



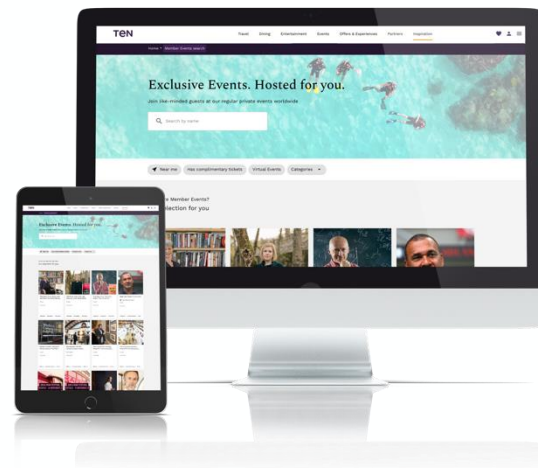
# Ten

**Annual Results for Year to  
31 August 2022**

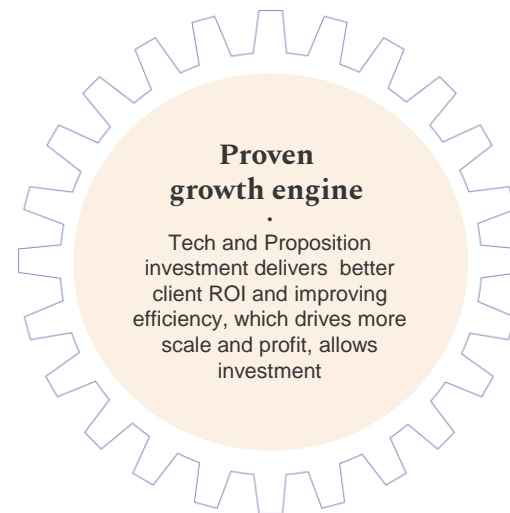
November 2022

# Our Mission

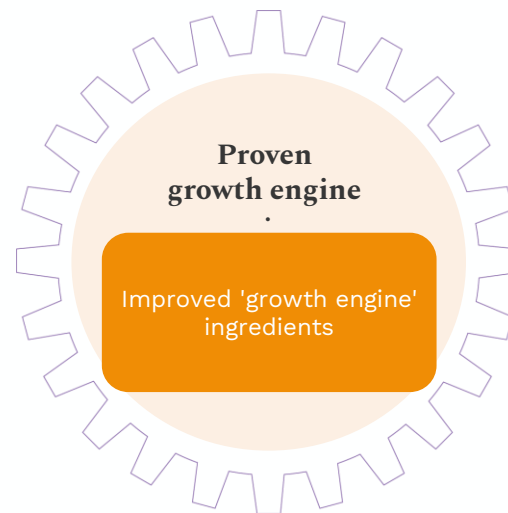
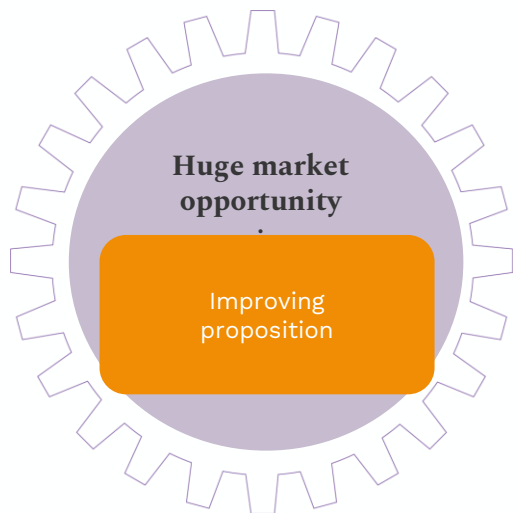
To become the world's  
most trusted service



# Investment Case

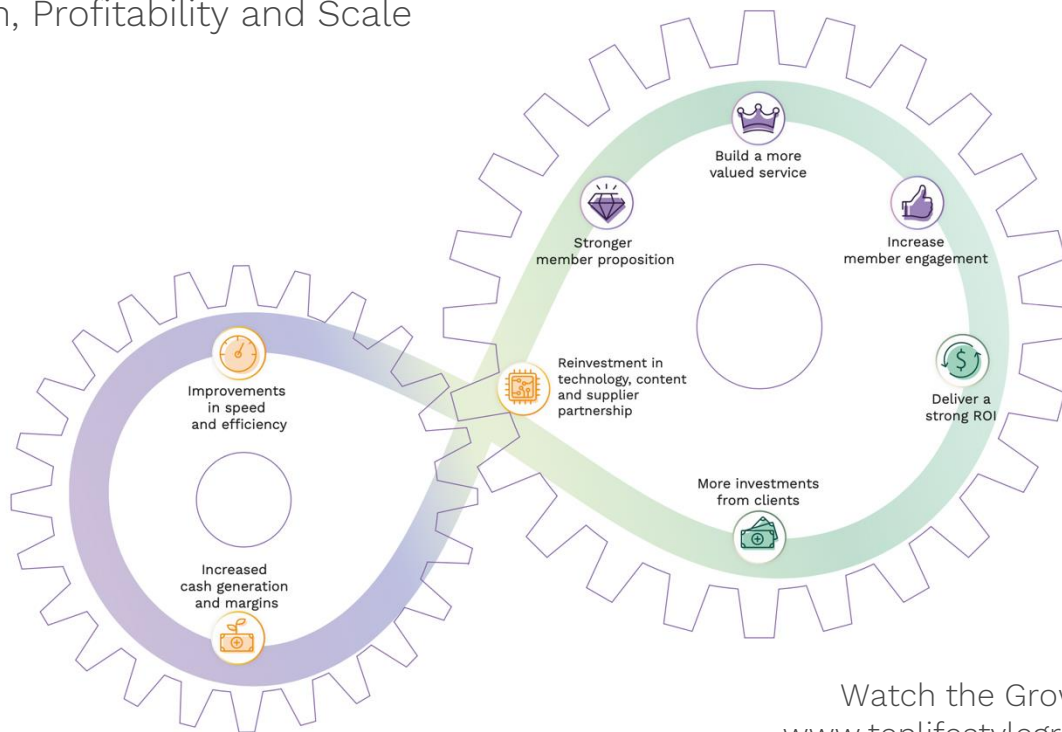


# Investment Case



# Ten's Growth Engine

Growing Proposition, Profitability and Scale



Watch the Growth Engine video at [www.tenlifestylegroup.com/investors/](http://www.tenlifestylegroup.com/investors/)

# 2022 Highlights and Outlook expectations



- Record Net Revenue<sup>1</sup>, up 35% to **£46.8m** (2021: £34.7m), ahead of pre-COVID levels
- Adjusted EBITDA<sup>2</sup> up 11% to **£4.9m** (2021 £4.4m), loss before tax down 31% to **£(3.8)m** (2021: £(5.5m))
- Cash at **£6.6m**, with net cash at **£3.2m** (2021: £6.7m) plus **£3.4m** debt raised in the year
- Four Material Contracts<sup>3</sup> won and launched and retained all Material Contracts for third year running
- Active Members up 36% to 275k (2021: 203k<sup>4</sup>)
- **£13.6m** (2021: £11.5m) invested in proprietary digital platforms, communications and technologies
- Optimistic for 2023 due to trading to date, 100% Material Contract retention, growing demand, strong sales pipeline and continued investment into our proposition, technology and people

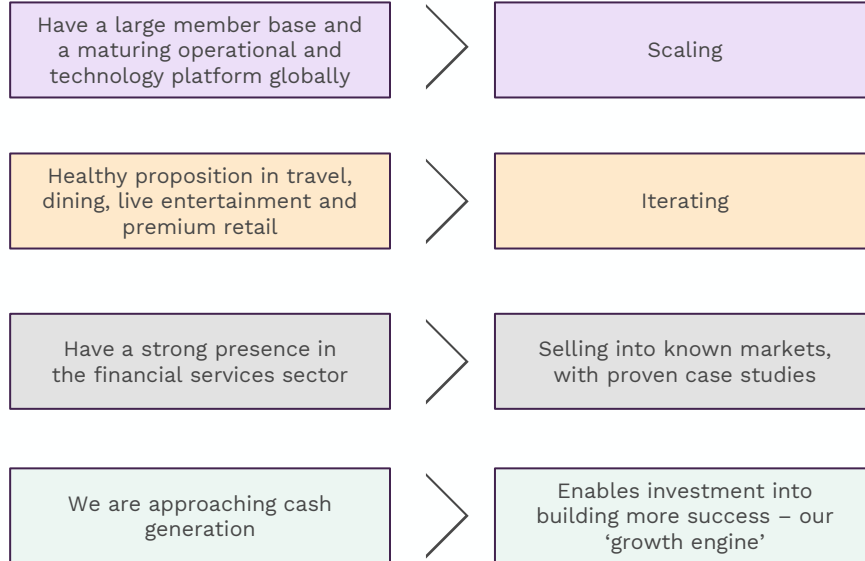
<sup>1</sup> Net Revenue excludes the direct cost of sales relating to certain member transactions managed by the Group.

