RNS Number : 7542F
Ten Lifestyle Group PLC
23 April 2025

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Ten Lifestyle Group plc
("Ten", the "Company" or the "Group")

Interim results for the six months ended 28 February 2025

Ten Lifestyle Group plc (AIM: TENG), the global concierge technology platform driving customer loyalty for global financial institutions and other premium brands, announces its unaudited interim results for the six months ended 28 February 2025 ("H1 2025").

Financial highlights

- Net Revenue[1] of £31.8m, up 3% on the first half of the prior year (H1 2024: £30.9m) and up 5% at constant currency to £32.3m
    - corporate revenue[2] of £28.0m (H1 2024: £27.1m)
    - supplier revenue[3] of £3.8m (H1 2024: £3.8m)
- Adjusted EBITDA[4] up £0.7m on the first half of prior year to £6.0m (H1 2024: £5.3m) and broadly flat at constant currency
- Adjusted EBITDA margin[5] increased to 18.9% (H1 2024: 17.2%)
- Profit before tax up £0.8m on the first half of prior year to £1.1m (H1 2024: £0.3m)
- Cash and cash equivalents increased to £11.2m (FY 2024: £9.3m), with net cash increased to £6.8m (H1 2024: £1.9m; FY 2024: £3.9m)

Operational highlights

- Won and launched an Extra Large[6] contract in the USA with an existing global client, initially worth £5.0m per year, a Medium contract in AMEA with a new client and two, initially Small contracts
- £6.6m (H1 2024: £6.4m) total investment in proprietary digital platforms, communications, and technologies, of which £3.2m (H1 2024: £3.7m) is capitalised development spend
    - launched Ten's Agentic AI[7] product in beta with end-to-end booking capability over chat, including WhatsApp, and the Ten Platform
    - further enhanced Ten's proprietary CRM (Ten MAID), improving high-touch productivity and operational efficiency
    - leveraged AI and automation to enhance content and member communications to hyper-personalise the service
- Number of Active Members[8] up on the end of the prior year to 354k (FY 2024: 349k)
- Maintained a high levels of member satisfaction[9], which drives repeat use and value to Ten's corporate clients

CURRENT TRADING AND OUTLOOK

Since the end of the period, Ten has continued to secure Material Contract developments that are expected to underpin profitable growth into FY 2026, most notably:

- won a new contract spanning two regions to serve the UHNW clients of one of the world's largest wealth managers. The contract will start as Small, with significant potential to grow over time
- a multi-year renewal of a Large contract in Europe, including an uplift in fees for a digitally-led service
- a multi-year renewal of a Large contract in AMEA that is expected to grow

- a multi-year renewal of a Small contract in AMEA with improved pricing
- a new loyalty program expected to grow an existing Large contract in Europe
- improved pricing for an enhanced engagement program under an existing Extra Large contract in the Americas
- a data integration project under an existing Large contract in AMEA

On 25 February 2025, the Company hosted a Capital Markets Day, providing insights on how AI and technology are improving Ten's operational efficiency and driving growth towards its medium-term target of £100m+ of Net Revenue and Adjusted EBITDA margin target of 30%+. This included a demo of Ten's proprietary Agentic AI product, highlighting its capability to deliver a members' request, end-to-end brief take, search to book over chat, including WhatsApp, and the Ten Platform. Since then, the Group has been showcasing the capability to its existing and prospective clients, with its first roll-out expected in H2 2025.

Ten remains focused on delivering against its digital roadmap, including leveraging in-house generative AI to drive personalisation, service efficiency and quality. The Group expects to generate net cash in the second half of the year and the Board's expectations for the full financial year remain unchanged.

The Board continues to monitor the potential impact of global macroeconomic factors and engagement with existing and prospective clients remains strong. We believe that Ten's diversified service business and focus on relatively low risk economies mitigates risk, as does our in-market delivery model for all material markets.

Alex Cheatle, CEO of Ten Lifestyle Group, said;

"We continue to strengthen our market position through advancements in AI-driven technology and our digital platform, helping win new contracts and driving margin, efficiency, scalability, and service quality. Alongside a robust sales pipeline and deep competitive moat, these investments position us for profitable growth."

Analyst Presentation
An online Analyst Presentation will be held by video link today at 9:00am.

Investor Webinar
Additionally, an Investor Webinar tailored for current and prospective investors will be presented on Tuesday 29 April 2025 at 4:30pm. This will provide participants with detailed information about the Group's half-year results and strategic initiatives and offer an opportunity to interact directly with the leadership team.

