16 May 2023

On the Beach Group plc
("On the Beach", the "Company" or the "Group")

INTERIM RESULTS FOR SIX MONTHS ENDED 31 MARCH 2023

GROUP REVENUE +38%

CONTINUED MOMENTUM IN CORE AND EXPANSION AREAS, WELL POSITIONED FOR H2

Financial & Operational Highlights

	H1 23 Unaudited	**H1 22** Unaudited	**H1 23 vs H1 22** Unaudited
	£'m	**£'m**	**%**
Group booked TTV[1]	*£495.0m*	*£385.8m*	*28%*
Group revenue	**£73.2m**	**£52.9m**	**38%**
Revenue as Agent[2]	*£50.6m*	*£39.7m*	*27%*
Revenue as Principal[3]	*£22.6m*	*£13.2m*	*71%*
Group gross profit	**£51.3m**	**£39.0m**	**32%**
Gross profit as Agent	*£48.9m*	*£37.8m*	*29%*
Gross profit as Principal	*£2.4m*	*£1.2m*	*100%*
Gross Profit after Marketing[4]	**£24.2m**	**£18.8m**	**29%**
EBITDA [5]	**£4.1m**	**£3.7m**	**11%**
Group loss before tax	**(£6.0m)**	**(£7.0m)**	

(1) Group booked TTV ('TTV') is the total transaction value of holidays booked in the period before cancellations and adjustments.
(2) As an agent, revenue is accounted on a "booked" rather than "travelled" basis (unlike tour operators and airlines) and the Group is reporting H1 bookings taken between 1 October 2022 and 31 March 2023.
(3) As a principal, revenue is accounted on a "travelled" basis and reported on a gross basis and the Group is reporting H1 bookings which departed between 1 October 2022 and 31 March 2023.
(4) See glossary for reconciliation to nearest GAAP measure.
(5) EBITDA is profit before tax, exceptional costs, share based payments, depreciation and amortisation.

Financial headlines

- Group Booked TTV for the period was £495m, +28% year-on-year ("YOY"), resulting in Group Revenue of £73.2m, +38% YOY. This was driven by increases in passenger bookings during the period as well as an increase in the average value of holidays sold.

- Revenue growth was supported by investment in the brand and proposition with a continuation of free holiday perks for customers and 'the most wonderful time of the year' campaign.

- Investment in these areas was weighted to H1 which has enabled us to capitalise on peak bookings and build momentum into H2.

- Group adjusted loss before tax was (£0.1m), (H1 22: £0.0m), and statutory loss before tax was (£6.0m) (H1 22: (£7.0m)).

Trading dynamics

- The recovery of the travel sector post pandemic has continued, with the Group experiencing a typical peak booking period in January.

- The premium(6) segment continues to perform strongly with TTV growth in 5* holidays of +17% YOY, and more than double pre pandemic levels.

- The Group continues to focus on growing this segment and we believe there is a significant incremental revenue opportunity to be gained in the medium term by attracting these customers to the brand

- Although volumes in the value(7) segment have not yet recovered to pre-pandemic levels given cost-of-living pressures, we have seen an improvement this year with TTV growth on 3* holidays +46% YOY and volume growth of +28% YOY

- Progress in growing our Long Haul proposition has continued with new scheduled Long Haul airlines added in FY23 and further growth in existing and new destinations planned in H2 23.

(6) Premium segment: Segment of the market with holidays typically sold for more than £700pp. A proxy for the premium segment is the sale of OTB 5* holidays.
(7) Value Segment: Segment of the market with holidays typically sold for less than £700pp. A proxy for the value segment is the sale of OTB 3* holidays.

Current trading and outlook

- Trading momentum has continued since 1 April 2023, and comparator periods will start to soften as we annualise widespread airline and airport disruption experienced during Summer 2022.

- We believe there is significant unsold bed and seat capacity in market

- We continue to see strength in late and long lead time bookings, and believe that unsold bed and seat capacity should support greater strength in bookings for peak / school summer holidays as these approach

- We are encouraged by the continued momentum in our expansion areas as well as recent positive signs of recovery in our core value customer base

- The Group typically generates a greater profit in the second half of the year and we are confident that the upfront investment into the brand and proposition will ensure both top and bottom line growth in the second half of the year

- On 31 March, OTB announced that Jon Wormald will be appointed as Group CFO on 30 June 2023, at which point the Group's previously announced CEO succession plan will be enacted. On the same date, Shaun Morton, the Group's current CFO, will replace Simon Cooper as CEO and Simon will transition into the role of Founder Director NED.

Simon Cooper, Chief Executive of On the Beach Group plc, commented:

"I am pleased with the Group's strong performance in the first half, delivering a record Group Booked TTV and Group revenue performance, up 28% and 38% respectively, driven by increases in both volume of bookings and the average value of holidays sold. This was supported by our largest ever offline marketing campaign, 'The most wonderful time of the year', which included sponsorship of ITV's Masked Singer and the Magic Radio breakfast show. This marketing effort also delivered the Group's highest ever top 3 brand consideration score, despite a more aggressive competitive environment.

"The travel sector continues to recover post-pandemic and the Group has experienced significant increases in demand for its holiday product, particularly the Premium 5* offer. This segment represents a substantial growth area and we continue to see a significant incremental revenue opportunity to be gained in the medium term by attracting these customers to the brand. Our Long Haul offer also continues to grow and we have added new airlines and increased the number of destinations we can offer to our customers.

"We continued to invest in our technology capabilities including a migration to the cloud in H1 to allow greater speed of developments and increased security. These investments will enable the Group to drive continued growth in both the core business and the exciting expansion opportunities.

"In what will be my last Half-Year results as CEO before handing over the reins to Shaun on 30 June, I am pleased with the Group's performance in the first half and I am confident that the right building blocks are in place for Shaun and the team to continue to deliver growth across the business and I remain excited about both the near term and longer term opportunities for On the Beach."

Analyst & investor webinar
A webinar for sell-side equity analysts and investors will be held today at 8.00am, the details of which can be obtained through FTI Consulting via onthebeach@fticonsulting.com.

For further information:

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About On the Beach

On the Beach Group plc is one of the UK's largest online beach holidays retailers, with significant opportunities for growth. Its innovative technology, low-cost base and strong customer-value proposition provides a structural challenge to legacy tour operators and online travel agents, as it continues disrupting the online retail of beach holidays. Its model is customer-centric, asset light, profitable and cash generative.

Cautionary statement

This announcement may contain certain forward-looking statements with respect to the financial condition, results, operations and businesses of the Company. Forward looking statements are sometimes, but not always, identified by their use of a date in the future or such words as 'anticipates', 'aims', 'due', 'will', 'could', 'may', 'should', 'expects', 'believes', 'intends', 'plans', 'targets', 'goal' or 'estimates'. These forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that may or may not occur in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements, including factors outside the Company's control. The forward-looking statements reflect the knowledge and information available at the date of preparation of this announcement and will not be updated during the year. Nothing in this announcement should be construed as a profit forecast.

This statement together with the interim financial statements and investor presentation is available on **www.onthebeachgroupplc.com**.

Chief Executive's Review

Summary

Group Booked TTV in H1 was +28% ahead of the prior year, supported by volume growth and an increase in average booking values.

For the first four months of the year to the end of January 2023, Group Booked TTV was materially ahead of the equivalent period of the prior year as reported in the AGM trading update on 27 January 2023. Trading in February and March was set against much stronger comparatives which benefited from the release of pent-up demand following the easing of travel restrictions at the end of January 2022.

Drivers of Performance

Growth in H1 23 has been delivered from continued strong performance in the Group's key expansion areas, underpinned by continued market recovery in 3* holidays. Volumes at the value end of the market continue to lag market recovery of holidays in the premium segment, relative to FY19.

The strategic actions the Group has taken to capture a greater share of customers willing to spend more on their holiday, either by travelling further, selecting a 5* hotel online, or booking a premium holiday through a travel agent, have contributed to growth over the period.

On the Beach continues to take share in the premium segment from a relatively low base and the Group believes there is a significant incremental revenue opportunity from this area, which has shown greater resilience to cost-of-living pressures, attracting customers that typically book earlier, giving greater visibility and delivering higher margins.

In line with our strategy, offline marketing costs of £13.4m (H1 22 £8.3m) were heavily weighted into H1 to capitalise on demand in the peak bookings period and build momentum into H2. This contributed to the Group's highest ever top three brand consideration score, despite a more aggressive competitive environment as the travel market continues to recover. Notwithstanding the upfront offline investment, total marketing costs as a percentage of adjusted revenue for the OTB segment remain in line with the prior period (53% in H1 23 vs 53% in H1 22).

On the Beach continues to invest in the proposition, which supports higher searches for 5* hotels. Customers who enjoyed the lounge access perk last summer are rebooking at approximately twice the rate as those who did not.

Alongside investments in proposition and brand, the Group has continued to invest in technology and supply to support growth in core and expansion areas. This includes improved flight connectivity and deeper relationships with our supply partners with direct bookings in H1 23 at 91%.

Expansion areas

The strategic actions the Group continues to take to enhance its proposition and access more premium hotels, positions it well to continue to outperform in this segment. The Group estimates the segment is a similar size to the value segment in terms of passengers, but approximately two and a half times larger in absolute value, and the revenue margin opportunity on each individual booking is equally greater.

The Group has continued to scale its Long-Haul offering. Scheduled air connectivity continues to be added for new key carriers, improving the breadth and depth of customer choice for both Westbound and Eastbound long haul flying. Booked Long Haul TTV was 26% up vs a strong comparator in H1 22.

Following a year of disruption on the high street in 2022, the Group appointed a new CEO at Classic to drive continued growth across the B2B businesses. Booked B2B* TTV was +11% YoY.

The Group has partnerships with the majority of the of UK's travel agent and homeworking groups and is a trusted brand in the B2B space, having won a number of recent industry awards. Despite a sluggish high street recovery, the B2B market is still relatively large, with online penetration lagging other consumer verticals. Agents are increasingly risk-averse post-Covid, with a trend away from tour operating and back to retailing. There is a significant opportunity to increase share of business from agent partners.