<sup>2</sup> Adjusted EBITDA is operating (loss)/profit before interest, taxation, depreciation, amortisation, share-based payments and exceptional costs.

<sup>3</sup> Ten categorises its corporate client contracts based on the annualised value paid, or expected to be paid, by the corporate client for the provision of concierge and related services by Ten as: Small contracts (below £0.25m); Medium contracts (between £0.25m and £2m); Large contracts (between £2m and £5m); and Extra Large contracts (over £5m). This does not include the revenue generated from suppliers through the provision of concierge services. Medium, Large and Extra Large contracts are collectively Ten's "Material Contracts".

<sup>4</sup> Active Members are members of Ten that have used the service at least once in the past twelve months. The number of Active Members in the prior years has been recalculated using a more accurate measure of member eligibility, consistent with the definition of Active Members.

# Our platform is well positioned for growth



Night view of São Paulo financial district, Brazil – a centre of excellence in LatAm.



# Financial Results

Year to 31 August 2022

Jumeirah Hotels & Resorts, Jumeirah Maldives Olhahali Island. Ten's Global Hotel Collection



# Key Financial Highlights

## Net Revenue up 35% and Adj. EBITDA up 11%, despite H1 impact of Omicron

- Net Revenue up by 35% to £46.8m (2021: £34.7m), ahead of pre-COVID levels
  - Growth in all three regions, Americas +67%, EMEA +21%, APAC +25%
  - Corporate revenue up 29% to £41.1m (2021: £31.9m)
  - Supplier revenue up 104% to £5.7m (2021: £2.8m)
- Adjusted EBITDA up 11% to £4.9m (2021: £4.4m)
  - H1 EBITDA £0.9m (2021: £1.7m)
  - H2 EBITDA £4.0m (2022: £2.7m)
- Loss before tax improved 31% to £(3.8)m (2021: £(5.5m))
- Cash at £6.6m with net cash at £3.2m (2021: £6.7m), with £3.4m debt raised in the year to support working capital



A display from Vision & Virtuosity by Tiffany & Co at Saatchi Gallery, where Ten secured a member exclusive event in summer 2022

# Income Statement

- Operating expenses up £11.6m to £41.9m (2021: £30.3m):
  - Removal of payroll assistance (salary sacrifice and govt. support) of £2.8m
  - Additional FTE to support increased activity
- Depreciation down £0.5m, driven by reducing right-of-use assets under IFRS 16
- Share based payments down £1.1m (2021: £1.6m) due to salary sacrifice end in March 2021
- Exceptional items of £0.8m (2021: £0.6m)
- Net finance expense of £0.1m improved vs prior year primarily due to FX
- Loss before tax of £(3.8)m, improved by £1.7m (2021: £(5.5)m)

## Income statement for year ending 31 August 2022

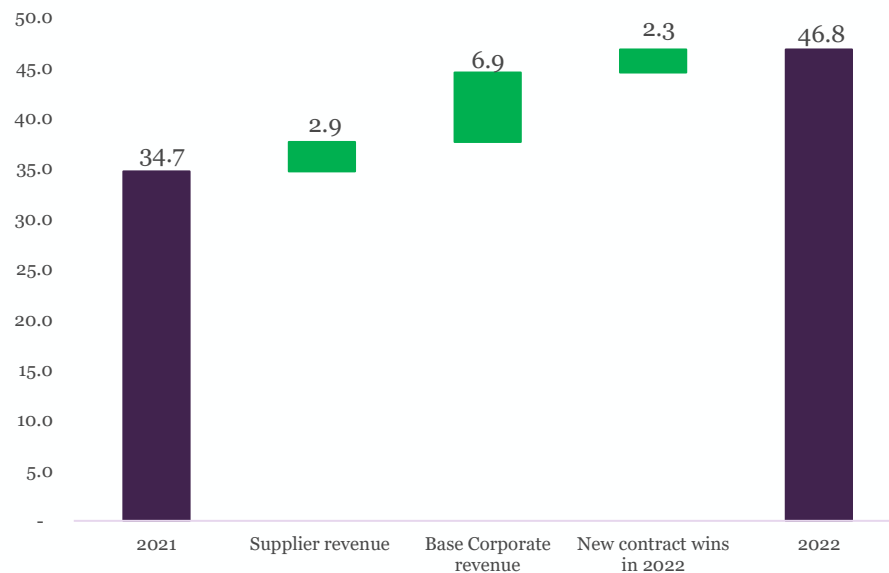
| £m  | 2022         | 2021         | YOY change  |
|---|--------------|--------------|-------------|
|   | £m           | £m           | £m          |
| Revenue                                       | 48.7         | 35.1         | 13.6        |
| Corporate revenue                             | 41.1         | 31.9         | 9.2         |
| Supplier revenue                              | 5.7          | 2.8          | 2.9         |
| <b>Net Revenue</b>                            | <b>46.8</b>  | <b>34.7</b>  | <b>12.1</b> |
| Operating expenses and Other income           | (41.9)       | (30.3)       | (11.6)      |
| <b>Adjusted EBITDA</b>                        | <b>4.9</b>   | <b>4.4</b>   | <b>0.5</b>  |
| Adjusted EBITDA %                             | 11%          | 12.8%        |             |
| Depreciation                                  | (2.7)        | (3.2)        | 0.5         |
| Amortisation                                  | (4.6)        | (4.0)        | (0.6)       |
| Share-based payments                          | (0.5)        | (1.6)        | 1.1         |
| Exceptional items                             | (0.8)        | (0.6)        | (0.2)       |
| <b>Operating loss before interest and tax</b> | <b>(3.7)</b> | <b>(5.0)</b> | <b>1.3</b>  |
| Net finance income/(expense) and FX           | (0.1)        | (0.5)        | 0.4         |
| <b>Loss before taxation</b>                   | <b>(3.8)</b> | <b>(5.5)</b> | <b>1.7</b>  |
| Taxation (charge)/credit                      | (0.5)        | (0.2)        | (0.3)       |
| <b>Loss for the period</b>                    | <b>(4.3)</b> | <b>(5.7)</b> | <b>1.4</b>  |

# Net Revenue

- Net Revenue up 35% to £46.8m (2021: £34.7m)
- Retained all Material Contracts for third year
- Base Corporate revenue from existing contracts contributed £6.9m, as demand recovered.
- Net Corporate Revenue Retention Rate<sup>5</sup> of 120% (2021: 75%).
- New contract wins and programmes launched contributed £2.3m of corporate revenue
- Supplier revenue up 104% to £5.7m (2021: £2.8m) as global travel increased

<sup>5</sup> Net Corporate Revenue Retention Rate is the annual percentage change in corporate revenue, less non-recurring revenue (i.e., non-recurring service fees, implementation fees and fees for the customisation of the Ten Digital Platform), from corporate client programmes operating in the previous year.