If you wish to attend either the Analyst Presentation or the Investor Webinar, kindly email investorrelations@tengroup.com. This will ensure that you receive the necessary details and access information for these events.

For further information, please visit https://www.tenlifestylegroup.com/ or contact:

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Alex Cheatle, Chief Executive Officer
Alan Donald, Chief Financial Officer

Singer Capital Markets Advisory LLP, Nominated Advisor and Broker **+44 (0) 20 7496 3000**
Corporate Finance: James Moat / Oliver Platts
Corporate Broking: Charles Leigh-Pemberton / Tom Salvesen

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

[2] Corporate revenue is Net Revenue from Ten's corporate clients, including service fees, implementation fees, and fees for the customisation of the Ten Digital Platform.

[3] Supplier revenue is Net Revenue from Ten's supplier base, such as hotels, airlines and event promoters which sometimes pay commission to Ten.

[4] Adjusted EBITDA is operating profit/(loss) before interest, taxation, amortisation, depreciation, share-based payment expense, and exceptional items. [5] Adjusted EBITDA margin is Adjusted EBITDA as a percentage of Net Revenue.

[6] 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.

[7] Agentic AI: Artificial intelligence systems capable of autonomous decision-making and goal-directed behaviour, often acting on behalf of users with limited oversight.

[8] Individuals holding an eligible product, employment, account or card with one of Ten's corporate clients are "Eligible Members", with access to Ten's platform, configured under the relevant corporate client's programme, with Eligible Members who have used the platform in the past twelve months becoming "Active Members".

[9] Ten measures member satisfaction using the Net Promoter Score management tool, which gauges the loyalty of a firm's member relationships.

OPERATING AND FINANCIAL REVIEW

CHIEF EXECUTIVE'S STATEMENT

We have achieved profitable growth whilst maintaining investment levels in AI-driven technology and the overall proposition throughout the period. This includes the development of what we believe is a world first Agentic AI product with end-to-end booking capability (including restaurants and hotels) over chat, including WhatsApp, and the Ten Platform. These investments are enhancing service levels, increasing efficiencies, helping us in securing contract developments, improving margin, and strengthening Ten's competitive advantage, ultimately leading to better member engagement and operating leverage at scale.

We started the period by securing two significant contract wins, both of which successfully launched towards the end of the period and are now generating revenue. We continued to convert our robust pipeline of contract opportunities with global financial institutions and premium brands, while also developing our existing corporate clients by securing contract renewals and commercial opportunities.

Net Revenue for the period was £31.8m, up 3% on the first half of the prior year (H1 2024: £30.9m) and up 5% at constant currency to £32.3m, with corporate revenue of £28.0m, slightly ahead of the first half of prior year (H1 2024: £27.1m) and supplier revenue of £3.8m, in line the first half of prior year (H1 2024: £3.8m). The number of Active Members was up on the prior year to 354k (FY 2024: 349k).

Adjusted EBITDA for the period increased £0.7m on the first half of prior year to £6.0m (H1 2024: £5.3m) and broadly flat at constant currency. Including the short-term headwinds from the set-up costs of the Extra Large contracts in the USA, Adjusted EBITDA margin increased to 18.9% (H1 2024: 17.2%), reflecting enhanced operational performance and FX rates offsetting the set-up costs of the Extra Large contracts in the USA. Profit before tax (PBT) increased £0.8m on the first half of prior year to £1.1m (H1 2024: £0.3m), marking the fifth consecutive half-year period of positive PBT.

At the end of the period, cash and cash equivalents were £11.2m (FY 2024: £9.3m), with net cash of £6.8m (H1 2024: £1.9m; FY 2024: £3.9m). This reflects the net proceeds of £5.7m raised through a secondary placing at the start of H1 2025 to support the short-term working capital requirements for the launch of the two contract wins, as well as the repayment of all related party loans (£1.45m). Normal seasonality, which results in higher working capital consumption in the first half of the year, and the short-term working capital requirements for the launch of the new contracts will unwind in the second half of the year.

Delivering improved Adjusted EBITDA and improving the net cash position, whilst maintaining investments in technology, are key performance indicators of the Group's strategic Growth Engine.

