers (even more if interest rates rise)
- Our **service suppliers need us**
- Our **competitive position is stronger**
 - **Vs Direct:** More attractive, adaptive, digital and financially healthy
 - **Vs Indirect:** Travel agents, tour operators etc have challenges
- Our cost base has **opportunities from rents to T&E**



Denver, USA. Home to Ten's latest operational hub in North America

Outlook expectations 2022

- Demand for our core services is increasing as pandemic eases, driving use from existing Active members and stimulating new “first time users” from our growing Eligible member base. This increases Net Revenue. Some ‘pandemic innovations’ will remain part of our service.
- Supplier revenue since year end is tracking above pre-COVID-19 levels of FY 2019 (£5.5m)
- The full year impact of new contracts & extensions increases Eligible and Active Members and Net Revenue.
- We are trading inline with the Board’s expectations.
- We expect to convert some of our strong pipeline of opportunities.
- We aim to increase Net Revenue and Adj. EBITDA, maintaining a positive net cash position whilst scaling up operations and maintaining investment in technology. As a result, we expect some reduction in net cash in the first half of the year.
- We are seeing recovery overall, albeit we still have COVID-19 headwinds in some markets.
- Our record contract retention and service levels, growing supplier revenue, improving margins, sales pipeline and investment to improve our technology and proposition, mean that the Board is optimistic that Ten will take further steps towards becoming the most trusted service platform in the world.



An aerial photograph of several divers swimming in clear, turquoise water. A white geometric overlay is present, consisting of a large rectangle with internal lines forming a grid. In the top-left corner, there is a square containing an 'X' and another square containing a circle. In the bottom-left corner, there is a square containing a semi-circle. In the bottom-right corner, there is a square containing a diagonal line. The text 'Thank you' is centered in the middle of the image in a large, white, serif font.

Thank you

InvestorRelations@tengroup.com
www.tenlifestylegroup.com/investors



Next steps available

- Growth engine video in investor section on www.tenlifestylegroup.com/investors
- Overview of our technology – can be shared by video or managed via office visit
- Insight into member experience – ways to trial the service
- Review of how we provide value to corporates under ‘case studies’ on www.tenlifestylegroup.com/case-studies
- Meet Senior Leadership Team F2F or video
- Follow up meetings with CFO and CEO