*B2B: Classic Collection and Classic Package Holidays

Strategy for growth

On the Beach continues to target significant medium and long-term growth in its core and adjacent markets by deploying a strategy based on the following strategic pillars:

1. Invest in talent and technology
2. Become a brilliant digital brand
3. Optimise our direct and differentiated supply
4. Grow our share of B2B beach
5. Diversify into adjacent beach holiday markets
6. Champion customer centric change

Segmental performance

The Group organises its operations into four principal financial reporting segments, being OTB (onthebeach.co.uk and sunshine.co.uk), International (ebeach.se, ebeach.no and ebeach.dk), CCH (Classic Collection Holidays) and CPH (Classic Package Holidays).

OTB Segment performance

	H1 2023	**H1 2022**	**vs**
Bookings '000s	240.3	207.6	16%
Booked TTV £m	445.8	342.8	30%

	H1 2023	**H1 2022**	**vs**
	£m	**£m**	**%**
Revenue	47.8	36.8	30%
Adjusted Revenue*	48.5	36.7	32%
Online Marketing costs	(12.5)	(11.1)	
Offline Marketing costs	(13.4)	(8.3)	
Adjusted Revenue after marketing costs*	22.6	17.3	31%
Overheads	(15.7)	(11.7)	
Depreciation and amortisation	(4.3)	(2.9)	
Adjusted operating profit*	2.6	2.7	
Exceptional adjustments	(1.8)	(0.9)	
Share based payments	(1.3)	(3.2)	
Amortisation of acq intangibles	(2.3)	(2.3)	
Operating profit/(loss)	(2.8)	(3.7)	
EBITDA*	6.9	5.6	23%
EBITDA %	14.3%	15.3%	

*see glossary for reconciliation to nearest GAAP measure

Revenue increased by 30% to £47.8m (H1 22: £36.8m). The increase in revenue was due to an increase in booking volumes and average booking values.

There has been an increasing trend for people to book package holidays (flight + hotel) rather than a single element (i.e. hotel or transfer only). Package holiday bookings now represent 97% of all bookings travelling in Summer 2023 (2022: 95%).

The number of passengers booked on a Summer package holiday with OTB this year is 11% ahead of 2022 and 8% ahead of 2019. The TTV of these bookings is £489m which is 22% ahead of 2022 and 48% ahead of 2019.

Package holidays are less 'commoditised' than single element bookings, have a lower cancellation rate and attract higher revenue per booking.

Total marketing costs at £25.9m represent 53% of adjusted revenue (H1 22: 53%). In line with strategy, offline marketing costs at £13.4m, (H1 22 £8.3m) were heavily weighted into H1 to capitalise on the peak bookings period and build momentum into H2.

Online marketing costs were £12.5m (H1 22: £11.1m) and 26% of revenue (H1 22: 30%) during the period.

Adjusted Revenue after all marketing costs increased by 31% to £22.6m (H1 22: £17.3m).

Operating leverage and overheads

	H1 2023	H1 2022
Overheads % adjusted revenue*	32%	32%
Overheads % booked TTV*	4%	3%

*see glossary for reconciliation to nearest GAAP measure

Overheads have increased by £4.0m to £15.7m representing 32% of adjusted revenue (H1 22: 32%) and 4% of TTV (H1 22: 3%).

The absolute increase in overheads results partly from increases in variable costs, and in particular credit / debit card transaction costs. The balance of the increase relates to technology costs resulting from a full cloud migration project undertaken during the period and increased headcount in the customer service teams.

The Group's overhead base has also been impacted by general inflationary pressure as seen across the UK economy.

EBITDA for the period was £6.9m (H1 22: £5.6m). Refer to the Glossary for reconciliation to the closet GAAP measure.

Classic Collection Holidays segment performance

	H1 2023	H1 2022	Vs
Bookings '000s (booked)	4.9	4.2	17%
Bookings '000s (travelled)	3.1	1.9	63%
Booked TTV £'m	32.9	27.8	18%

	H1 2023	H1 2022	Vs
	£m	£m	%
Revenue	22.6	13.2	71%
Gross profit	2.4	1.2	
Gross Profit after marketing costs	1.2	0.9	33%
Overheads	(3.5)	(2.6)	
Depreciation and amortisation	(0.2)	(0.2)	
Amortisation of acquired intangibles	(0.5)	(0.5)	
Operating loss	(3.0)	(2.4)	
EBITDA*	(2.3)	(1.7)	

*see glossary for reconciliation to nearest GAAP measure

As a principal (rather than an agent), Classic accounts for revenue on a "travelled" basis and reports revenue on a gross basis.

The travel environment in Winter 22 was significantly improved relative to the previous year resulting in a 71% increase in Revenue.

Gross Profit after marketing costs increased by 33% to £1.2m, as marketing costs during the period are designed to support new bookings and costs are incurred prior to revenue being earned when these customers travel.

Andy Freeth was appointed as CEO in November 2022 and is focused on continuing to develop a differentiated proposition for our customers.

The brand is as strong as it has ever been with our Travel Agent partners and has continued to have lots of success with industry awards including most recently at the Travel Gossip Awards where the business won Favourite Luxury Operator, Favourite Supplier Call Centre and Favourite Trade Sales Team.

Classic Package Holidays segment performance

	H1 2023	H1 2022	Vs
Bookings ‘000s	5.8	6.4	(8%)
Booked TTV £’m	13.0	13.7	(5%)

	H1 2023 £’m	H1 2022 £’m	Vs %
Revenue	2.5	2.7	(7%)
Gross profit	0.9	0.7	29%
Gross Profit after marketing costs	0.4	0.3	
Overheads	(0.8)	(0.7)	
Depreciation and amortisation	-	(0.1)	
Operating loss	(0.4)	(0.5)	
EBITDA*	(0.4)	(0.3)	

*see glossary for reconciliation to nearest GAAP measure

CPH provides an online B2B platform that enables high street travel agents to sell dynamically packaged holidays to their customers.

Revenue for the period declined by 7% to £2.5m (H1 22: £2.7m), however this is at an improved gross margin resulting in a 29% increase in Gross Profit to £0.9m.

As with CCH, bookings from High Street travel agents have recovered more slowly than online, and high street footfall remains below pre-pandemic levels.

EBITDA loss was (£0.4m), (H1 22: (£0.3m)). Operating losses were (£0.4m), (H1 22: (£0.5m)).

Financing

On 7 December 2022, the Group refinanced its credit facilities with Lloyds Bank and Natwest. This included cancelling all current facilities and entering into a new facility for £60m expiring in December 2025.

The cash draw down on this facility at 31 March 2023 was £30m (31 March 2022: nil).

Details of the current facility limits and maturity dates are as follows:

Facilities	£m	Issued	Expiry	Cash drawn at 31 March 2023
RCF – Lloyds Bank	£30m	Dec 2022	Dec 2025	£15m
RCF - NatWest	£30m	Dec 2022	Dec 2025	£15m
Total facility	**£60m**			**£30m**

Share based payments

The Group has an LTIP scheme in place which vests based on performance criteria. In accordance with IFRS 2, the Group has recognised a non-cash charge of £1.3m (H1 22: £3.2m).

The share-based payment charge represents a non-cash charge for the expected cost of shares vesting under the Group's Long-Term Incentive Plan.

Taxation

The Group tax credit of £1.2m (H1 22: £1.5m) represents an effective rate of 20% (H1 22: 21%) which is higher than the standard UK rate of 19% (H1 22: 19%) due to differences between rates applied to current and deferred tax.

During the period, a Corporation Tax rebate of £0.4m was received and no payments on account have been made due to the loss making position of the Group.

Cash flow

£m	H1 2023	H1 2022	FY22
(Loss)/profit before tax	**(6.0)**	**(7.0)**	**2.1**
Depreciation and amortization	7.3	6.0	12.8
Net finance (income) / costs	(0.3)	0.5	0.5
Share based payments	1.3	3.2	4.7
Movement in working capital	(80.5)	(36.8)	1.3
Corporation tax	0.4	0.6	0.5
Cash generated from operating activities	**(77.8)**	**(33.5)**	**21.9**
Other cash flows			
Capital expenditure net of proceeds	-	(0.6)	(1.3)
Capitalised development expenditure	(6.8)	(4.3)	(10.6)
Capitalised intangible assets	(0.1)	-	(0.5)
Net finance income / (costs)	0.4	(0.5)	(0.3)
Payment of lease liabilities	(0.6)	(0.3)	(0.7)
RCF drawdowns	30.0	-	-
Total net cash flows	**(54.9)**	**(39.2)**	**8.5**
Opening cash balance	64.5	56.0	56.0
Closing cash at bank	**9.6**	**16.8**	**64.5**
Closing trust balance	137.2	99.1	69.4

The cash flow profile of the Group is seasonal with approximately 50% of customers travelling in the period June to August and therefore in a normal year the cash flows (excluding any cash held in the Trust) experience a trough prior to June and a peak following this.

Operating cashflows of £77.8m represents investments made by the Group in to online and offline marketing as well as the working capital required to fund the customer deposits scheme.

Customer payments made to OTB in advance of travel are deposited in the Trust account. During the period, the Trust account balance has increased from £69.4m to £137.2m, which will unwind as customers travel over the summer months.

Dividend

The Board has not declared an interim dividend (H1 2022: nil).