Corporate client developments

Contract By Size	H1 2025	FY 2024	H1 2024
Extra Large	4	3	3

Large	6	6	7
Medium	21	20	19
	31	**29**	**29**

Contract by Region			
Europe	8	8	8
Americas	11	10	12
AMEA	11	10	8
Global	1	1	1
	31	**29**	**29**

At the start of the period, we won a multi-year Extra Large contract in the USA with an existing global client, initially worth £5.0m per year in corporate revenue and a Medium contract in AMEA with a new client. We believe our digital platform is highly competitive and was a major reason why we won these contracts. These programs have now successfully launched and are delivering revenues, as expected, from H2 2025. During the period we also won two, initially Small contracts, supporting continued revenue growth momentum.

We expect to continue to leverage our advancements in AI-driven technology-enhanced member proposition, including the hyper personalisation of the service, to convert our robust pipeline of contract opportunities with financial institutions and premium brands aiming to enhance their customer loyalty metrics. We also expect that our existing current corporate clients will continue to adopt more digital-first elements from our AI-driven innovations to increase penetration among their eligible users, with adoption varying by value segment.

We remain confident in the strength and depth of our partnerships with corporate clients. These clients increasingly engage Ten to deliver premium product marketing, customer engagement, and insight initiatives, alongside technology integration, personalisation, and unique content projects that enhance member experiences. This reinforces Ten's position as the preferred partner for financial institutions and premium brands seeking to attract and retain affluent customers. Our confidence is underpinned by contract developments with existing corporate clients since the end of the period, including the win of a new contract spanning two regions to serve the UHNW clients of one of the world's largest wealth managers. The contract will launch as Small, with significant potential to grow over time. Other developments include multi-year renewals of Large contracts in Europe and AMEA, both with growth or pricing uplifts, a new loyalty program under a Large contract in Europe and an enhanced engagement program under an existing Extra Large contract in the Americas.

Investments in AI-driven technology are driving efficiencies and delivering hyper-personalised content and communications

Ten continues to benefit from the operational, and competitive advantages of our proprietary digital platform. We have maintained investment levels, with £6.6m (H1 2024: 6.4m) invested in proprietary digital platforms, communications, and technologies, of which £3.2m (H1 2024: 3.7m) is capitalised development spend. We invested in AI-driven technologies during the period to deliver ongoing improvements in service quality, efficiency, scalability, and hyper-personalisation; enhancing member experience and deepening Ten's competitive moat.

Our strategic focus on developing market-leading digital capability remains central to Ten's "Growth Engine". By maintaining investment levels as Net Revenue grows, we are able to deliver differentiated value to our corporate clients by helping them attract and retain their most valuable customers.

We have achieved significant milestones on Ten's digital roadmap since the beginning of the period, including the launch of Ten's Agentic AI product, enabling end-to-end bookings over chat, including WhatsApp and the Ten Digital Platform. This capability integrates live inventory, personalisation data, and digital fulfilment workflows, delivering a faster and more intuitive experience at scale. We also launched service functionality via LINE to expand digital accessibility in Japan.

These developments and Ten's digital roadmap, with further expansion of AI-driven capabilities, have been well received by existing and prospective corporate clients, particularly where we have demonstrated our new Agentic AI product and the ongoing automation of content delivery.

We have also continued to enhance Ten MAID, our proprietary CRM system, improving productivity and operational efficiency of the high-touch service. At the same time, we have used AI to optimise content creation and member communications. We are using large language models (LLMs) to automate content workflows, hyper-personalise communications, and reduced translation time by up to 60%[10], significantly accelerating multi-language content delivery at scale. Our member communications are therefore increasingly tailored, improving member engagement and satisfaction, and thereby driving revenue.

We have maintained high levels of member satisfaction, as measured by Net Promoter Score (NPS) and have increased the number of Active Members during the period. These metrics demonstrate the effectiveness of member-focused initiatives and provide evidence of the ROI for corporate clients investing in the service.

As a certified B Corp, we have continued our efforts to build a sustainable business. This includes broadening our ESG partners and services across travel, dining, retail, and entertainment to give members more choice and to meet our corporate clients' objectives, which can help secure additional budget for our programs.

[10] The average time it takes to translate guides into 20 languages reduced from 10 hours in April 2024 to 4 hours in January 2025.