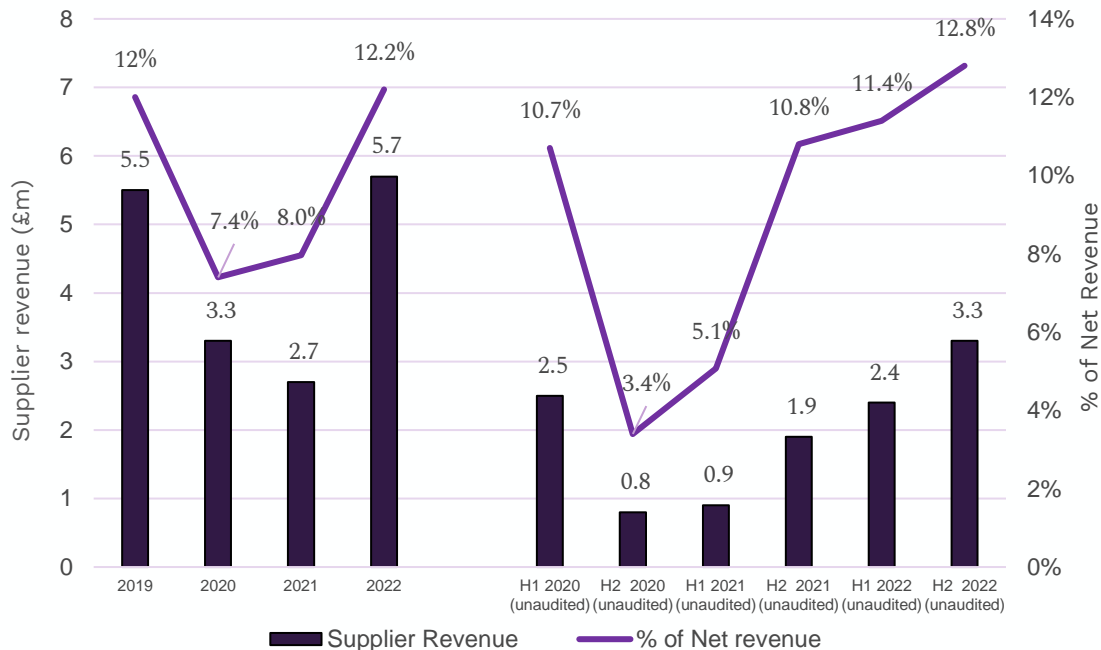
## Net Revenue Growth 2022 vs 2021 (£m)



# Supplier Revenue has continued to recover

- Supplier revenue up 104% to £5.7m (2021: £2.8m)
  - 12.2% of Net Revenue (2021: 8.0%), back to pre-COVID levels of contribution (2019: 12.0%)
- Impact of COVID from H2 2020, with intro of global travel restrictions
- Recovered in H2 2021, as travel restrictions eased and continued to recover to pre-COVID levels
- H2 2022: travel increased in line with expectations, above pre-COVID levels

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



# Net Revenue By Region

## EMEA

- Up 21% as both base corporate and supplier revenue recovered despite short-term impact of Omicron on H1
- Won and launched two Medium contracts

## Americas

- Up 67% with increased member activity from the Extra Large contract launched in February 2020

## APAC

- Up 25% primarily due to Credit Saison (new Large contract win), launched in Sept 2021
- Base business recovery continued to be subdued due to COVID-19 restrictions

## Net Revenue by region

| £m       | 2022<br>£m  | 2021<br>£m  | % change   |
|----------|-------------|-------------|------------|
| EMEA     | 21.9        | 18.1        | 21%        |
| Americas | 16.5        | 9.9         | 67%        |
| APAC     | 8.4         | 6.7         | 25%        |
|          | <b>46.8</b> | <b>34.7</b> | <b>35%</b> |

## 22 locations worldwide



# Adjusted EBITDA by region

## EMEA

- Adjusted EBITDA decreased by £0.6m to £5.5m (2021: £6.1m) as increased FTE retained through Omicron

## Americas

- Adjusted EBITDA loss improved by £1.5m to £(0.7)m (2021: £2.2m) from strong uplift in Net Revenue, offset by increased FTE
- Increase in activity and Net Revenue moved the region into profitability in H2

## APAC

- Adjusted EBITDA profit decreased by £0.4m to £0.1m (2021: £0.5m) due to subdued member activity
- Some signs of recovery towards the end of the year

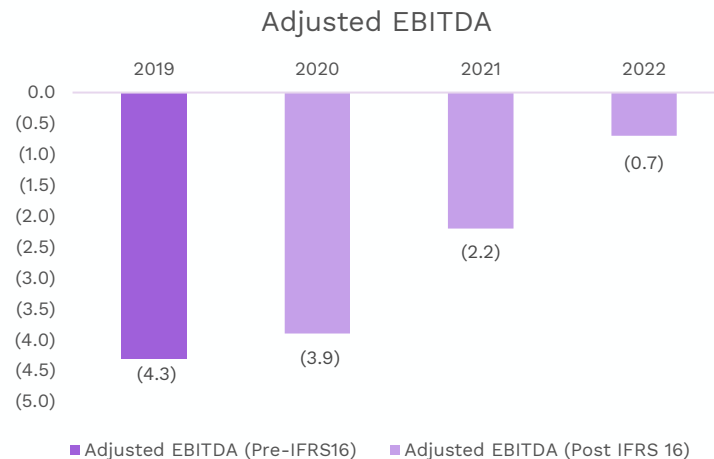
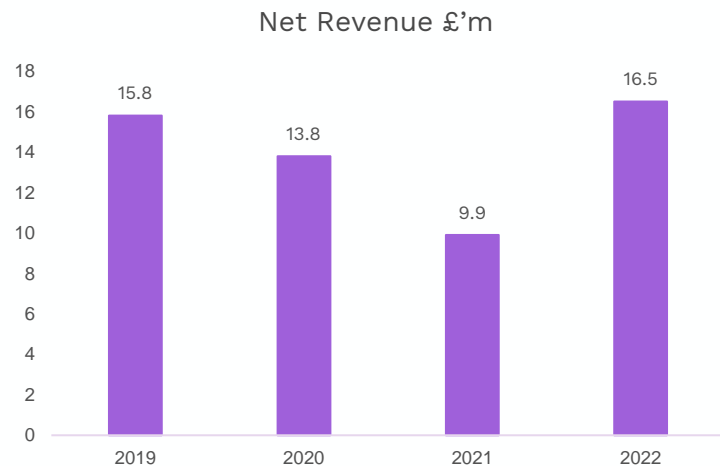
### Adjusted EBITDA

| £m                       | 2022<br>£m | 2021<br>£m   |
|--------------------------|------------|--------------|
| EMEA                     | 5.5        | 6.1          |
| Americas                 | (0.7)      | (2.2)        |
| Asia                     | 0.1        | 0.5          |
| <b>Total</b>             | <b>4.9</b> | <b>4.4</b>   |
| <b>Adjusted EBITDA %</b> | <b>11%</b> | <b>12.8%</b> |

# AMERICAS – improving profitability (2019-2022)

The table opposite highlights the improved profitability within the Americas region over the last 4 years.