Simon Cooper	**Shaun Morton**
CEO	**CFO**
16 May 2023	16 May 2023

On the Beach Group Plc
INTERIM RESULTS FOR THE 6 MONTHS ENDED 31 MARCH 2023

CONDENSED CONSOLIDATED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

For the 6 months ended 31 March 2023

	Note	6 months ended 31 March 2023 £'m unaudited	6 months ended 31 March 2022 £'m unaudited	Year ended 30 September 2022 £'m audited
Revenue	3,4	73.2	52.9	144.1
Cost of sales		(21.9)	(13.9)	(48.5)
Gross profit		**51.3**	**39.0**	**95.6**
Administrative expenses	5	(57.6)	(45.5)	(93.0)
Group operating (loss)/profit		**(6.3)**	**(6.5)**	**2.6**
Finance costs		(0.6)	(0.5)	(0.8)
Finance income		0.9	-	0.3
Net finance income/(costs)		**0.3**	**(0.5)**	**(0.5)**
(Loss)/profit before taxation		**(6.0)**	**(7.0)**	**2.1**
Taxation	6	1.2	1.5	(0.5)
(Loss)/profit for the period		**(4.8)**	**(5.5)**	**1.6**
Other comprehensive income:				
Net (loss)/gain on cash flow hedges		(0.8)	-	0.6

Net gain on fair value hedges		0.5	-	-
Total comprehensive (loss)/profit for the period		**(5.1)**	**(5.5)**	**2.2**
Attributable to:				
Equity holders of the parent		(5.1)	(5.5)	2.2
Basic and diluted earnings per share attributable to the equity shareholders of the Company:				
Basic (loss)/profit per share	7	(2.9p)	(3.3p)	0.9p
Diluted (loss)/profit per share	7	(2.9p)	(3.3p)	0.9p
Adjusted basic (loss)/profit per share *	7	(0.1p)	0.1p	6.3p
Adjusted diluted (loss)/profit per share *	7	(0.1p)	0.1p	6.3p
Adjusted profit measure *				
Adjusted (loss)/profit before tax (before amortisation of acquired intangibles, exceptional & non underlying costs and share based payments) *	5	(0.1)	-	14.1

***** This is a non GAAP measure, refer to notes.

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2023

Assets	**Note**	**At 31 March 2023** **£'m** unaudited	**At 31 March 2022** **£'m** unaudited	**At 30 September 2022** **£'m** audited
Non-current assets				
Intangible assets	8	75.0	73.3	74.3
Property, plant and equipment	9	8.0	9.5	9.1
Deferred tax		4.6	5.1	3.4
Other assets		0.3	-	0.6
Total non-current assets		**87.9**	**87.9**	**87.4**
Current assets				
Trade and other receivables	10	264.7	224.2	122.4
Derivative financial instruments	13	-	-	3.2
Corporation tax receivable		-	0.2	-
Trust account	12	137.2	99.1	69.4
Cash at bank		9.6	16.8	64.5
Total current assets		411.5	340.3	259.5
Total assets		**499.4**	**428.2**	**346.9**
Equity				
Share capital		1.7	1.7	1.7
Share premium		89.6	89.6	89.6
Retained earnings		190.7	185.3	194.5
Capital contribution reserve		0.5	0.5	0.5
Merger reserve		(129.5)	(129.5)	(129.5)
Total equity		**153.0**	**147.6**	**156.8**
Non-current liabilities				
Trade and other payables	11	2.4	3.3	3.0
Total non-current liabilities		**2.4**	**3.3**	**3.0**

Current liabilities				
Trade and other payables	11	311.8	273.8	186.6
Corporation tax payable		0.6	-	0.2
Loans and overdrafts	13	30.0	-	-
Provisions	11	0.6	3.1	0.3
Derivative financial instruments	13	1.0	0.4	-
Total current liabilities		**344.0**	**277.3**	**187.1**
Total liabilities		346.4	280.6	190.1
Total equity and liabilities		**499.4**	**428.2**	**346.9**

Shaun Morton
Chief Financial Officer
16 May 2023
On the Beach Group plc. Reg no 09736592

CONSOLIDATED STATEMENT OF CASH FLOWS

For the 6 months ended 31 March 2023

	Note	6 months ended 31 March 2023 unaudited £'m	6 months ended 31 March 2022 unaudited £'m	Year ended 30 September 2022 audited £'m
(Loss)/profit before taxation		(6.0)	(7.0)	2.1
Adjustments for:				
Depreciation	5	1.1	0.9	2.0
Amortisation of intangible assets	5	6.2	5.1	10.8
Finance costs		0.6	0.5	0.8
Finance income		(0.9)	-	(0.3)
Share based payments		1.3	3.2	4.7
		2.3	**2.7**	**20.1**
Changes in working capital:				
(Increase)/decrease in trade and other receivables	10	(138.8)	(129.3)	(29.6)
Increase/(decrease) in trade and other payables	11	126.1	152.6	61.3
(Increase)/decrease in trust account		(67.8)	(60.1)	(30.4)
		(80.5)	**(36.8)**	**1.3**
Cash flows from operating activities				
Cash generated from operating activities		(78.2)	(34.1)	21.4
Tax received/(outflow)		0.4	0.6	0.5
Net cash (outflow)/inflow from operating activities		**(77.8)**	**(33.5)**	**21.9**
Cash flows from investing activities				
Purchase of property, plant and equipment	9	-	(0.6)	(1.3)
Purchase of intangible assets	8	(0.1)	-	(0.5)
Development expenditure	8	(6.8)	(4.3)	(10.6)
Interest received		0.9	-	0.3

Net cash outflow from investing activities		**(6.0)**	**(4.9)**	**(12.1)**
Cash flows from financing activities				
Proceeds from borrowings	13	30.0	-	-
Interest paid on borrowings		(0.5)	(0.4)	(0.6)
Interest paid on lease liabilities		-	(0.1)	-
Payment of lease liabilities		(0.6)	(0.3)	(0.7)
Net cash inflow/(outflow) from financing activities		**28.9**	**(0.8)**	**(1.3)**
Net (decrease)/increase in cash at bank and in hand		(54.9)	(39.2)	8.5
Cash at bank and in hand at beginning of period		64.5	56.0	56.0
Cash at bank and in hand at end of period		**9.6**	**16.8**	**64.5**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the 6 months ended 31 March 2023

	Share capital	**Share premium**	**Merger reserve**	**Capital contribution reserve**	**Retained earnings**	**Total**
For the 6 months ended 31 March 2023	**£'m**	**£'m**	**£'m**	**£'m**	**£'m**	**£'m**
Balance at 30 September 2022	**1.7**	**89.6**	**(129.5)**	**0.5**	**194.5**	**156.8**
Share based payment charges including tax	-	-	-	-	1.3	1.3
Total comprehensive loss for the period	-	-	-	-	(5.1)	(5.1)
Balance at 31 March 2023 (unaudited)	**1.7**	**89.6**	**(129.5)**	**0.5**	**190.7**	**153.0**

	Share capital	**Share premium**	**Merger reserve**	**Capital contribution reserve**	**Retained earnings**	**Total**
For the 6 months ended 31 March 2022	**£'m**	**£'m**	**£'m**	**£'m**	**£'m**	**£'m**
Balance at 30 September 2021	**1.7**	**89.6**	**(129.5)**	**0.5**	**187.6**	**149.9**
Share based payment charges	-	-	-	-	3.2	3.2
Total comprehensive loss for the period	-	-	-	-	(5.5)	(5.5)
Balance at 31 March 2022 (unaudited)	**1.7**	**89.6**	**(129.5)**	**0.5**	**185.3**	**147.6**

	Share capital	**Share premium**	**Merger reserve**	**Capital contribution reserve**	**Retained earnings**	**Total**
For the year ended 30 September 2022	**£'m**	**£'m**	**£'m**	**£'m**	**£'m**	**£'m**
Balance at 30 September 2021	**1.7**	**89.6**	**(129.5)**	**0.5**	**187.6**	**149.9**
Share based charge including tax	-	-	-	-	4.7	4.7
Total comprehensive income for the year	-	-	-	-	2.2	2.2
Balance at 30 September 2022	**1.7**	**89.6**	**(129.5)**	**0.5**	**194.5**	**156.8**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the 6 months ended 31 March 2023

1 General Information

The interim condensed consolidated financial statements of On the Beach Group plc and its subsidiaries (collectively, the Group) for the six months ended 31 March 2023 were authorised for issue in accordance with a resolution of the directors on 16 May 2023.

On the Beach Group plc (the Company) is a public limited company, incorporated and domiciled in the United Kingdom, whose shares are listed on the London Stock Exchange. The registered office is located at Aeroworks, 5 Adair Street, Manchester, M1 2NQ.

2 Significant accounting policies

2.1 Basis of preparation

The interim condensed consolidated financial statements for the six months ended 31 March 2023 have been prepared in accordance with UK adopted IAS 34 Interim Financial Reporting. The interim condensed consolidated financial statements do not constitute statutory financial statements as defined in section 435 of the Companies Act 2006 and therefore do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 30 September 2022. No audit or review opinion has been provided by a statutory auditor on these interim statements.

The financial information for the preceding year is based on the statutory financial statements for the year ended 30 September 2022. These financial statements, upon which the auditors issued an unqualified opinion, have been delivered to the Registrar of Companies. These financial statements did not require a statement under either section 498(2) or section 498(3) of the Companies Act 2006.

2.2 Accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 30 September 2022.

2.3 Going concern

The Group covers its daily working capital requirements by means of cash and a £60m Revolving Credit Facility ("RCF") expiring December 2025. The amount drawn down in cash at 31 March 2023 was £30m, leaving £30m available. (31 March 2022 £nil, 30 September 2022 £nil).

As at 31 March 2023 cash (excluding cash held in trust which is ringfenced and not factored into the going concern assessment) was £9.6m (31 March 2022 cash of £16.8m, 30 September 2022 cash of £64.5m).