FINANCIAL REVIEW

Results

£m	H1 2025	H1 2024
	£m	£m
Revenue	34.1	33.3
Net Revenue	**31.8**	**30.9**
Operating expenses and other income	(25.8)	(25.6)
Adjusted EBITDA	**6.0**	**5.3**
Adjusted EBITDA %	*18.9%*	*17.2%*
Depreciation	(1.4)	(1.4)
Amortisation	(2.9)	(2.8)
Share based payments	(0.2)	(0.4)
Operating profit before interest and tax	**1.5**	**0.7**
Net finance expense and foreign exchange	(0.4)	(0.4)
Profit before taxation	**1.1**	**0.3**
Taxation	(0.0)	(0.3)
Profit for the period	**1.1**	**-**

Revenue

Revenue for the period was £34.1m, up 2% on the first half of the prior year (H1 2024: £33.3m). Net Revenue (which is our key revenue measure) for the period was £31.8m, up 3% on the first half of the prior year (H1 2024: £30.9m) and up 5% at constant currency to £32.3m.

Corporate revenue for the period was £28.0m, up 3% on the first half of the prior year (H1 2024: £27.1m) and up 4% at constant currency. Supplier revenue (predominantly travel related) was £3.8m, in line with the first half of the prior year (H1 2024: £3.8m).

Operating expenses & other income excluding depreciation, amortisation, share based payments and exceptional items

Operating expenses and other income for the period was £25.8m, up £0.2m on the first half of the prior year (H1 2024: £25.6m), as we continued to deliver operational efficiencies while offsetting the short-term set up costs for the two contracts won from competitors during the period. The initial setup costs for new contracts are usually higher when taking over from a competitor, but the programme's value increases faster because of the existing service run rate.

Adjusted EBITDA

Adjusted EBITDA, as reported, takes into account all Group operating costs, other than depreciation of £1.4m (H1 2024: £1.4m), amortisation of £2.9m (H1 2024: £2.8m) and share-based payment expenses of £0.2m (H1 2024: £0.4m). Adjusted EBITDA was a profit of £6.0m, up £0.7m on the first half of the prior year by (H1 2024: £5.3m) despite short-term set up costs for the two contracts won from a competitor during the period and broadly flat at constant currency. EBITDA margin increased to 18.9% when compared to the first half of the prior year (H1 2024: 17.2%).

Depreciation has remained consistent with the first half of the prior year, while amortisation increased by £0.1m, reflecting our continued investment in technology.

Profit before tax

As net Finance expenses remained flat at £0.4m (H1 2024: £0.4m), profit before tax for the period was £1.1m up on the first half of the prior year (H1 2024: £0.3m).

Regional performance

Segmental Net Revenue reporting reflects our servicing location rather than the location of our corporate clients. This allows us to understand and track the efficiency and profitability of our operations around the world.

Net Revenue	**H1 2025 £m**	**H1 2024 £m**	**% change**
Europe	12.3	12.9	-5%
Americas	12.3	12.5	-1%
AMEA	7.2	5.5	30%
	31.8	**30.9**	**3%**

After fully allocating our indirect central costs including central costs, including IT infrastructure, software development, property, senior management, and other central expenses across the regions, the Adjusted EBITDA profitability of each regional segment is:

Adjusted EBITDA	**H1 2025 £m**	**H1 2024 £m**
Europe	4.0	4.6
Americas	0.2	0.2
AMEA	1.8	0.6
	6.0	**5.3**
Adjusted EBITDA margin	18.9%	17.2%

EUROPE

Net Revenue in the region decreased by 5% to £12.3m (H1 2024: £12.9m) and 4% at constant currency. The decrease in Net Revenue of £0.6m is primarily driven by the loss of a Large contract in the last quarter of FY 2024 that is no longer in the H1 2025 revenue base. Adjusted EBITDA of £4.0m has also decreased (H1 2024: £4.6m), primarily as a result of the contract loss.

AMERICAS

Net Revenue in the region of £12.3m decreased by 1% compared to the first half of the prior year (H1 2024: £12.5m) and increased by 1% at constant currency, as some clients awaited our enhanced digital roll-out. Adjusted EBITDA of £0.2m was in line with the first half of the prior year (H1 2024: £0.2m), with favourable foreign exchange movements offsetting the short-term set-up costs for the new Extra Large contract which launched in the period.

AMEA

Net Revenue in the region increased by 30% to £7.2m (H1 2024: £5.5m) and 33% at constant currency and generated an Adjusted EBITDA of £1.8m (H1 2024: £0.6m). This growth in Net Revenue and profitability has been driven by strong base business growth, as well as continued operational efficiencies and cost saving measures across the region.