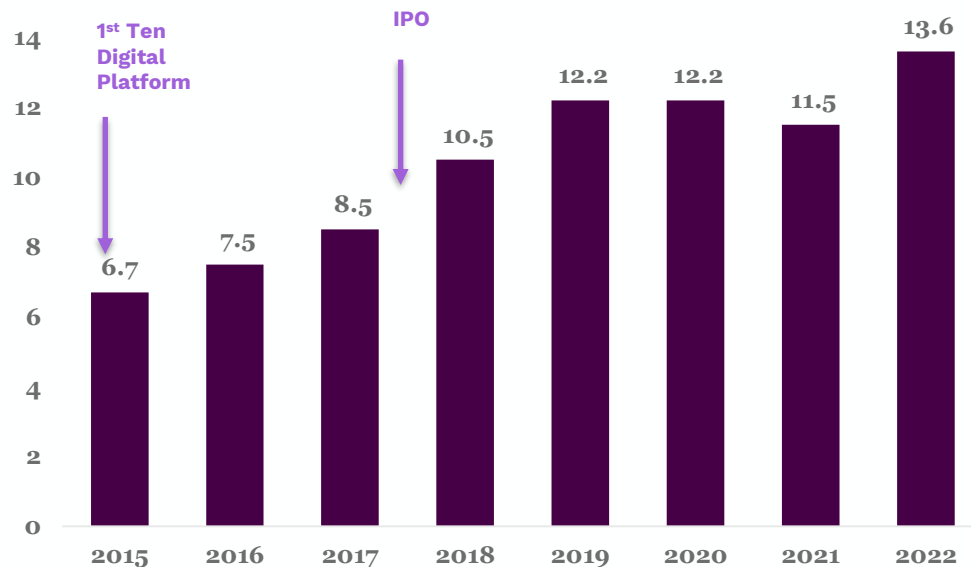
- Net Revenues of £16.5m are now higher than pre- COVID 2019 levels
- Adjusted EBITDA has improved year on year with region moving into profitability in H2 2022
- Growth engine working 2022 vs 2020 Adj EBITDA



# 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

## Cash Spend on Technology Platform, Comms and Infrastructure (£m per FY)





# Cash Flow

- Operating Cash flow of £4.8m (2021: £4.0m)
  - Reduced loss before tax of £1.7m
  - Increased working capital of £0.8m driven by business growth
  - Reduction in non-cash items of £0.7m
- Investment in intangibles of £6.4m maintained with continued tech investment
- Cash receipts of £1.4m from share options
- Loan receipts of £3.4m raised to support growth
- Repayment of leases and net interest decreased by £0.2m driven by reduced office space
- Net decrease in cash of £0.1m to £6.6m (2021: £6.7m)

| Cashflow   |              |              |
|--|--------------|--------------|
| £m   | 2022         | 2021         |
|  | £m           | £m           |
| Loss before tax  | (3.8)        | (5.5)        |
| Working capital changes  | (0.1)        | 0.7          |
| Net Finance expense  | 0.1          | 0.5          |
| Forgiven US PPP loan   | -            | (1.0)        |
| Non-cash items (depreciation and amortization share-based payments and exceptional expenses) | 8.6          | 9.3          |
| Operating cash flow  | <b>4.8</b>   | <b>4.0</b>   |
| Capital expenditure  | (0.9)        | (0.2)        |
| Investment in intangibles  | (6.4)        | (5.4)        |
| Taxation   | (0.6)        | (0.5)        |
| Cash (outflow)/inflow  | <b>(3.1)</b> | <b>(2.1)</b> |
| Cash flows from financing activities   |              |              |
| Sale/(purchase) of treasury shares   | 0.5          | -            |
| Receipts on exercising of options  | 1.4          | 0.9          |
| Loan receipts  | 3.4          | -            |
| Repayment of leases and net interest   | (2.7)        | (2.9)        |
| Net cash used by financing activities  | <b>2.6</b>   | <b>(2.0)</b> |
| Foreign currency cash and cash equivalents movements   | 0.4          | (0.2)        |
| Net decrease in cash and cash equivalents  | <b>(0.1)</b> | <b>(4.3)</b> |
| Cash and cash equivalents  | <b>6.6</b>   | <b>6.7</b>   |



# Business Model

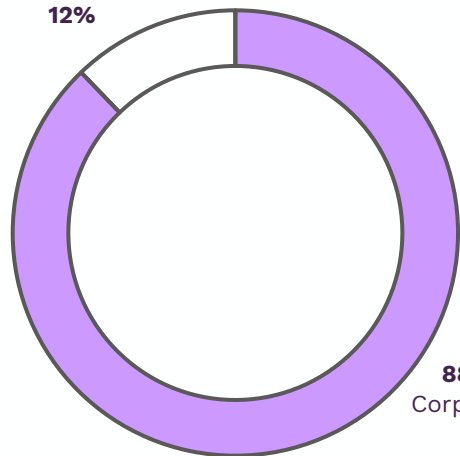
Watch the Growth Engine video at  
[tenlifestylegroup.com/investors/](https://tenlifestylegroup.com/investors/)

Raffles Doha, part of Ten's Global Hotel Collection

# Our Revenue Model

Supplier revenue

12%



88%  
Corporate revenue

## Typical Contract

High-touch Requests

×

££ Per High-touch

+

Digital Requests

×

£ Per Digital

=

**Total Corporate Client Revenue**

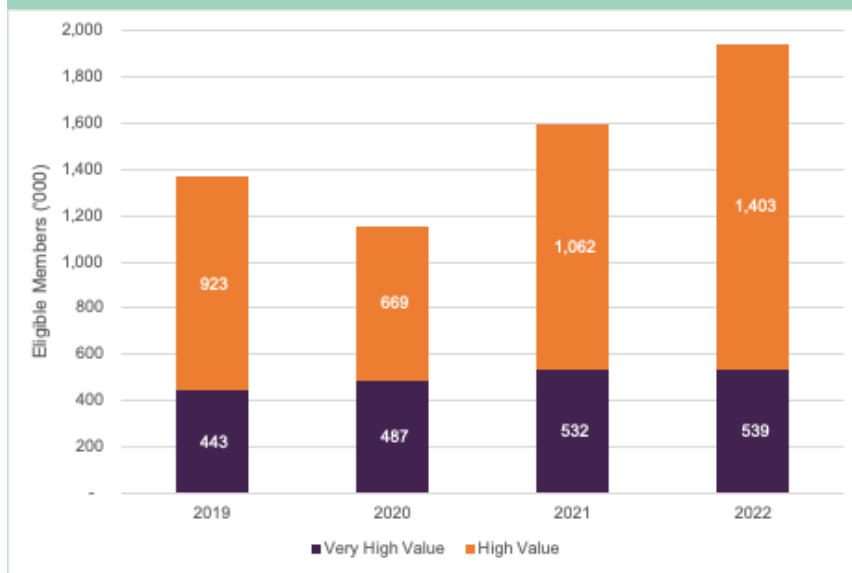
Long term contracts often with  
agreed minimums



# A record eligible member base to achieve growth

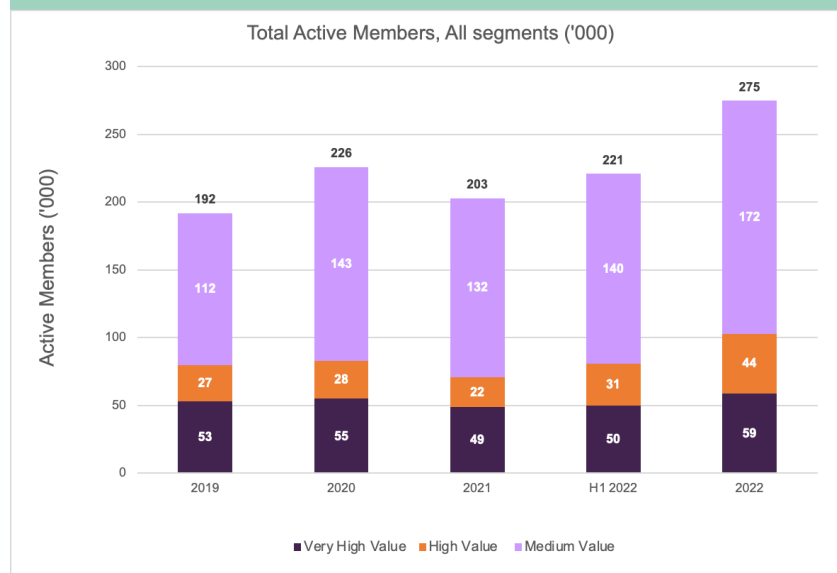
**Eligible Members** have an eligible product, employment, account or card offered by a corporate client and have access to the service

## Eligible Members in High and Very High value segments



**Active Members** have used the service at least once in the past 12 months

## Total Active Members by value segments



The number of Active Members in the prior years have been recalculated using a more accurate measure of member eligibility, consistent with the definition of Active Members.