Cash received from customers for bookings that have not yet travelled is held in a ring fenced trust account and is not withdrawn until the customer returns from their holiday. Cash held in trust at 31 March 2023 was £137.2m (31 March 2022: £99.1m, 30 September 2022: £69.4m)

The Directors have assessed a going concern period through to September 2024 and have modelled a number of scenarios considering factors such as airline and hotelier resilience, cost of living, inflation, interest rates and customer behaviour / demand. The Group has performed an assessment of the impact of climate risk, as part of the Director's assessment of the Group's ability to continue as a going concern. Further details of the group's assessment is provided within the Principal risks and uncertainties section of the Annual Report for the year ending 30 September 2022. The directors do not consider that the principal risks and uncertainties have changed since the publication of the Annual Report for the year ended 30 September 2022. These risks and how the Group seeks to mitigate these risks are set out on pages 38 -51 of the 2022 Annual Report and Accounts. The Directors have modelled a reasonably possible downside scenario to sensitise the base case. In this scenario the Directors have assessed the impact to cash and revenue in an environment where bookings are 40% lower than pre-pandemic levels, although profitability would be affected, the Group would be able to continue operating.

The Directors have considered possible levels of customer default in light of the cost of living crisis. At the date of reporting default levels remain low. The Directors remain confident that the business has adequate controls and processes in place to recover outstanding balances from customers.

Given the assumptions above, the mitigating actions available and within the Group's control, the Directors remain confident that the Group continue to operate in an agile way adapting to any travel disruption. Therefore, it is considered appropriate to continue to adopt the going concern basis in preparing these financial statements.

2.4 Critical accounting estimates and judgements

In preparing these interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The judgements and estimates applied are the same as those in the annual financial statements.

a) Critical accounting estimates

Recoverability of airline debtor

In relation to flights cancelled during the financial year, the Group has considered the recoverability of amounts paid to all airlines in lieu of flights which have been cancelled which as at 31 March 2023 is a receivable balance of £1.6m - see note 10.
The Group has a legal right to a refund; the airline has an obligation to refund in the event that the flight is cancelled. Where an airline is not forthcoming with a refund owed the Group exercises its chargeback rights are as governed by the card scheme rules. The Group has a right to make a chargeback when: (i) the merchant (airline) was unable or unwilling to provide the purchased services; or (ii) the cardholder is entitled to a refund under the merchant's cancellation policy. Alternatively, the Group may take legal action if required. Where a flight has been cancelled, the Group has recognised a net receivable for the expected recoverable amount in accordance with the considerations above. Management have calculated the provision for airline refunds owed based on factors such as age, flight supplier and payment method. If the group was to increase the provision by 5 percentage points (ppts) this would have resulted in an increase of £0.2m in the airline receivable of £1.6m.

b) Critical accounting judgements

Capitalised website development costs

Determining the amounts to be capitalised involves judgement and is dependent upon the nature of the related development; namely whether it is capital (as relating to the enhancement of the website) or expenditure (as relating to the ongoing maintenance of the website) in nature. In order to capitalise a project, the key judgement management have made is in determining the project's ability to produce future economic benefits. The amount capitalised has increased as we focus on developing our apps and website to improve capabilities and remain competitive.

Revenue from contracts with customers

The Group applied the following key judgements on the agent vs principal status of each segment as well as the number of performance objections in each.
Performance obligations
Revenue in the OTB, International and CPH segments is recognised based on there being a single performance obligation at the point of booking. This is to arrange and facilitate the customer entering into individual contracts with principal suppliers providing holiday related services including flights, hotels and transfers. For the OTB, International and CPH segments, there is not a significant integration service and responsibility for providing the services remains with the principal suppliers.

Under IFRS 15 for revenue in the CCH segment, a package holiday constitutes the delivery of one distinct performance obligation which includes flights, accommodation, transfers and other holiday-related services. In formulating this conclusion, management has determined that it provides a significant integration service to collate all of the elements within a customer's specification to produce one integrated package holiday. Management has further analysed the recognition profile and concluded that under IFRS 15, revenue and corresponding cost of sales should be recognised over the period a customer is on holiday.

Agent vs Principal
Determining whether an entity is acting as a principal or as an agent requires judgement and has a significant effect on the timing and amount (gross or net basis) of revenue by the Group. As an agent, revenue is recognised at the point of booking on a net basis. As a principal, revenue is recognised on a gross basis over the duration of the holiday.

In accordance with IFRS 15, revenue for the OTB, International and CPH segments is recognised as an agent on the basis that the performance obligation is to arrange for another entity to provide the goods or services. This assessment has given consideration that there is no inventory risk and limited discretion in establishing prices. Revenue in the CCH segment is recognised as a principal on the basis that CCH have the primary responsibility for fulfilling the package holiday for the customer.

2.5 New standards, amendments and interpretations

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 30 September 2022. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments and interpretations apply for the first time for periods beginning after 1 January 2022, but do not have an impact on the interim condensed consolidated financial statements of the Group.

3 Revenue

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	For the 6 months ended 31 March 2023				
	OTB	**Int'l**	**CCH**	**CPH**	**Total**
	£'m	**£'m**	**£'m**	**£'m**	**£'m**
Booked TTV*	445.8	3.3	32.9	13.0	495.0
Revenue					
Revenue as agent	48.5	0.3	-	2.5	51.3
Revenue as principal	-	-	22.6	-	22.6
Total Revenue before exceptional items	48.5	0.3	22.6	2.5	73.9
Fair value FX losses	(0.7)	-	-	-	(0.7)
Total Revenue	**47.8**	**0.3**	**22.6**	**2.5**	**73.2**

	For the 6 months ended 31 March 2022				
	OTB	**Int'l**	**CCH**	**CPH**	**Total**
	£'m	**£'m**	**£'m**	**£'m**	**£'m**
Booked TTV*	342.8	1.5	27.8	13.7	385.8
Revenue before exceptional items					
Revenue as agent	36.7	0.2	-	2.8	39.7
Revenue as principal	-	-	13.2	-	13.2
Total Revenue before exceptional items	36.7	0.2	13.2	2.8	52.9
Exceptional items**	0.1	-	-	(0.1)	-
Total Revenue	**36.8**	**0.2**	**13.2**	**2.7**	**52.9**

	For the year ended 30 September 2022				
	OTB	**Int'l**	**CCH**	**CPH**	**Total**
	£'m	**£'m**	**£'m**	**£'m**	**£'m**
Booked TTV*	762.7	6.7	55.6	31.1	856.1
Revenue before exceptional items					
Revenue as agent	86.9	0.7	-	6.2	93.8
Revenue as principal	-	-	50.5	-	50.5
Total Revenue before exceptional items	86.9	0.7	50.5	6.2	144.3
Exceptional items**	(0.6)	-	-	(0.4)	(1.0)
Fair value FX gains	0.8	-	-	-	0.8

Total Revenue	**87.1**	**0.7**	**50.5**	**5.8**	**144.1**

*The total transaction value of holidays booked during the period, before cancellations and amendments.

** Exceptional items in the year ended 30 September 2022 relates to the impact of Covid-19 in the year and travel disruption arising following the removal of travel restrictions. Exceptional items in the period ended 31 March 2022 relate to the impact of Covid-19.

4 Segmental report

The management team considers the reportable segments to be ‘‘OTB’’, "International", ‘‘CCH’’ and "CPH". All segment revenue, operating profit assets and liabilities are attributable to the Group from its principal activities.

OTB, International and CPH recognise revenue as agent on a net basis. CCH recognises revenue as a principal on a gross basis.

	6 months ended 31 March 2023				
	OTB	**Int'l**	**CCH**	**CPH**	**Total**
	£’m	**£’m**	**£’m**	**£'m**	**£’m**
Revenue before exceptional items	48.5	0.3	22.6	2.5	73.9
Fair value FX losses	(0.7)	-	-	-	(0.7)
Revenue	**47.8**	**0.3**	**22.6**	**2.5**	**73.2**
EBITDA	6.9	(0.1)	(2.3)	(0.4)	4.1
Share based payments	(1.3)	-	-	-	(1.3)
Exceptional costs	(1.1)	-	-	-	(1.1)
Fair value FX losses	(0.7)				(0.7)
EBITDA after share based payments and exceptional items	**3.8**	**(0.1)**	**(2.3)**	**(0.4)**	**1.0**
Depreciation and amortisation	(6.6)	-	(0.7)	-	(7.3)
Group operating loss	**(2.8)**	**(0.1)**	**(3.0)**	**(0.4)**	**(6.3)**
Finance costs					(0.6)
Finance income					0.9
Loss before taxation					**(6.0)**
Non-current assets					
Goodwill	31.6	-	4.6	4.0	**40.2**
Other intangible assets	28.6	-	6.1	0.1	**34.8**
Property, plant and equipment	5.4	-	2.6	-	**8.0**

	6 months ended 31 March 2022				
	OTB	**Int'l**	**CCH**	**CPH**	**Total**
	£’m	**£’m**	**£’m**	**£'m**	**£’m**
Revenue					
Revenue before exceptional items	36.7	0.2	13.2	2.8	52.9
Exceptional cancellations*	0.1	-	-	(0.1)	-

Total revenue	**36.8**	**0.2**	**13.2**	**2.7**	**52.9**
EBITDA	5.6	0.1	(1.7)	(0.3)	3.7
Share based payments	(3.2)	-	-	-	(3.2)
Exceptional costs	(0.9)	-	-	(0.1)	(1.0)
EBITDA after share based payments and exceptional items	**1.5**	**0.1**	**(1.7)**	**(0.4)**	**(0.5)**
Depreciation and amortisation	(5.2)	-	(0.7)	(0.1)	(6.0)
Group operating (loss)/profit	**(3.7)**	**0.1**	**(2.4)**	**(0.5)**	**(6.5)**
Finance costs					(0.5)
Finance income					-
Loss before taxation					**(7.0)**
Non-current assets					
Goodwill	31.6	-	4.6	4.0	**40.2**
Other intangible assets	25.7	0.1	7.2	0.1	**33.1**
Property, plant and equipment	6.4	-	3.1	-	**9.5**

	Year ended 30 September 2022				
	OTB	**Int'l**	**CCH**	**CPH**	**Total**
	£'m	**£'m**	**£'m**	**£'m**	**£'m**
Revenue					
Revenue before exceptional items	86.9	0.7	50.5	6.2	144.3
Exceptional cancellations*	(0.6)	-	-	(0.4)	(1.0)
Fair Value FX gains	0.8	-	-	-	0.8
Total Revenue	**87.1**	**0.7**	**50.5**	**5.8**	**144.1**
EBITDA	**22.1**	**-**	**(0.1)**	**(0.1)**	**21.9**
Share based payments	(4.7)	-	-	-	(4.7)
Exceptional items	(1.9)	-	(0.3)	(0.4)	(2.6)
Fair value FX gains	0.8	-	-	-	0.8
EBITDA after share based payments and exceptional items	**16.3**	**-**	**(0.4)**	**(0.5)**	**15.4**
Depreciation and amortisation	(11.1)	(0.1)	(1.4)	(0.2)	(12.8)
Group operating profit/(loss)	**5.2**	**(0.1)**	**(1.8)**	**(0.7)**	**2.6**
Finance costs					(0.8)
Finance income					0.3
Loss before taxation					**2.1**
Non-current assets					
Goodwill	31.6	-	4.6	4.0	**40.2**
Other intangible assets	27.4	-	6.6	0.1	**34.1**
Property, plant and equipment	6.3	-	2.8	-	**9.1**

* Exceptional cancellations in the year ended 30 September 2022 relates to the impact of Covid-19 in the year and travel disruption arising following the removal of travel restrictions. Exceptional cancellations in the period ended 31 March 2022 relate to the impact of Covid-19.