Cash flow

	H1 2025 £m
Profit before tax	**1.1**
Net finance expense	0.4
Working capital changes	(3.7)
Non-cash items (share-based payments, depreciation and amortisation charges, exceptional items)	4.5
Operating cash flow	**2.3**
Capital expenditure	(0.4)
Investment in intangibles	(3.2)
Taxation paid	(0.1)
Cash (outflow)	**(1.4)**
Cash flows from financing activities	
Receipts from issue of share capital	5.7
Loan repayments	(1.5)
Invoice financing facility	0.4
Interest on loan paid	(0.2)
Repayment of leases and net interest	(1.2)
Net cash from/(used) financing activities	**3.2**
Foreign currency movements	0.1
Net increase in cash and cash equivalents	**1.9**
Cash and cash equivalents at end of period	**11.2**
Net cash at end of period	**6.8**

Pre-tax operating cash inflows of £2.3m, reflected a profit before tax of £1.1m, decreased net working capital of £3.7m, and add back of non-cash items of £4.5m.

Additionally, during the period, there was £3.2m (H1 2024: £3.7m) of capital investment, in both our global content, our internal CRM platform (Ten MAID) and the continued development of our digital platform.

All related party loans of £1.5m were repaid during the period, and the invoice financing facility was £0.5m (H1 2024: £0.9m) at the end of the period. The secondary placing, working capital changes and repayment of loans resulted in an increase in cash and cash equivalents of £1.9m to £11.2m (FY 2024: £9.3m).

Balance sheet	**H1 2025**	**FY 2024**
	£'m	**£'m**
Intangible assets	16.6	16.3
Property, plant and equipment	0.8	0.6
Right-of-use assets	7.7	5.5
Deferred tax asset	5.6	5.0
Cash	11.2	9.3
Other current assets	14.0	12.5
Current lease liabilities	(1.5)	(1.2)
Current liabilities	(18.6)	(19.8)
Short term borrowings	(3.6)	(4.4)
Non-current lease liabilities	(6.4)	(4.4)
Long-term borrowings	(0.8)	(1.0)
Net assets	**25.0**	**18.4**
Share capital/share premium	38.2	32.5
Reserves	(13.2)	(14.1)
Total equity	**25.0**	**18.4**

Net assets increased to £25.0m at 28 February 2025 compared to £18.4m at 31 August 2024. This was primarily due to the proceeds from the secondary placing at the beginnings of the period and the profit generated during for the period. Net assets of £25.0m includes gross cash of £11.2m as at 28 February 2025.

Principal Risks and Uncertainties

The principal risks and uncertainties facing the Group remain broadly consistent with the Principal Risks and Uncertainties reported in Ten's 2024 Annual Report with no new risks or uncertainties being identified in the period.

Alex Cheatle
Chief Executive Officer
22 April 2025

Alan Donald
Chief Financial Officer
22 April 2025

Consolidated statement of comprehensive income

	Note	6 months to 28 Feb 2025	6 months to 29 Feb 2024
		Unaudited	Unaudited
		£'000	£'000
Revenue	2	**34,057**	**33,266**
Cost of sales on principal member transactions		(2,285)	(2,353)
Net revenue	2	**31,772**	**30,913**
Other cost of sales		(964)	(967)
Gross profit		**30,808**	**29,946**
Administrative expenses		(29,571)	(29,628)
Other income		226	356
Operating profit before amortisation, depreciation, interest, share based payments, exceptional items and taxation ("Adjusted EBITDA")		**5,999**	**5,308**
Depreciation		(1,374)	(1,429)
Amortisation	3	(2,914)	(2,846)
Share-based payment expense		(248)	(359)
Operating profit		**1,463**	**674**
Net finance expense		(333)	(413)
Profit before taxation		**1,130**	**261**
Taxation expense	4	(68)	(259)
Profit for the period		**1,062**	**2**
Other comprehensive expense:			
Foreign currency translation differences		(310)	(96)
Total comprehensive profit/(loss) for the period		**752**	**(94)**
Basic and diluted profit per ordinary share	5	1.1p	0.0p
Diluted profit per ordinary share		1.1p	0.0p
Basic underlying profit / (loss) per ordinary share		0.5p	(0.5)p
Diluted underlying profit / (loss) per ordinary share		0.5p	(0.5)p