# Operational Update

Year to 31 August 2022



Ollie Dabbous, head chef at HIDE London where Ten hosted a Ukraine fundraising dinner

# Operational Highlights

- Number of Material Contracts up 17% to 28 (2021: 24)
  - Retained all Material Contracts for third year running
  - Four new Material Contracts: Large contract with Credit Saison, Medium contracts with one of the UK's largest wealth managers, DNB Bank and Morgan Stanley, all launched with the Ten Digital Platform
- Active Members up 36% to 275k (2021: 203k)
- Maintained high levels of member satisfaction which drives repeat use and value to our corporate clients
- £13.6m (2021: £11.5m) invested in proprietary digital platforms, communications and technologies to enhance member experience and create competitive advantage
  - 80% of Material Contracts launched with Ten Digital Platform (2021: 64%)
  - Ten Digital Platform live with 35 corporate client brands (2021: 27)
- Applied for B Corp certification



# Corporate client growth

4 new Material Contracts,  
all launched with the Ten Digital Platform



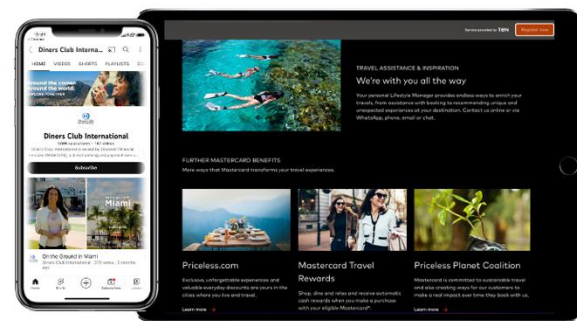
Credit Saison (*Large*)  
One of the UK's largest wealth managers (*Medium*)  
DNB Bank (*Medium*)  
Morgan Stanley (*Medium*)

Contract expansions and renewals with  
existing corporate clients



New programme for the premium cardholders of an  
issuing bank in Latin America (*Large*)  
Multi-year contract with St. James's Place wealth  
management following a successful pilot (*Medium*)  
Expansion of existing programme in Americas to new  
portfolio (*Medium*)

New content and digital customisation  
deals



Content as a Service (CaaS) deals with existing  
corporate clients  
Customisation of Ten Digital Platform and content  
under the corporate client's brand  
Communications integration with corporate client

# Our Corporate Clients





# Overview of proposition categories

## Dining

- Priority access and exclusive benefits at thousands of the world's best restaurants
- 11,000+ reviews online\*
- Exclusive hosted events
- **Held Tables Programme with over 2k restaurants across 102 cities**



## Entertainment

- Access to the best seats, best packages and face value tickets often not available to the general public or sold out
- **Engaged more than 15 new entertainment partners**
- Booked over 1,800 official ticket packages at Premier League and La Liga football matches as well as Wimbledon 2022



## Travel

- Expanded Ten's Global Hotel Collection with >4200 4\* /5\* hotels
- Expanded access to over 720k hotels
- Exclusively negotiated discounted flights and car hire
- **New Direct Connections Programme** with major hotel chains (IHG)
- **Develop premium travel proposition**



## Retail & Events

- Exclusive offers on brands like Aesop, KitchenAid and Apple
- Over 25 Ten hosted events
- Online masterclasses
- Live online events e.g. Ruud Gullit and Sven-Göran Eriksson
- **Complimentary events with over 150 events organised for members tickets to Art Fairs, Taste of and Foodie festivals**



## Editorial

- In-depth destination and city guides designed to inspire members and help them get the most of their travels
- Articles and interviews with industry experts
- **Magazines given broader distribution to engage more active members**



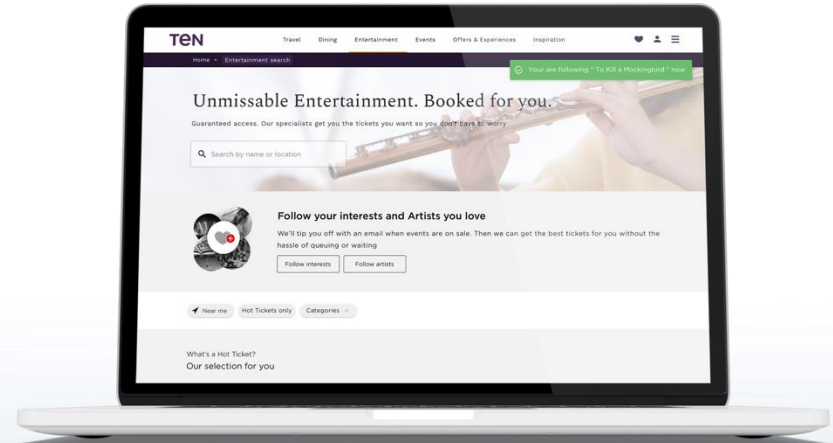
## Book Club

- Exclusive audiences with some of the most prominent and celebrated authors. Previous guest authors include Val McDermid – 1979 and Lucy Foley
- Opportunity to engage in Q&A direct with authors
- **Global expansion to USA, Canada, Singapore, Hong Kong, Brazil, and Spanish-speaking LATAM countries**



# Ten Platform overview

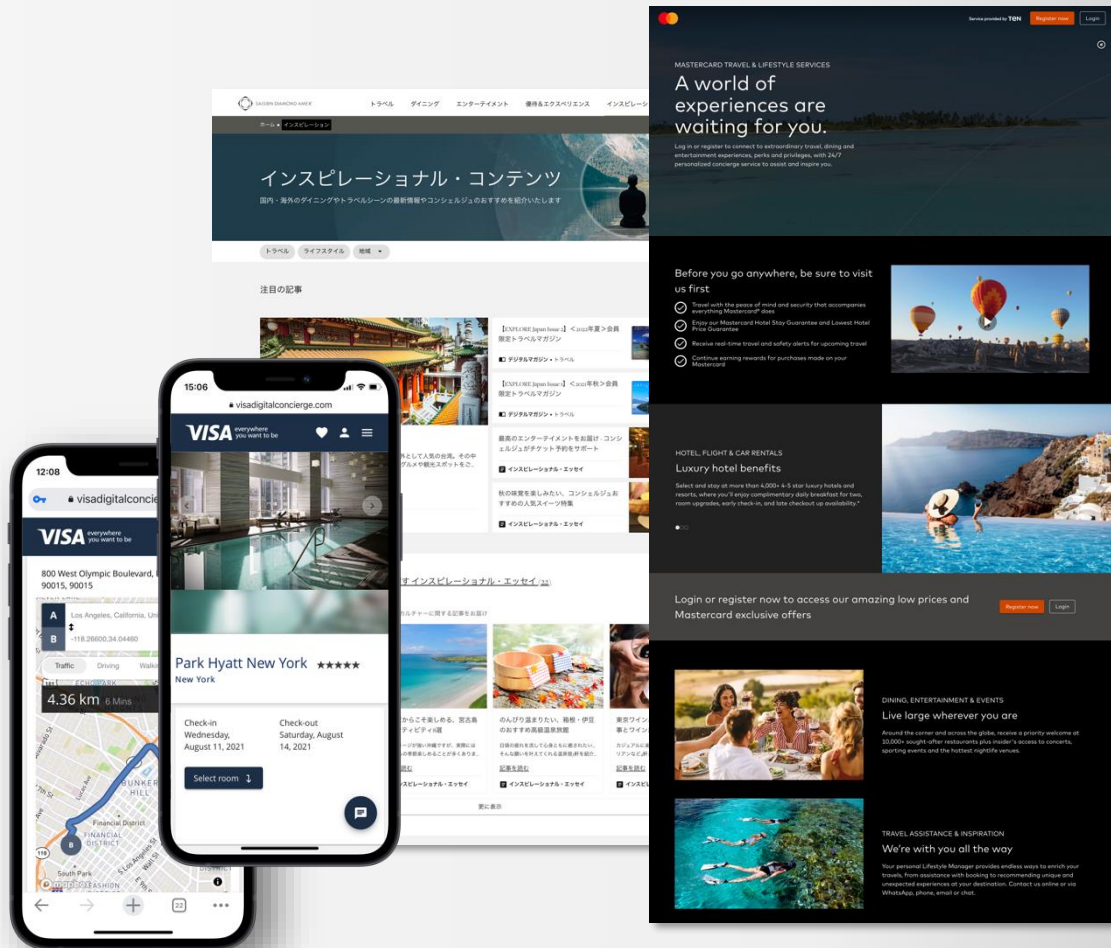
- Multi-tenanted and mobile-friendly web app
- Ten Digital Platform is live with 35 (2021: 29) corporate client brands globally
- 18 languages (2021: 17), 39 currencies
- Transactional and e-commerce (PCI DSS Level 1)
- New features:
  - Improved merchant proposition and member redemption through single use unique codes
  - Enhanced inspirational lifestyle content
  - Enhanced member preferences gathering across dining and hotel categories
  - More seamless check-out experience with stored payment cards