5 Operating profit

a) Operating expenses

Expenses by nature including exceptional items and impairment charges:

	6 months ended 31 March 2023	6 months ended 31 March 2022	Year ended 30 September 2022
		unaudited	audited
	£'m	£'m	£'m
Marketing	26.5	19.3	38.7
Depreciation	1.1	0.9	2.0
Staff costs (including share based payments)	13.7	11.9	28.0
IT hosting, licences & support	3.2	2.1	4.5
Office expenses	0.5	0.4	0.7
Credit / debit card charges	1.5	0.9	3.2
Insurance	1.1	0.5	1.6
Professional Services	0.4	0.4	0.9
Other	2.3	3.0	1.3
Administrative expenses before exceptional cost and amortisation of intangible assets	**50.3**	**39.4**	**80.9**
Exceptional costs	1.1	1.0	1.3
Amortisation of intangible assets	6.2	5.1	10.8
Exceptional items and amortisation of intangible assets	**7.3**	**6.1**	**12.1**
Administrative expenses	**57.6**	**45.5**	**93.0**

b) Exceptional items

Total exceptional items in the 6 months ended 31 March 2023 of £1.1m. Exceptional operating costs of £1.1m include £0.6m legal and professional fees and £0.5m of restructuring costs.

Exceptional operating costs in the 6 months ended 31 March 2022 consist of legal and professional fees of £1.0m.

The total exceptional items in the year ended 30 September 2022 of £1.8m includes £2.6m due to the impact of travel disruption offset by £0.8m of fair value FX gains. The impact of travel disruption represents £4.7m cost of Covid-19 and supplier disruption to trading in the period which has been offset by the release of £4.6m of provisions from the previous year, and legal and professional fees of £2.5m incurred in the year.

c) Adjusted profit/(loss) before tax

Management measures the overall performance of the Group by reference to Adjusted (loss)/profit before tax, a non-GAAP measure as it gives a meaningful year on year comparison of the Group's performance:

	6 months ended 31 March 2023	6 months ended 31 March 2022	Year ended 30 September 2022
	unaudited	unaudited	audited
	£'m	£'m	£'m
(Loss)/profit before taxation	(6.0)	(7.0)	2.1
Fair value FX losses/(gains)	0.7	-	(0.8)
Impact of exceptional cancellations *	-	-	2.6
Other exceptional operating costs	1.1	1.0	-
Total exceptional items	1.8	1.0	1.8
Amortisation of acquired intangibles**	2.8	2.8	5.5
Share based payments charge***	1.3	3.2	4.7
Adjusted (loss)/profit before tax	**(0.1)**	**-**	**14.1**

* These charges relate to cost of the supplier and travel disruptions from the travel restrictions experienced over the Covid-19 pandemic.

**These charges relate to amortisation of brand, website technology and customer relationships recognised on the acquisition of subsidiaries and are added back as they are inherently linked to historical acquisitions of businesses.
***The share based payment charge represents the expected cost of shares vesting under the Group's Long Term Incentive Plan. The share based payment charge has decreased to £1.3m (HY22: £3.2m). The charge in HY22 included a £1.9m catch up charge following the Remuneration Committee approving the introduction of an underpin/minimum award on 21 December 2021.

6 Taxation

	6 months ended 31 March 2023 unaudited **£m**	**6 months ended 31 March 2022** unaudited **£m**	**Year ended 30 September 2022** audited **£m**
Current tax on loss for the period	-	-	0.4
Adjustments in respect of prior period	-	-	-
Total current tax	**-**	**-**	**0.4**
Deferred tax on losses for the period			
Origination and reversal of temporary differences	(1.2)	(1.5)	0.3
Adjustments in respect of prior period	-	-	(0.2)
Total deferred tax	**(1.2)**	**(1.5)**	**0.1**
Total tax (credit)/charge	**(1.2)**	**(1.5)**	**0.5**

The differences between the total taxation shown above and the amount calculated by applying the standard UK corporation taxation rate to the profit before taxation on continuing operating are as follows.

	6 months ended 31 March 2023 unaudited **£m**	**6 months ended 31 March 2022** unaudited **£m**	**Year ended 30 September 2022** audited **£m**
(Loss)/profit on ordinary activities before tax	(6.0)	(7.0)	2.1
(Loss)/profit on ordinary activities multiplied by the rate of corporation tax in the UK of 19% (2022: 19%)	(1.1)	(1.3)	0.4
Effects of:			
Impact of difference in current and deferred tax rates	(0.1)	(0.2)	(0.5)
Adjustments in respect of prior years	-	-	(0.2)
Expenses not deductible	-	-	0.8
Total taxation (credit)/charge	**(1.2)**	**(1.5)**	**0.5**

The tax charge for the year is based on the effective rate of UK corporation tax for the period of 20% (2022: 21%). An increase in the UK corporation rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. The deferred tax assets and liabilities have been calculated based on these rates.
Deferred tax assets are recognised for tax losses carried forward only to the extent that realisation of the related tax benefit is probable, deferred tax assets are reviewed at each reporting date to assess the probability that sufficient taxable profit will be available to allow all or part of deferred tax asset to be utilised. All available evidence was considered including approved budgets, forecasts and analysis of historical operating results. These forecasts are consistent with those prepared and used internally for business planning and impairment purposes. The Group determined that there would be sufficient taxable income generated to realise the benefit of the deferred tax assets and no reasonably possible change to key assumptions would result in a material reduction in forecast headroom of tax profits.

7 Earnings per share

Basic earnings per share are calculated by dividing the profit attributable to equity holders of On the Beach Group plc by the weighted average number of ordinary shares issued during the year.

Adjusted earnings per share figures are calculated by dividing adjusted earnings after tax for the year by the weighted average number of shares.

	6 months ended 31 March 2023 unaudited	6 months ended 31 March 2022 unaudited	Year ended 30 September 2022 audited
Basic EPS			
(Loss)/profit after tax for the period (£'m)	(4.8)	(5.5)	1.6
Basic weighted average number of Ordinary Shares (m)	166.4	165.7	165.9
Earnings per share (in pence per share)	(2.9p)	(3.3p)	0.9p
Diluted EPS			
(Loss)/profit after tax for the period (£'m)	(4.8)	(5.5)	1.6
Weighted average number of Ordinary Shares (m)	166.4	165.7	166.7
Earnings per share (in pence per share)	(2.9p)	(3.3p)	0.9p

There was no difference in the weighted average number of shares used for the calculation of basic and diluted loss per share as the effect of all potentially dilutive shares outstanding was anti-dilutive.

	6 months ended 31 March 2023 unaudited	6 months ended 31 March 2022 unaudited	Year ended 30 September 2022 audited
Adjusted basic (loss)/earnings per share			
Adjusted (loss)/earnings after tax (£'m)	(0.1)	0.1	10.5
Weighted average number of Ordinary Shares (m)	166.4	165.7	165.9
Earnings per share (in pence per share)	(0.1p)	0.1p	6.3p
Adjusted diluted (loss)/earnings per share			
Adjusted (loss)/earnings after tax (£'m)	(0.1)	0.1	10.5
Weighted average number of Ordinary Shares (m)	166.4	166.5	166.7
Earnings per share (in pence per share)	(0.1p)	0.1p	6.3p

Adjusted (loss)/earnings after tax is calculated using the tax rate of 20% (31 March 22: 19%, 30 September 22: 25%) on the basis that this is the Group's effective tax rate:

	6 months ended 31 March 2023 unaudited £'m	6 months ended 31 March 2022 unaudited £'m	Year ended 30 September 2022 audited £'m
(Loss)/profit for the year after taxation	(4.8)	(5.5)	1.6
Adjustments net of tax of 20% (31 March 2022: 19%, 30 September 2022: 25%)			
Impact of exceptional cancellations	-	-	1.9
Fair value FX losses/(gains)	0.6	-	(0.6)
Other exceptional costs	0.9	0.8	-
Amortisation of acquired intangibles	2.2	2.2	4.1
Share based payment charges*	1.0	2.6	3.5
Adjusted (loss)/earnings after tax	**(0.1)**	**0.1**	**10.5**

* The share based payment charges are in relation to options which are not yet exercisable.

