13 May 2021

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

Interim results for the six months ended 28 February 2021

Ten Lifestyle Group plc (AIM: TENG), a leading technology-enabled global concierge platform for the world's wealthy and mass affluent, announces its unaudited Interim Results for the six months ended 28 February 2021 ("H1 2021", or "the period").

Financial Highlights

- Net Revenue[1] £17.2m, £6.6m down due to the effects of COVID-19 (28% lower than H1 2020: £23.8m, which was the last period before international lock-downs took effect)
    - Corporate revenue of £15.5m (25% lower than H1 2020: £20.5m)
    - Supplier revenue of £0.9m (66% lower than H1 2020: £2.5m)
- Reduced operating expenses of £15.5m (H1 2020: £21.7m), as a result of continued efficiencies as well as participation in government funded COVID-19 initiatives
- Adjusted EBITDA[2] of £1.7m (H1 2020: £2.1m) and improved Adjusted EBITDA margin[3] of 9.8% (H1 2020: 8.7%)
- Loss before tax of £(3.6)m (H1 2020: £(3.3)m)
- Cash and cash equivalents of £9.2m (H1 2020: £9.6m) and £1.0m of long-term debt (USA) (H1 2020: £nil)

Operational Highlights

- Key contract renewals, expansion of certain existing contracts and won new contracts
- Healthy pipeline of potential new contracts in all three global regions
- Continued investment in proprietary digital platforms, communications and technologies, £5.5m (H1 2020: £6.3m)
- Operating efficiency continues to improve largely due to digital transformation, including three quarters of requests now fully or partially automated compared with half of requests in H1 2020
- Digital platform launched with new brands and into new geographic markets
- Record Member satisfaction[4] due to continued improvements to the member proposition

Alex Cheatle, CEO of Ten Lifestyle Group, said;

"Revenue from corporate clients was reduced due to the pandemic but remained at healthy levels because we continued to provide value to members. Supplier revenue, predominantly from travel-related commissions, remained subdued, whilst travel is restricted globally. Despite lower revenues, the growth engine within the Ten model helped us to remain EBITDA profitable, with improved margin, whilst achieving record service levels in the period and continuing the digital transformation of our business.

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[1] Net Revenue excludes the direct cost of sales relating to certain member transactions managed by the Group.
[2] Adjusted EBITDA is operating (loss)/profit before interest, taxation, depreciation, amortisation, share-based payments and exceptional items.
[3] Adjusted EBITDA margin is Adjusted EBITDA as a percentage of Net Revenue.
[4] Ten measures member satisfaction using the Net Promoter Score management tool, which gauges the loyalty of a firm's customer relationships (https://en.wikipedia.org/wiki/Net_Promoter).

Our improving proposition and efficiency, along with our strong pipeline of new contract opportunities and the gradual return of demand for our core services, means we are well positioned to continue our momentum as the impact of the COVID-19 pandemic eases."

Analyst Presentation

An online analyst presentation will be held by video link at 9:00am on 13 May 2021. To attend, please email investorrelations@tengroup.com.

Dial-in details for the presentation are also available:
Dial-in number: +44 208 080 6592
Meeting ID: 874 2243 8399

The Group will also be presenting an Investor Webinar for current and prospective investors at 5:30pm on 17 May 2021. If you would like to attend, please email investorrelations@tengroup.com.

For further information please visit www.tenlifestylegroup.com or call:

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Chief Executive's Review

The severe impact of the COVID pandemic has reduced Net Revenue due to lower revenue from suppliers[5] and demand for Ten's core propositions in the dining, travel and live entertainment categories being severely reduced. However, the growth engine at the heart of Ten's business model has enabled us to continue to make progress towards our strategic aim of becoming the world's most trusted service.

Despite lower revenue, improving efficiencies have led to improved Adjusted EBITDA margin percentage and allowed the business to maintain investment into our digital transformation and deliver improvements to Ten's member proposition; readying Ten for growth once the effects of COVID-19 ease by region.

Strengthened member proposition, satisfaction and engagement

During the period, we strengthened Ten's member proposition with better access and benefits for our members. Examples of this include, we have increased the number of contracted hotels, airlines and retail offers available on the platform.