# Customisation

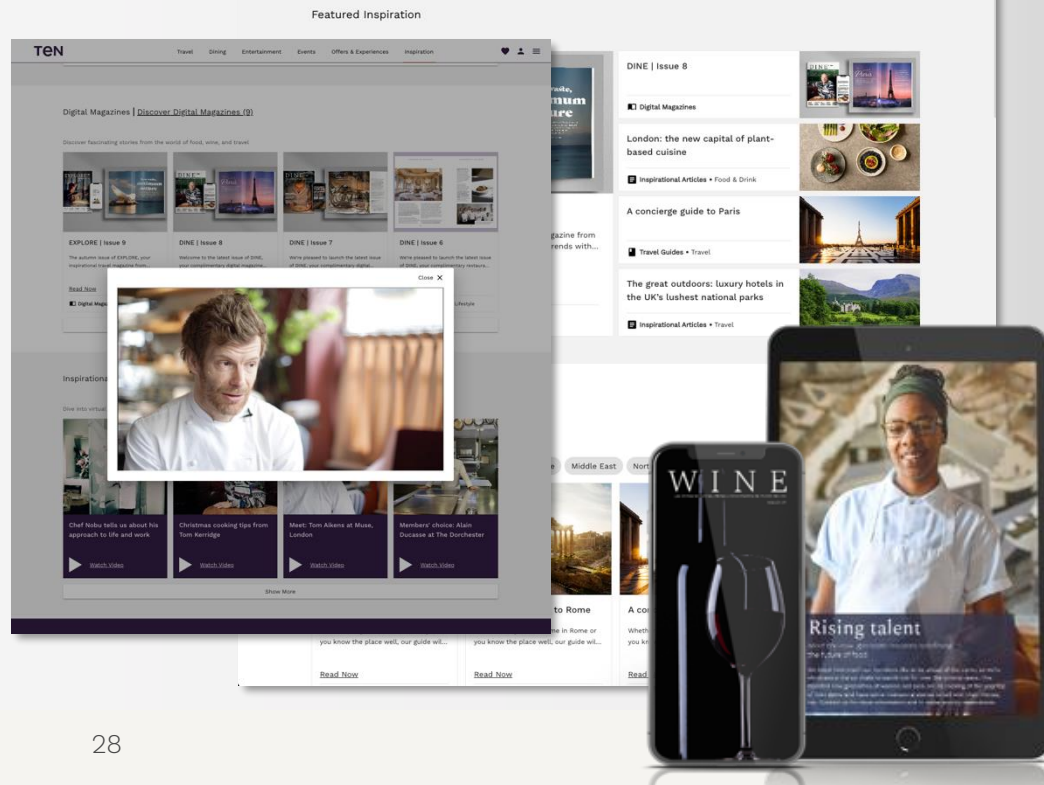
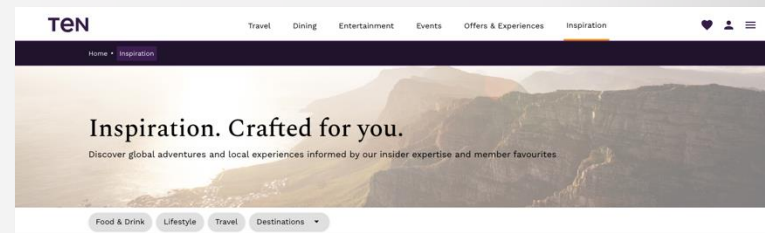
Corporate clients can opt to customise and integrate the Ten Digital Platform to increase efficiencies and support their digital engagement strategy

- Modules and sub-modules turned on/off
- Full white labelling / branding capabilities
- Languages, currencies and home markets
- Customised content and asset
- Payment controls to drive spend on cards
- Design customisations and integrations, including SSO
- Easy-to-integrate suite of Ten Open APIs



# Inspiring our members

- New and enhanced ways to engage members with inspiring and original content
- Developed a new module on Ten Platform dedicated to our content to engagement



## CONTRIBUTORS

### ALEX DALZELL

Our **editor** escapes London whenever possible to hide away in Cornwall's peaceful Port Gaverne, where he likes to cliff jump, kayak and eat a lot of crab.

### NICOLA MOYNE

When she's not poring over copy, our **chief sub editor** can be found aboard her sailboat exploring East Anglia's rivers, canals and broads.

### JAMES BAINBRIDGE

He's hiked the hills of Wales, foraged through the Lake District and bagged himself a few Scottish Munros – it's all in a day's work for our Shropshire-born **writer**.

### MARK HOOPER

Our **writer** Mark swapped London for the Kent countryside a few years ago and he hasn't looked back. When the school holidays roll around, he packs up the family car and makes a beeline for the hidden coves of the south Devon coast.

### JO GARDNER

When she's not on globe-trotting assignments for big-name travel magazines, **writer** Jo can be found exploring the wide inland expanses of Norfolk and quiet coastal stretches of Suffolk.

### CLAIRE BLACKMORE

With an eye for all things beautiful, our **designer** loves the kaleidoscope of summer colours in the New Forest and the wide skies of Scotland.

EXPLORE is written and edited by **Content x Ten** for Close Brothers Asset Management. **Content x Ten** is part of **Ten Lifestyle Group**.

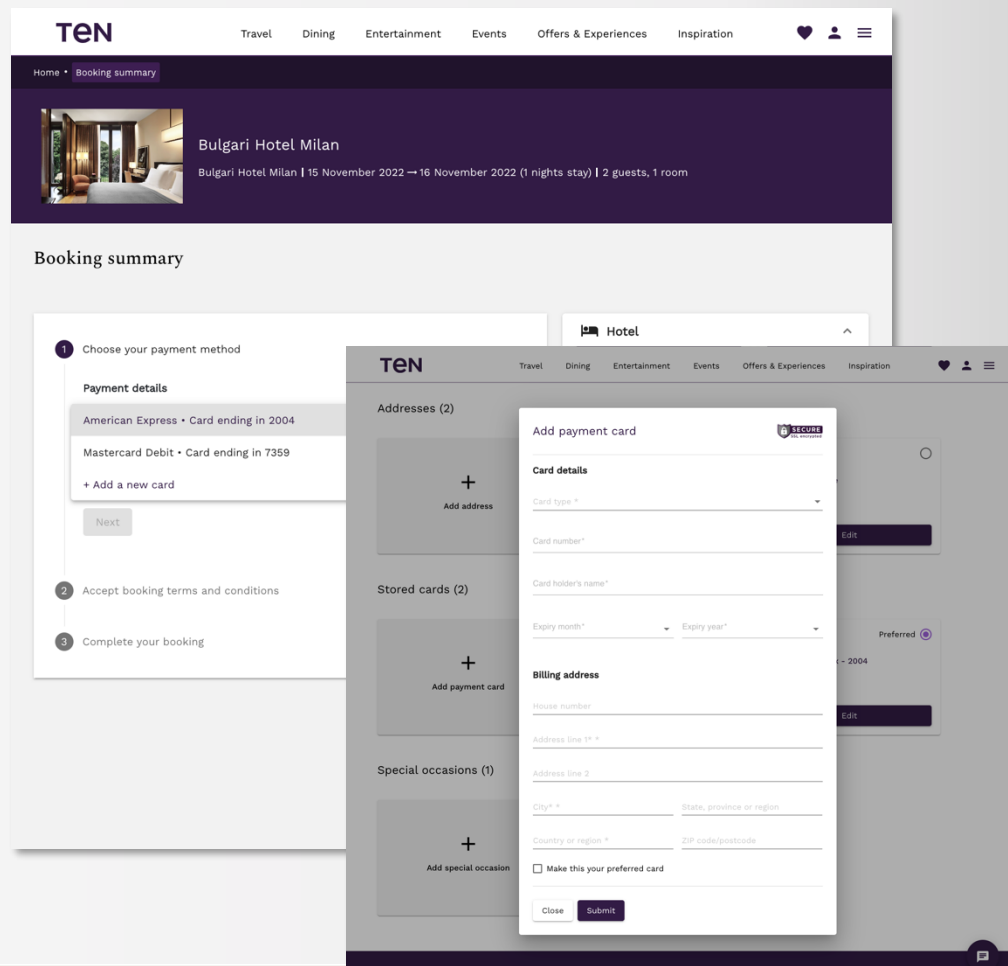
**Ten Lifestyle Group** is the world's leading lifestyle management service, boasting an unparalleled team of expert lifestyle managers across the globe and a fully transactional digital platform. Ten works with more than 30 of the world's major banks and wealth managers to develop and strengthen relationships with clients and their families.