The consolidated statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

Consolidated statement of financial position

	Note	6 months to 28 Feb 2025	31 August 2024

	Note	Unaudited	Audited
		£'000	£'000
Non-current assets			
Intangible assets	**3**	16,648	16,349
Property, plant and equipment		768	636
Right of use assets		7,674	5,489
Deferred tax asset		5,610	4,957
Total non-current assets		**30,700**	**27,431**
Current assets			
Inventories		286	55
Trade and other receivables		13,584	12,408
Cash and cash equivalents		11,204	9,267
Total current assets		**25,074**	**21,730**
Total assets		**55,774**	**49,161**
Current liabilities			
Trade and other payables		(17,966)	(19,231)
Provisions		(595)	(598)
Lease liabilities		(1,464)	(1,236)
Borrowings	**6**	(3,584)	(4,389)
Total current liabilities		**(23,609)**	**(25,454)**
Net current assets/(liabilities)		**1,465**	**(3,724)**
Non-current liabilities			
Lease liabilities		(6,393)	(4,360)
Borrowings	**6**	(820)	(1,011)
Total non-current liabilities		**(7,213)**	**(5,371)**
Total liabilities		**(30,822)**	**(30,825)**
Net assets		**24,952**	**18,336**
Equity			
Called up share capital		96	87
Share premium account		38,058	32,389
Merger relief reserve		1,993	1,993
Foreign exchange reserve		(1,251)	(941)
Treasury reserve		606	606
Retained deficit		(14,550)	(15,798)
Total equity		**24,952**	**18,336**

Consolidated statement of changes in equity

	Called up share capital	Share premium account	Merger relief reserve	Foreign exchange reserve	Treasury reserve	Retained deficit	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 September 2023	**85**	**31,272**	**1,993**	**(1,111)**	**606**	**(17,682)**	**15,163**
Period ended 31 August 2024:							
Profit for the year	-	-	-	-	-	1,022	1,022
Foreign Exchange	-	-	-	170	-	-	170
Total comprehensive income for the year	**-**	**-**	**-**	**170**	**-**	**1,022**	**1,192**
Issue of new share capital	2	1,117	-	-	-	-	1,119
Equity-settled share-based payments charge	-	-	-	-	-	862	862
Balance at 31 August 2024 (Audited)	**87**	**32,389**	**1,993**	**(941)**	**606**	**(15,798)**	**18,336**
Profit for the period	-	-	-	-	-	1,062	1,062
Foreign exchange	-	-	-	(310)	-	-	(310)
Total comprehensive income for the period	**-**	**-**	**-**	**(310)**	**-**	**1,062**	**752**
Issue of new share capital	9	5,669	-	-	-	-	5,678
Equity-settled share-based payments charge	-	-	-	-	-	186	186
Balance at 28 February 2025 (Unaudited)	**96**	**38,058**	**1,993**	**(1,251)**	**606**	**(14,550)**	**24,952**

Condensed consolidated statement of cash flows

	6 months to 28 Feb 2025	6 months to 29 Feb 2024
	£'000	£'000
Cash flows from operating activities		
Profit for the period, after tax	1,062	2
Adjustments for:		
Taxation expense	68	259
Net finance expense	314	413
Amortisation of intangible assets	2,914	2,846
Depreciation of property, plant and equipment	255	245
Depreciation of right-of-use asset	1,119	1,184
Equity-settled share based payment expense	248	359
Movement in working capital:		
(Increase)/Decrease in inventories	(231)	60
(Increase)/Decrease in trade and other receivables	(1,176)	552

Decrease in trade and other payables	(2,260)	(2,605)
Cash generated from operations	**2,313**	**3,315**
Tax paid	(119)	(525)
Net cash from operating activities	**2,194**	**2,790**
Cashflows from investing activities		
Purchase of intangible assets	(3,213)	(3,730)
Purchase of property, plant and equipment	(383)	(101)
Finance income	20	6
Net cash used by investing activities	**(3,576)**	**(3,825)**
Cash flows from financing activities		
Lease Liability repayments	(927)	(1,276)
Loan receipts - Invoice Discounting	449	641
Interest paid	(232)	(241)
Interest paid on IFRS16 lease liabilities	(251)	(108)
Net Cash receipts from issue of share capital	5,678	985
Loan Receipts - Loan Notes	0	1,075
Loan Payments - Loan Notes	(1,450)	(300)
Net cash generated from financing activities	**3,267**	**776**
Foreign currency cash and cash equivalents movements	55	(15)
Net increase/(decrease) in cash and cash equivalents	1,940	(274)
Cash and cash equivalents at beginning of period	9,264	**8,229**
Cash and cash equivalents at end of period		
Cash at bank and in hand	11,204	7,955
Cash and cash equivalents	**11,204**	**7,955**

Notes to the Interim Financial Information

1. Basis of preparation

These interim consolidated financial statements have been prepared in accordance with UK-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006. These standards are based on International Financial Reporting Standards (IFRS) and IFRIC Interpretations issued by the International Accounting Standards Board (IASB), as adopted for use in the United Kingdom. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the 31 August 2024 Annual Report. The financial information for the half years ended 28 February 2025 and 29 February 2024 does not constitute statutory accounts within the meaning of Section 434 (3) of the Companies Act 2006 and both periods are unaudited.