8 Intangible assets

	Brand	Goodwill	Website & development Costs	Website technology	Customer relationships	Agent relationships	Total
	£'m	**£'m**	**£'m**	**£'m**	**£'m**	**£'m**	**£'m**
Cost							
At 1 October 2022	35.9	40.2	31.2	22.8	2.1	4.4	136.6
Additions	-	-	6.9	-	-	-	6.9
At 31 March 2023	**35.9**	**40.2**	**38.1**	**22.8**	**2.1**	**4.4**	**143.5**
Accumulated amortisation							
At 1 October 2022	19.9	-	18.6	20.8	1.7	1.3	62.3
Charge for the year	1.2	-	3.5	1.2	0.2	0.1	6.2
At 31 March 2023	**21.1**	**-**	**22.1**	**22.0**	**1.9**	**1.4**	**68.5**
Net book amount							
At 31 March 2023 (unaudited)	**14.8**	**40.2**	**16.0**	**0.8**	**0.2**	**3.0**	**75.0**

	Brand	Goodwill	Website & development Costs	Website technology	Customer relationships	Agent relationships	Total
	£'m	**£'m**	**£'m**	**£'m**	**£'m**	**£'m**	**£'m**
Cost							
At 1 October 2021	35.9	40.2	20.2	22.8	2.1	4.4	125.6
Additions	-	-	4.3	-	-	-	4.3
At 31 March 2022	**35.9**	**40.2**	**24.5**	**22.8**	**2.1**	**4.4**	**129.9**
Accumulated amortisation							
At 1 October 2021	17.5	-	13.3	18.4	1.3	1.0	51.5
Charge for the year	1.2	-	2.4	1.2	0.2	0.1	5.1
At 31 March 2022	**18.7**	**-**	**15.7**	**19.6**	**1.5**	**1.1**	**56.6**
Net book amount							
At 31 March 2022 (unaudited)	**17.2**	**40.2**	**8.8**	**3.2**	**0.6**	**3.3**	**73.3**

	Brand	Goodwill	Website & development Costs	Website technology	Customer relationships	Agent relationships	Total
	£'m	**£'m**	**£'m**	**£'m**	**£'m**	**£'m**	**£'m**
Cost							
At 1 October 2021	35.9	40.2	20.2	22.8	2.1	4.4	125.6
Additions	-	-	11.0	-	-	-	11.0
At 30 September 2022	**35.9**	**40.2**	**31.2**	**22.8**	**2.1**	**4.4**	**136.6**
Accumulated amortisation							
At 1 October 2021	17.5	-	13.3	18.4	1.3	1.0	51.5
Charge for the year	2.4	-	5.3	2.4	0.4	0.3	10.8

At 30 September 2022	**19.9**	**-**	**18.6**	**20.8**	**1.7**	**1.3**	**62.3**
Net book amount							
At 30 September 2022 (audited)	**16.0**	**40.2**	**12.6**	**2.0**	**0.4**	**3.1**	**74.3**

The Group capitalise development projects where they satisfy the requirements for capitalisation in accordance with the accounting standard and expense projects that relate to the operations and ongoing maintenance.

Brand

The brand intangibles assets consist of three brands which were separately identified as intangibles on the acquisition of the respective businesses. The carrying amount of the brand intangible assets:

Brand	**Remaining amortisation period**	**Acquisition**	**At 31 March 2023** unaudited **£'m**	**At 31 March 2022** unaudited **£'m**	**At 30 September 2022** audited **£'m**
On the Beach	4 years	On the Beach Travel Limited	11.2	13.1	12.1
Sunshine.co.uk	4 years	Sunshine.co.uk Limited	0.6	0.7	0.7
Classic Collection	5 years	Classic Collection Limited	3.0	3.4	3.2
			14.8	**17.2**	**16.0**

9 Tangible assets

	Freehold property	**Right-of-use asset**	**Fixtures, fittings and equipment**	**Total**
Cost	**£'m**	**£'m**	**£'m**	**£'m**
At 1 October 2022	2.3	5.1	7.4	14.8
Additions	-	-	-	-
At 31 March 2023	**2.3**	**5.1**	**7.4**	**14.8**
Accumulated Depreciation	**£'m**	**£'m**	**£'m**	**£'m**
At 1 October 2022	0.2	1.7	3.8	5.7
Charge for the Year	-	0.4	0.7	1.1
At 31 March 2023	**0.2**	**2.1**	**4.5**	**6.8**
Net book amount				
At 31 March 2023 (unaudited)	**2.1**	**3.0**	**2.9**	**8.0**

	Freehold property	**Right-of-use asset**	**Fixtures, fittings and equipment**	**Total**
Cost	**£'m**	**£'m**	**£'m**	**£'m**
At 1 October 2021	2.3	3.6	7.1	13.0
Additions	-	1.5	0.6	2.1
At 31 March 2022	**2.3**	**5.1**	**7.7**	**15.1**
Accumulated Depreciation	**£'m**	**£'m**	**£'m**	**£'m**
At 1 October 2021	0.1	1.1	3.5	4.7
Charge for the Year	-	-	0.9	0.9
At 31 March 2022	**0.1**	**1.1**	**4.4**	**5.6**

Net book amount				
At 31 March 2022 (unaudited)	**2.2**	**4.0**	**3.3**	**9.5**

	Freehold property	**Right-of-use asset**	**Fixtures, fittings and equipment**	**Total**
Cost	**£'m**	**£'m**	**£'m**	**£'m**
At 1 October 2021	2.3	3.6	7.1	13.0
Additions	-	1.5	1.3	2.8
Disposals	-	-	(1.0)	(1.0)
At 30 September 2022	**2.3**	**5.1**	**7.4**	**14.8**
Accumulated Depreciation	**£'m**	**£'m**	**£'m**	**£'m**
At 1 October 2021	0.1	1.1	3.5	4.7
Charge for the Year	0.1	0.6	1.3	2.0
Disposals		-	(1.0)	(1.0)
At 30 September 2022	**0.2**	**1.7**	**3.8**	**5.7**
Net book amount				
At 30 September 2022 (audited)	**2.3**	**2.5**	**3.6**	**9.1**

10 Trade and other receivables

Amounts falling due within one year:	**At 31 March 2023** unaudited **£'m**	**At 31 March 2022** unaudited **£'m**	**At 30 September 2022** audited **£'m**
Trade receivables – net	225.9	200.8	100.8
Other receivables and prepayments	38.8	23.4	21.6
Total trade and other receivables	**264.7**	**224.2**	**122.4**

For the 6 months ending 31 March 2023, other receivables includes £1.6m receivable in respect of amounts due from airlines as a result of exceptional supplier cancellations. Other receivables and prepayments includes £19.8m of advanced payments to suppliers and £4.3m receivable in relation to value added tax.

For the 6 months ending 31 March 2022, other receivables includes £1.4m receivable in respect of amounts due from airlines as a result of exceptional COVID-19 cancellations. Other receivables and prepayments includes £10.7m of advanced payments to suppliers.

For the year ended 30 September 2022 , other receivables includes £2.8m receivable in respect of amounts due from airlines as a result of exceptional Covid-19 cancellations. Other receivables and prepayments includes £5.3m of advanced payments to suppliers, £3.9m of rebates due from suppliers and £2.2m receivable in relation to value added tax. The expected credit losses in respect to these balances is not material. Prepayments greater than one year are £0.6m.

11 Trade, other payables and provisions

	At 31 March 2023	At 31 March 2022	At 30 September 2022
	unaudited	unaudited	audited
	£'m	**£'m**	**£'m**
Non-current liabilities			
Lease liabilities	2.4	3.3	3.0
Current liabilities			
Trade payables	277.8	242.7	158.3
Accruals	33.0	30.2	27.4
Lease liabilities	1.0	0.9	0.9
Provisions	0.6	3.1	0.3
Total trade, other payables and provisions	**314.8**	**280.2**	**189.9**

Trade payables
For the 6 months ended 31 March 2023, trade payables includes £0.1m in respect of refunds owed to customers (6 months ended 31 March 2022: £0.3m; year ended 30 September 2022: £0.2m), with the related receivable from the airlines recognised in trade receivables. Where the refunds are not received from the airline the Group has a legally enforceable right to offset the recognised amounts. The Group has presented the figures gross due to no option to settle on a net basis or realise the asset and settle the liability simultaneously.

Provisions
For the period ended 31 March 2023 a provision of £0.6m has been recognised in respect of expected future cancellations for supplier and customer cancellations on the forward order book for future departures. The Group expect this provision to be utilised over the next year. The provision is based on pre-pandemic trends and best estimate of future expectation, there is inherent uncertainty in terms of the level and timing of future cancellations which will depend on various factors including potential further supplier disruption.

For the 6 months ended 31 March 2022, the £3.1m provision consists of £2.8m refund liability in respect of expected future cancellations in relation to Covid 19 pandemic and £0.3m recognised for specific suppliers.

For the year ended 30 September 2022 a provision of £0.3m has been recognised in respect of expected future cancellations for supplier and customer cancellations on the forward order book for future departures. The Group expect this provision to be utilised over the next year. The provision is based on pre-pandemic trends and best estimate of future expectation, there is inherent uncertainty in terms of the level and timing of future cancellations which will depend on various factors including potential further supplier disruption.

12 Trust Account

Trust accounts are restricted cash held separately and only accessible once the Trust rules are met as approved by the Trustees and the Civil Aviation Authority, this is at the point the customer has travelled or the booking is cancelled and refunded.

13 Financial instruments

At the balance sheet date the Group held the following:

	FV Level	At 31 March 2023	At 31 March 2022	At 30 September 2022
<u>**Financial assets**</u>		**£'m**	**£'m**	**£'m**
Derivative financial assets designated as hedging instruments				

Forward exchange contracts	2	-	-	3.2
Financial assets at amortised cost				
Trade and other receivables	1	244.9	213.5	116.9
Trust account	1	137.2	99.1	69.4
Cash at bank	1	9.6	16.8	64.5
Total financial assets		**391.7**	**340.1**	**254.0**

Financial liabilities				
Derivatives designated as hedging instruments				
Forward exchange contracts	2	(1.0)	(0.4)	-
Financial liabilities at amortised cost				
Trade and other payables	1	(314.2)	(277.2)	(189.6)
Provisions	1	(0.6)	(3.1)	(0.3)
Revolving credit facility	1	(30.0)	-	-
Total financial liabilities		**(345.8)**	**(280.7)**	**(189.9)**

a) Measurement of fair values

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

(i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

(ii) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)

(iii) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

	At 31 March 2023	**At 31 March 2022**	**At 30 September 2022**
	£'m	**£'m**	**£'m**
Forward Contracts	(1.0)	(0.4)	3.2

The forward contracts have been fair valued at 31 March 2023 with reference to forward exchange rates that are quoted in an active market, with the resulting value discounted back to present value.

b) Financial risk management

The Group's principal financial liabilities, other than derivatives, comprise revolving credit facility, provisions and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade receivables, and cash at bank that derive directly from its operations.