# CONTENTS

# One-click payments

- Members can store payment cards for one-click purchases
- Members can manage multiple cards, within the client's payment type restrictions
- Improves conversion and drives spend on card for our corporate clients



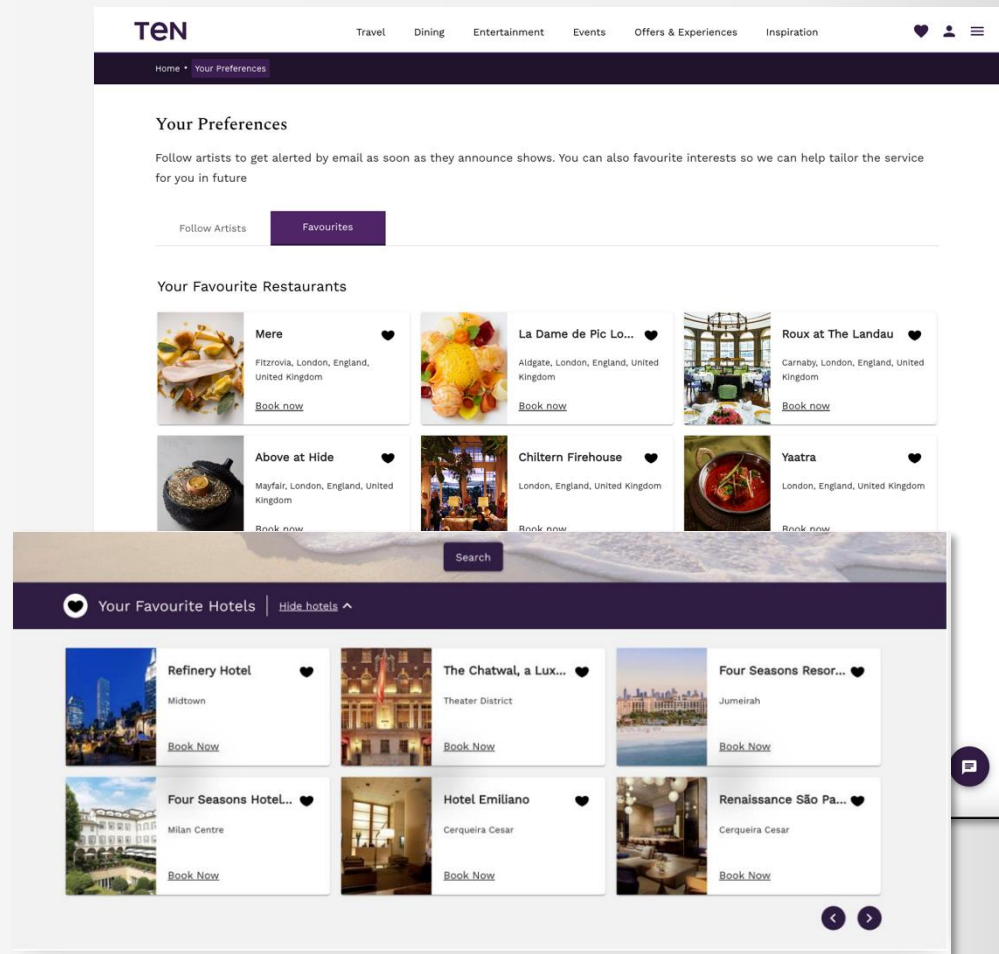


# Member preferences

Enhanced member preferences, in addition to the existing capability where members can track entertainment artists, allowing members to “favourite”:

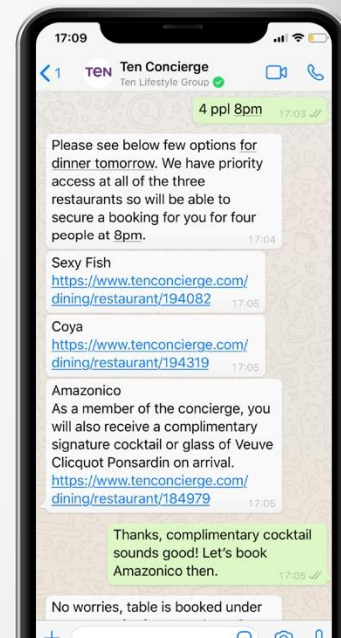
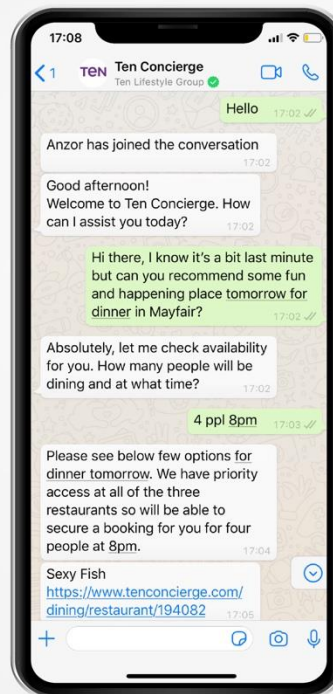
- Hotels and restaurants
- Offers and brands
- Events and interests (soon-to-be-released)

Enables greater personalisation of the service and informs us of member’s needs to further develop the overall proposition



# Channel choice

- More channel choice for our members with the expansion of chat, including WhatsApp with members
- Chat volumes more than doubled
- WhatsApp usage more than tripled