The annual financial statements of Ten Lifestyle Group plc ('the Group') are prepared in accordance with International standards in conformity with the requirements of the Companies Act 2006 ('IFRS') and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS (except as otherwise stated). The comparative financial information for the year ended 31 August 2024 included within this report does not constitute the full statutory Annual Report for that period. The statutory Annual Report and Financial Statements for year ended 31 August 2024 have been filed with the Registrar of Companies. The Independent Auditors' Report in the Annual Report and Financial

Statements for the year ended 31 August 2024 was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under 498(2)-(3) of the Companies Act 2006.

The Group has applied the same accounting policies and methods of computation in its interim consolidated financial statements as in its year ended 31 August 2024 annual financial statements. The Groups tax charge is not accounted for under the same basis as IAS 34. The tax charge is calculated using the expected effective tax rate at the reporting date. There are no new standards effective yet and that would be expected to have a material impact on the entity in the current period.

Going Concern

The ability of the Group to continue as a going concern is contingent on the ongoing viability of the Group. The Group meets its day-to-day working capital requirements through its cash balances and wider working capital management. As 28 February 2025, the date of the interim consolidated financial statements, the Group had gross cash of £11.2m. During the period, the Group raised gross proceeds of £5.9m through the secondary placing of 9,332,853 new Ordinary Shares at 63 pence per share. The funds raised have and will continue to support the Group's short-term working capital requirements, as well as were used in part to repay related party loans outstanding of £1.5m.

To evaluate the Group's ability to operate as a going concern, the Directors have reviewed the cash flow forecasts covering a period of at least twelve months from the date of approval of the interim consolidated financial statements. The Group's forecasts and projections, taking account of reasonably possible changes in trading performance for the principal risks, show that the Group expects to be able to operate as a going concern within the level of its current cash resources.

The Directors have considered severe but plausible scenarios reflecting a potential reduction in variable revenue of between 20% and 90% as well as the potential failure to successfully renew contracts in the forecast periods. In response, the Directors have identified cost savings available to the Group should these scenarios arise such that the reduction in revenues would be offset by necessary costs savings. Having assessed these scenarios, the Group would be able to continue to operate with its existing working capital facilities.

The Directors have evaluated the Groups ability to operate as a going concern and has determined that it has adequate resources to continue in operational existence for the foreseeable future. The Group's cash flow forecasts show that it expects to be able to operate as a going concern within the level of its current cash resources. The Group has also identified cost savings available to it should it experience a reduction in revenue. The Group has assessed the principal risks and other matters discussed in connection with the going concern statement and has a reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future.

The Board of Directors approved this interim report on 22 April 2025.

2. Segmental Information

The total revenue for the Group has been derived from its principal activity; the provision of concierge services.

	6 months to 28 Feb 2025 (Unaudited) £'000	6 months to 29 Feb 2024 (Unaudited) £'000
Europe	12,248	12,911
Americas	12,348	12,485
AMEA	7,176	5,517
Net revenue	**31,772**	**30,913**
Add back: Cost of sales on principal transactions	2,285	2,353

Revenue	**34,057**	**33,266**
Europe	4,062	4,557
Americas	150	188
AMEA	1,787	562
Adjusted EBITDA	**5,999**	**5,308**
Amortisation	(2,914)	(2,846)
Depreciation	(1,374)	(1,429)
Share-based payment expense	(248)	(359)
Exceptional Items	-	-
Operating loss	**1,463**	**674**
Other net finance expense	(333)	(413)
Profit before taxation	**1,130**	**261**
Taxation	(68)	(259)
Profit for the period	**1,062**	**2**

Net Revenue is a non-GAAP Company measure that includes the direct cost of sales relating to member transactions managed by the Group, such as the cost of airline tickets sold under the Group's ATOL licences. Net Revenue is the measure of the Group's income on which segmental performance is measured.

Adjusted EBITDA is a non-GAAP Company specific measure excluding interest, taxation, amortisation, depreciation, share-based payment, and exceptional costs. Adjusted EBITDA is the main measure of performance used by the CEO, who is considered to be the chief operating decision maker. Adjusted EBITDA is the principal operating metric for a segment.