In the course of its business the Group is exposed to market risk (including foreign exchange risk and interest rate risk), credit risk, liquidity risk and technology risk. The Group's overall risk management strategy is to minimise potential adverse effects on the financial performance and net assets of the Group. These policies are set and reviewed by senior finance management and all significant financing transactions are authorised by the Board of Directors.

The Group's key financial market risks are in relation to foreign currency rates. The majority of the Group's purchases are sourced from outside the United Kingdom and as such the Group is exposed to the fluctuation in exchange rates (currencies are principally Sterling, US Dollar, Euro and Swedish Krona). The Group places forward cover on the foreign currency exposure of its purchases.

Derivatives are valued using present value calculations. The valuation methods incorporate various inputs including the foreign exchange spot and forward rates, yield curves of the respective currencies and currency basis spreads between the respective currencies.

Revolving credit facility
On 7 December 2022, the Group refinanced its credit facilities with Lloyds and NatWest. This included cancelling its previous facilities of £75m with Lloyds Bank and entering into a new facility for £60m expiring in December 2025. The purpose of the facility is to meet the day to day working capital requirements of the Group. At the point of refinancing there was nothing drawn down.

The total facility is £60m and has two elements as follows:

- £30m facility with Lloyds
- £30m facility with Natwest

The interest rate payable is equal to SONIA plus a margin. The margin contained within the facility is dependent on net leverage ratio and the rate per annum ranges from 2.00% to 2.75% for the facility or any unpaid sum.

The terms of the facility prior to 7 December 2022 included the following key financial covenants:
(i) that the ratio of adjusted EBITDA to net finance charges in respect of any relevant period shall not be less than 5:1;
(ii) that the ratio of total net debt to adjusted EBITDA shall not exceed 2:1

The terms of the new facility following 7 December 2022 include the following covenants:
(i) the ratio of adjusted EBITDA to net finance charges in respect of any relevant period shall not be less than 5:1; and
(ii) the ratio of total net debt to adjusted EBITDA shall not exceed 2.5:1.

The Group did not breach the covenants during the period.

The RCF is available for other credit uses including currency hedging liabilities and corporate credit cards. At 31 March 2023, the liabilities recognised in trade and other payables for the other credit uses was £30.0m, leaving £30.0m of the Lloyds/Natwest facility available for use. Card facilities with other providers remain available for use. The amount drawn down in cash at 31 March 2023 was £30m (At March 2022 £nil, and September 2022 £nil).

14 Related party transactions

No related party transactions have been entered into during the period.

PRINCIPAL RISKS AND UNCERTAINTIES

There are a number of potential risks and uncertainties which could have a material impact on the Company's performance over the remaining six months of the financial year and could cause actual results to differ materially from expected and historical results. The directors do not consider that the principal risks and uncertainties have changed in any material respect since the publication of the Annual Report for the year ended 30 September 2022. These risks and how the Company seeks to mitigate these risks are set out on pages 38 -51 of the 2022 Annual Report and Accounts which can be found at www.onthebeachgroupplc.com.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the interim report in accordance with applicable law and regulations. The Directors confirm that the condensed consolidated interim financial information has been prepared in accordance with International Accounting Standard 34 ('Interim Financial Reporting') as adopted by the European Union.

The interim management report includes a fair review of the information required by the Disclosure and Transparency Rules paragraphs 4.2.7 R and 4.2.8 R, namely:

- an indication of important events that have occurred during the six months ended 31 March 2023 and their impact on the condensed set of financial information, and a description of the principal risks and uncertainties for the remaining six months of the financial year; and
- material related-party transactions during the six months ended 31 March 2023 and any material changes in the related-party transactions described in the Annual report and Accounts 2022. The Directors of the Company are listed in the Annual Report and Accounts 2022.

A list of current Directors is also maintained on the Company's website: http://onthebeachgroupplc.com.

The interim report was approved by the Board of Directors and authorised for issue on 16 May 2023 and signed on its behalf by:

Shaun Morton – CFO

16 May 2023

GLOSSARY

APM	Definition	Reconciliation to closest GAAP measure
EBITDA	EBITDA is based on Group operating (loss)/profit before depreciation, amortisation, impact of exceptional items and the non-cash cost of the share based payment schemes. Exceptional items in the 6 months ended 31 March 2023 include legal and professional fees, fair value FX losses and restructuring costs. Exceptional items in the year ended 30 September 2022 relates to the impact of Covid-19 in the year and travel disruption arising following the removal of travel restrictions. Exceptional items in the period ended 31 March 2022 relate to the impact of Covid-19. These costs / income are excluded by virtue of their size and in order to reflect management's view of the performance of the Segment.	See table below

EBITDA (£'m)	6 months ended 31 March 2023	6 months ended 31 March 2022	12 months ended 30 September 2022
Group operating (loss)/profit	**(6.3)**	**(6.5)**	**2.6**
Depreciation and amortisation	4.5	3.2	7.3
Amortisation of acquired intangibles	2.8	2.8	5.5
EBITDA after share based payments and exceptional items	**1.0**	**(0.5)**	**15.4**
Exceptional items	1.8	1.0	1.8
Share based payments	1.3	3.2	4.7
Group EBITDA	**4.1**	**3.7**	**21.9**

APM	Definition	Reconciliation to closest GAAP measure
Adjusted EPS	Adjusted basic EPS is calculated on the weighted average number of ordinary shares in issue, using the adjusted profit after tax. Adjusted earnings after tax is based on (loss)/profit after tax adjusted for amortisation of acquired intangibles, share-based payments and exceptional items. Amortisation of acquired intangibles are linked to the historical acquisitions of businesses. Share-based payments represents the non-cash costs which fluctuates year on year. Exceptional items in the 6 months ended 31 March 2023 include legal and professional fees, fair value FX losses and restructuring costs. Exceptional items in the year ended 30 September 2022 relates to the impact of Covid-19 in the year and travel disruption arising following the removal of travel restrictions. Exceptional items in the period ended 31 March 2022 relate to the impact of Covid-	See table below

Adjusted loss after tax (£'m)	6 months ended 31 March 2023	6 months ended 31 March 2022	12 months ended 30 September 2022
(Loss)/profit for the period	**(4.8)**	**(5.5)**	**1.6**
Share based payments (net of tax)	1.0	2.6	3.5
Impact of exceptional items (net of tax)	1.5	0.8	1.3
Amortisation of acquired intangibles (net of tax)	2.2	2.2	4.1
Adjusted (loss)/profit after tax	**(0.1)**	**0.1**	**10.5**
Basic weighted average number of Ordinary Shares (m)	**166.4**	**165.7**	**165.9**
Adjusted EPS (p)	**(0.1)**	**0.1**	**6.3**

19.
These costs / income are excluded by virtue of their size and in order to reflect management’s view of the performance of the Group and allow comparability to prior years.

Adjusted (loss)/profit before tax

Adjusted (loss)/profit before tax is based on loss before tax adjusted for amortisation of acquired intangibles, share based payments and exceptional items.
Amortisation of acquired intangibles are linked to the historical acquisitions of businesses.
Share based payments represents the non-cash costs which fluctuates year on year.
Exceptional items in the 6 months ended 31 March 2023 include legal and professional fees, fair value FX losses and restructuring costs.
Exceptional items in the year ended 30 September 2022 relates to the impact of Covid-19 in the year and travel disruption arising following the removal of travel restrictions.
Exceptional items in the period ended 31 March 2022 relate to the impact of Covid-19.
These costs / income are excluded by virtue of their size and in order to reflect management's view of the performance of the Segment and allow comparability to prior years.

Adjusted loss before tax (£'m)	6 months ended 31 March 2023	6 months ended 31 March 2022	12 months ended 30 September 2022
(Loss)/profit before tax	**(6.0)**	**(7.0)**	**2.1**
Amortisation of acquired intangibles	2.8	2.8	5.5
Share based payments	1.3	3.2	4.7
Exceptional items	1.8	1.0	1.8
Adjusted loss before tax	**(0.1)**	**-**	**14.1**

CCH booked TTV

CCH booked TTV is a non-GAAP measure representing the cumulative total transaction value of sales booked each month before cancellations and adjustments.

* As a principal revenue is recognised on a travelled basis.

CCH booked TTV (£'m)	6 months ended 31 March 2023	6 months ended 31 March 2022	12 months ended 30 September 2022
CCH revenue	**22.6**	**13.2**	**50.5**
Amendments	0.5	1.6	10.2
Booked in previous year and travelled in year*	(14.7)	(7.8)	(13.7)
Bookings made but not yet travelled*	24.5	20.8	8.6
CCH TTV	**32.9**	**27.8**	**55.6**

CCH EBITDA

CCH EBITDA is based on CCH operating loss before depreciation and amortisation.

CCH EBITDA (£'m)	6 months ended 31 March 2023	6 months ended 31 March 2022	12 months ended 30 September 2022
CCH operating loss	**(3.0)**	**(2.4)**	**(1.8)**
Depreciation and amortisation	0.7	0.7	1.4
CCH EBITDA	**(2.3)**	**(1.7)**	**(0.4)**

CCH gross profit after marketing costs

CCH gross profit after marketing cost is gross profit after "CCH" online and offline marketing costs.