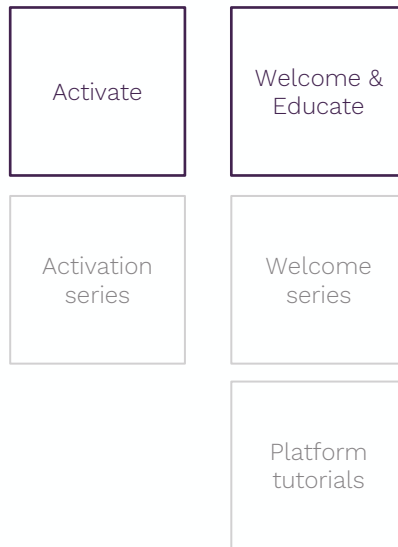




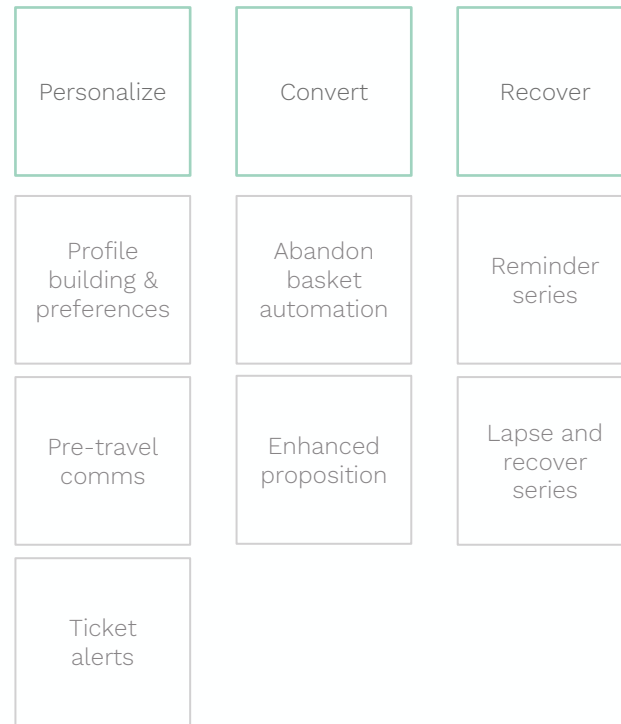
# Extending the value of each contact

- Redesigned member lifecycle journeys to increase activations and repeat usage
- **Automated** journeys triggered by member lifecycle moments / locations as well as behaviour / request data
- Boosted member activation rates on the platform by c.1.5x following an improved onboarding journey

## Onboarding



## Ongoing CX



# Building a sustainable business

Our Sustainable Business Strategy and application to become **B Corp** certified creates value for our stakeholders:

- Greater alignment
- Competitive advantage
- Attract and retain talent



## 3 key priorities of our Sustainable Business Strategy



- Greater DEI monitoring, transparent disclosures and
- Expanded monitoring and disclosure of carbon footprint of Ten's operations



- Strengthened Ten's Global DEI Council
- Office and cloud technology choices to reduce impact on environment



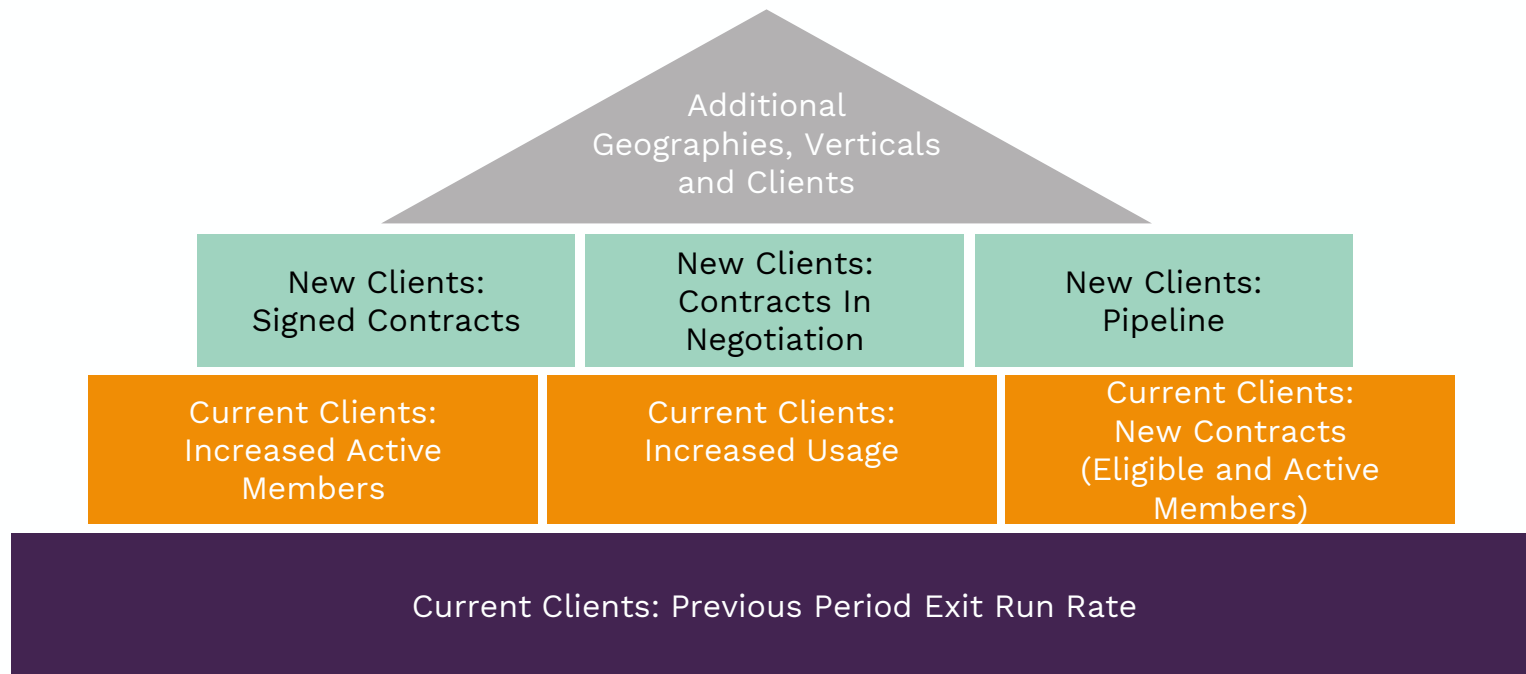
- Strengthening sustainable proposition to enhance member choice
- Implementing supplier partner Code of Conduct



# Outlook

Rubaiyat Faria Lima - Sao Paulo Brazil, part of Ten's Held Table Programme

# Clear pathways to Revenue/Active Member growth



# 2023 Outlook expectations

We expect demand and related revenue will continue to increase from existing Active Members and “first time users” from our Eligible Member base.

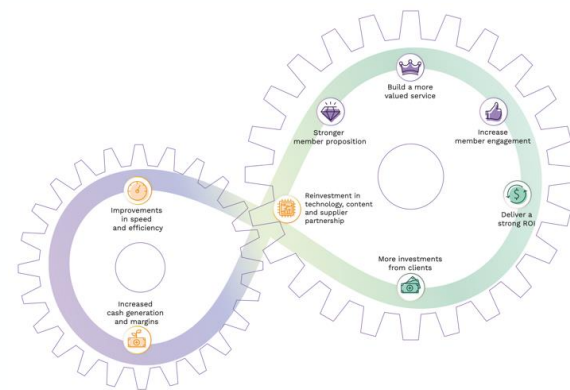
Notwithstanding the impacts of economic conditions on individual member households, our corporate clients pay us to improve the engagement of their wealthiest customers, with banking clients typically seeing improved profitability of these customers due to higher interest rates.

We expect to continue to convert our strong pipeline of contract opportunities with global financial institutions and premium brands.

Supplier revenue is our second income stream and accounts for 12% of net revenue (2021: 8%). In the final quarter of 2022 and the first two months of 2023, we have benefited from record levels of supplier revenue, materially ahead of the levels of the pre-Covid-19 year in 2019.

We remain focused on continuing to increase both net revenue and adjusted EBITDA, as well as maintaining a positive cash position. We plan to maintain our investment in our proprietary technology, communications, and content, which provides competitive advantage. Loans raised to date will continue to support the group’s working capital requirements and we expect cash generation in H2 2023.

Trading to date, our high corporate client retention rates, strong service levels, increasing supplier revenue, improving profitability, healthy sales pipeline and continued investment to improve our technology and proposition mean that, although early in the year, we are optimistic about another year of good progress and believe we will meet the Board’s expectations for the year.



An aerial photograph of several divers swimming in clear, turquoise water. The image is framed by a white geometric border consisting of a large rectangle with internal lines and corner designs: a cross in the top-left, a semi-circle in the bottom-left, and a diagonal line in the bottom-right. The text "Thank you" is centered in a large, white, serif font.

# Thank you

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# Next steps available

- Growth engine video in investor section on [www.tenlifestylegroup.com/investors](http://www.tenlifestylegroup.com/investors)
- Overview of our technology – can be shared by video or showcased during an 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](http://www.tenlifestylegroup.com/case-studies)
- Meet Senior Leadership Team F2F or video
- Follow up meetings with CFO and CEO