The statement of financial position is not analysed between reporting segments. Management and the chief operating decision maker consider the statement of financial position at Group level.

3. Intangible Assets

The Group capitalised £3.2m (H1 2024: £3.7m, FY 2024: £6.73m) of costs representing the development of Ten's global digital platform and Ten MAID, resulting in a net book value of £16.6m (H1 2024: £16.3m, FY 2024: £16.3m) after an amortisation charge of £2.9m (H1 2024: £2.8m, FY 2024: £5.8m).

4. Taxation

The income tax expense has been recognised based on the best estimate of the weighted average annual effective UK corporation tax rate expected for the full financial year. The income tax expense of £0.1m (H1 2024: £0.3m) includes foreign taxes recognised by overseas Group companies on a territory-by-territory basis using the expected effective tax rate for the full year. The income tax charge includes historical losses recognised of £0.6m (H1 2024: £0.5m, FY 2024: £1.7m).

5. Earnings Per Share

Basic EPS	6 months to 28 Feb 2025 £'000	6 months to 29 Feb 2024 £'000
Profit attributable to equity shareholders of the parent	1,062	2
Weighted average number of ordinary shares in issue (net of treasury)	95,136,486	85,038,465
Basic profit per share (pence)	1.1p	0.0p

Basic profit per ordinary share

Basic profit per ordinary share is calculated by dividing the net result for the period attributable to shareholders by the weighted number of ordinary shares outstanding during the period (H1 2024: 0.0p)

Diluted EPS	6 months to 28 Feb 2025 £'000	6 months to 29 Feb 2024 £'000
Profit attributable to equity shareholders of the parent	1,062	2
Weighted average number of ordinary shares in issue (net of treasury)	98,500,406	85,876,479
Basic profit per share (pence)	1.1p	0.0p

Diluted earnings per ordinary share

Diluted earnings per share is calculated as per IAS 33 by adjusting the weighted average number of ordinary shares outstanding for the dilutive effect of 'in the money' share options, which are the only dilutive potential common shares for the Group. The net profit attributable to ordinary shareholders is divided by the adjusted weighted average number of shares. 'Out of the money' share options are excluded from the calculation as they are non-dilutive. Where the Group has incurred a loss in the period, the diluted loss per share is the same as the basic loss per share as the loss has an anti-dilutive effect.

Underlying EPS	6 months to 28 Feb 2025 £'000	6 months to 29 Feb 2024 £'000
Profit attributable to equity shareholders of the parent	1,062	2
Excluding Exceptional Items & Taxes		
Exceptional Items	0	-
Recognition of historical tax losses	(591)	(461)
Underlying profit/(loss) attributable to equity shareholders of the parent	471	(459)
Basic weighted average number of ordinary shares in issue (net of treasury)	95,136,486	85,038,465
Basic underlying profit/(loss) per share (pence)	0.5p	(0.5)p
Diluted weighted average number of ordinary shares in issue (net of treasury)	98,500,406	85,038,465
Diluted underlying profit/(loss) per share (pence)	0.5p	(0.5)p

Underlying earnings per ordinary share

Underlying earnings per share is calculated by adjusting the profit/(loss) attributable to equity shareholders for exceptional items and associated taxes along with non-underlying tax items such as deferred tax arising from the recognition of historical losses. No changes are made to the weighted average number of ordinary shares.

6. Borrowings

The Group has £4.4m of loans (FY 2024: £5.4m), which includes the invoice financing facilities of £0.5m (H1 2024: £0.8m) in place relating to trade receivables due from large corporate clients of Ten Lifestyle Management Ltd that are denominated in USD$ and GBP£. The invoice financing facility is guaranteed to the value of the debts advanced and accrues interest at a rate of 2% over the base rate.

During the period, the Group repaid all related party loans outstanding of £1.45m, with remaining balances outstanding of £3.1m and £0.8m of loan notes, payable in August 2025 and November 2026 respectively.

7. Post-period events

The Company has evaluated subsequent events through the date of issuance of these financial statements, and determined that there were no significant events that occurred after the balance sheet date that would require disclosure.

8. Cautionary Statement

This document contains certain forward-looking statements relating to Ten Lifestyle Group plc. The Company considers any statements that are not historical facts as "forward-looking statements". They relate to events and trends that are subject to risk and uncertainty that may cause actual results and the financial performance of the Company to differ materially from those contained in any forward-looking statement. These statements are made by the Directors in good faith based on information available to them and such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information.

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