CCH gross profit after marketing cost (£'m)	6 months ended 31 March 2023	6 months ended 31 March 2022	12 months ended 30 September 2022
CCH gross profit	**2.4**	**1.2**	**5.8**
CCH marketing	(1.2)	(0.3)	(1.0)
CCH gross profit after marketing costs	**1.2**	**0.9**	**4.8**

CPH gross profit after marketing costs

CPH gross profit after marketing cost is gross profit after "CPH" online and offline marketing costs.

Adjusted CPH gross profit after marketing cost (£'m)	6 months ended 31 March 2023	6 months ended 31 March 2022	12 months ended 30 September 2022
CPH gross profit	**0.9**	**0.7**	**2.0**
Total CPH marketing	(0.5)	(0.4)	(1.0)
Adjusted CPH gross profit after marketing costs	**0.4**	**0.3**	**1.0**

CPH booked TTV

CPH booked TTV is a non-GAAP measure representing the cumulative total transaction value of sales booked each month before cancellations and adjustments.

* Costs relate to the gross costs for bookings made on an agent basis.

CPH booked TTV (£'m)	6 months ended 31 March 2023	6 months ended 31 March 2022	12 months ended 30 September 2022
CPH revenue	**2.5**	**2.7**	**5.8**
Costs* and amendments	10.5	11.0	25.3
CPH booked TTV	**13.0**	**13.7**	**31.1**

CPH EBITDA

CPH EBITDA is based on CPH operating loss before depreciation, amortisation and the impact of exceptional items.
These costs / income are excluded by virtue of their size and in order to reflect management's view of the performance of the Segment.

Adjusted CPH EBITDA (£'m)	6 months ended 31 March 2023	6 months ended 31 March 2022	12 months ended 30 September 2022
CPH operating loss	**(0.4)**	**(0.5)**	**(0.7)**
Depreciation and amortisation	-	0.1	0.2
CPH EBITDA	**(0.4)**	**(0.4)**	**(0.5)**

Exceptional items

Exceptional items in the 6 months ended 31 March 2023 include legal and professional fees Fair value FX losses and restructuring costs.
Exceptional items in the year ended 30 September 2022 relates to the impact of Covid-19 in the year and travel disruption arising following the removal of travel restrictions.
Exceptional items in the period ended 31 March 2022 relate to the impact of Covid-

Exceptional items (£'m)	6 months ended 31 March 2023	6 months ended 31 March 2022	12 months ended 30 September 2022
Fair value FX losses/(gains)	0.7	-	(0.8)
Impact of Covid-19 and travel disruptions	-	-	2.6
Other exceptional costs	1.1	1.0	-
Exceptional items	**1.8**	**1.0**	**1.8**

19.
These costs / income are excluded from various performance measures by virtue of their size and in order to better reflect management's view of the performance of the Group.

Group booked TTV

Group booked TTV is a non-GAAP measure representing the cumulative total transaction value of sales booked each month before cancellations and adjustments.
* Bookings where revenue has been recognised on a travelled basis as a principal.
** Costs relate to the gross costs for bookings made on an agent basis.

Group booked TTV (£'m)	6 months ended 31 March 2023	6 months ended 31 March 2022	12 months ended 30 September 2022
Group revenue	**73.2**	**52.9**	**144.1**
Costs** and amendments	412.0	319.9	717.1
Booked in previous year and travelled in year*	(14.7)	(7.8)	(13.7)
Bookings made but not yet travelled*	24.5	20.8	8.6
Group booked TTV	**495.0**	**385.8**	**856.1**

Gross Profit after Marketing

Group gross profit after marketing cost is gross profit before exceptional items less Group online and offline marketing costs.

Group gross profit after marketing cost (£'m)	6 months ended 31 March 2023	6 months ended 31 March 2022	12 months ended 30 September 2022
Group gross profit	**51.3**	**39.0**	**95.6**
Fair value FX losses/(gains)	0.7	-	(0.8)
Impact of Covid-19 and travel disruptions	-	-	1.3
Group adjusted gross profit	**52.0**	**39.0**	**96.1**
Group online marketing costs	(14.4)	(11.8)	(28.8)
Group offline marketing costs	(13.4)	(8.4)	(12.4)
Total Group marketing	(27.8)	(20.2)	(41.2)
Group gross profit after marketing costs	**24.2**	**18.8**	**54.9**

OTB EBITDA

OTB EBITDA is based on OTB operating (loss)/profit before depreciation, amortisation, impact of exceptional items and the non-cash cost of the share based payment schemes.
Exceptional items in the 6 months ended 31 March 2023 include legal and professional fees Fair value FX losses and restructuring costs.
Exceptional items in the year ended 30 September 2022 relates to the impact of Covid-19 in the year and travel disruption arising following the removal of travel restrictions.
Exceptional items in the period ended 31 March 2022 relate to the impact of Covid-

OTB EBITDA (£'m)	6 months ended 31 March 2023	6 months ended 31 March 2022	12 months ended 30 September 2022
OTB operating (loss)/profit	**(2.8)**	**(3.7)**	**5.2**
Depreciation and amortisation	4.3	2.9	6.7
Amortisation of acquired intangibles	2.3	2.3	4.4
OTB EBITDA after share based payments and exceptional items	**3.8**	**1.5**	**16.3**
Exceptional items	1.8	0.9	1.1
Share based payments	1.3	3.2	4.7

19. These costs / income are excluded by virtue of their size and in order to reflect management's view of the performance of the Segment.

OTB EBITDA	**6.9**	**5.6**	**22.1**

OTB adjusted revenue after marketing costs

OTB adjusted revenue after marketing cost is revenue after "OTB" online and offline marketing costs.

Adjusted OTB revenue after marketing cost (£'m)	**6 months ended 31 March 2023**	**6 months ended 31 March 2022**	**12 months ended 30 September 2022**
OTB revenue	**47.8**	**36.8**	**87.1**
Fair value FX losses/(gains)	0.7	-	(0.8)
Impact of Covid-19 and travel disruptions	-	(0.1)	0.6
Adjusted OTB revenue	**48.5**	**36.7**	**86.9**
OTB online marketing costs	(12.5)	(11.1)	(11.9)
OTB offline marketing costs	(13.4)	(8.3)	(27.0)
Total OTB marketing	(25.9)	(19.4)	(38.9)
Adjusted OTB revenue after marketing costs	**22.6**	**17.3**	**48.0**
Marketing costs as % of adjusted revenue	**53%**	**53%**	**45%**

OTB booked TTV

OTB booked TTV is a non-GAAP measure representing the cumulative total transaction value of sales booked each month before cancellations and adjustments * Costs relate to the gross costs for bookings made on an agent basis

OTB booked TTV (£'m)	**6 months ended 31 March 2023**	**6 months ended 31 March 2022**	**12 months ended 30 September 2022**
OTB revenue	**47.8**	**36.8**	**87.1**
Costs* and amendments	398.0	306.0	675.6
OTB booked TTV	**445.8**	**342.8**	**762.7**

OTB exceptional items

OTB exceptional items in the 6 months ended 31 March 2023 include legal and professional fees, fair value FX losses and restructuring costs.
Exceptional items in the year ended 30 September 2022 relates to the impact of Covid-19 in the year and travel disruption arising following the removal of travel restrictions.
Exceptional items in the period ended 31 March 2022 relate to the impact of Covid-19.
These costs / income are excluded from various performance measures by virtue of their size and in order to better reflect management's view of the performance of the Group.

OTB exceptional items (£'m)	**6 months ended 31 March 2023**	**6 months ended 31 March 2022**	**12 months ended 30 September 2022**
Fair value FX losses/(gains)	0.7	-	(0.8)
Impact of Covid-19 and travel disruptions	-	-	1.9
Other exceptional costs	1.1	0.9	-
OTB exceptional items	**1.8**	**0.9**	**1.1**

OTB adjusted operating profit

Adjusted OTB Operating profit is based on OTB operating (loss)/profit before the impact of exceptional items, amortisation of acquired intangibles and the non-cash cost of the share based payment schemes.
Exceptional items in the 6 months ended 31 March 2023 include legal and professional fees Fair value FX losses and restructuring costs.
Exceptional items in the year ended 30 September 2022 relates to the impact of Covid-19 in the year and travel disruption arising following the removal of travel restrictions.
Exceptional items in the period ended 31 March 2022 relate to the impact of Covid-19.
These costs / income are excluded by virtue of their size and in order to reflect management's view of the performance of the Segment.

Adjusted OTB operating profit (£'m)	**6 months ended 31 March 2023**	**6 months ended 31 March 2022**	**12 months ended 30 September 2022**
OTB operating (loss)/profit	**(2.8)**	**(3.7)**	**5.2**
Exceptional items	1.8	0.9	1.1
Share based payments	1.3	3.2	4.7
Amortisation of acquired intangibles	2.3	2.3	4.4
Adjusted OTB operating Profit	**2.6**	**2.7**	**15.4**

Overheads % revenue

Overheads as a percentage of revenue is based on the OTB adjusted revenue divided by the overheads for OTB. OTB overheads is the administrative expenses excluding the depreciation and amortisation.

Overheads % revenue (£'m)	**6 months ended 31 March 2023**	**6 months ended 31 March 2022**	**12 months ended 30 September 2022**
OTB adjusted revenue	**48.5**	**36.7**	**86.9**
Overheads	(15.7)	(11.7)	(25.9)
Overheads % revenue	**32%**	**32%**	**30%**

Overheads % booked TTV

Overheads as a percentage of TTV is based on the OTB booked TTV divided by the overheads for OTB. OTB overheads is the administrative expenses excluding marketing costs, depreciation and amortisation.

Overheads % revenue (£'m)	**6 months ended 31 March 2023**	**6 months ended 31 March 2022**	**12 months ended 30 September 2022**
OTB booked TTV	**445.8**	**342.8**	**762.7**
Overheads	(15.7)	(11.7)	(25.9)
Overheads % revenue	**4%**	**3%**	**3%**