[5] Ten's revenue from its supplier base, such as hotels, airlines, and event promoters which sometimes pay commission to Ten constituted 12% of Net Revenue for the 2019 financial year (as reported in the 2019 Annual Report and Accounts) and 7% of Net Revenue for the 2020 financial year (as reported in the 2020 Annual Report and Accounts).

In addition, we have developed new services that are attractive to our members. These include high-end home deliveries and virtual events with top chefs, leading authors and well-known personalities. We have also increased the production and range of our in-house content, showcasing the knowledge, access and value of the concierge service to our members in multiple languages. These improvements have helped achieve record levels of member satisfaction in the period, as measured by NPS.

Continued investment in technology
Our investment in the continued digital transformation of the business means that around one fifth of requests were fully automated compared to a modest level in the prior half year. In addition, around three quarters of requests were serviced using full or partial automation, up from around half in the same period last year. The continued digital transformation of the business improves service quality and efficiency.

Improved efficiencies and cost control have allowed us to maintain a healthy cash position and positive EBITDA despite lower revenues and continued discretionary investment in technology.

Our People
Our colleagues have continued to respond very well to the challenges of the pandemic and secure home working has been a success. We continued to develop our talent through our Global Leadership Programme, invested into global Diversity, Equity and Inclusion initiatives and we improved our internal communications. This was reflected in the record scores achieved in the recent annual all employee engagement survey.

Corporate client developments
We enjoy continued support from our corporate clients by delivering valued services to improve their customer acquisition, retention and profitability. We believe we have continued to build competitive advantage, anchored by Ten's market-leading digital platform and technology capabilities, and the improved Return on Investment (ROI) that we believe we deliver for our corporate partners.

Our improved proposition, technology and committed colleagues were key to Ten retaining all of the corporate client contracts that came up for renewal during the period and since the period end. Of our 23 Medium, Large and Extra Large contracts[6], we renewed one Extra Large contract, three Large contracts, two Medium contracts in the period.

Although the wider effects of COVID-19 continue to limit the signing of new contracts, our sales pipeline is robust and we have secured some important new mandates from new and existing corporate clients during the period and since the period end. These include a new Small contract as well as mandates to expand two Extra Large contracts and a Medium contract.

Outlook and Trading since the end of the half year
Request volumes and the resulting Net Revenue since the end of the half year remain below prior year due to the effects of COVID-19 on Ten's core propositions in the dining, travel and live entertainment categories.

Monthly levels of inbound requests, a lead indicator of improving demand, have increased since the end of the half year period, as travel and social restrictions slowly ease in EMEA and North America; where we expect revenue from our long-standing and new corporate client contracts to start to improve. In addition, supplier

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.

revenue continues to demonstrate significant improvement since the end of the half year period, as the impact of the pandemic on international travel in these regions start to ease. The timing of a recovery in Latin America remains uncertain and in APAC the level of international travel is expected to remain low until restrictions are eased.

Further easing of restrictions in all regions is expected to benefit our pipeline of potential new business and also allow us to restart our expansion into new verticals.

We expect ongoing improvements in servicing, content and efficiencies to continue to generate Adjusted EBITDA in line with the Board's expectations. We also expect to retain a healthy cash position, albeit generating a net cash outflow in the second half of the year, whilst we continue to invest in technology to further drive the growth engine.

We believe the improvements made to the member proposition leave Ten well positioned to increase Net Revenue and profitability as the pandemic eases and develop its share of the huge dining, travel and live entertainment markets[7] for our target group of HNW and mass affluent individuals.

Alex Cheatle
Group Chief Executive Officer
12 May 2021

[7] As described on pages 20 & 21 of the 2020 Annual Report and Accounts.

Operating and Financial Review

£m	H1 2021	H1 2020
Revenue	17.5	25.6
Net Revenue	**17.2**	**23.8**
Operating expenses & other income (excluding depreciation, amortisation, share based payments and exceptional items)	(15.5)	(21.7)
Adjusted EBITDA*	**1.7**	**2.1**
Adjusted EBITDA % of Net Revenue	9.8%	8.7%
Depreciation	(1.8)	(2.3)
Amortisation	(1.9)	(1.4)
Share-based payments charge and exceptional items charge	(1.2)	(0.5)
Operating loss before interest and tax	**(3.2)**	**(2.1)**
Net finance expense	(0.4)	(1.2)
Loss before taxation	**(3.6)**	**(3.3)**
Taxation charge	(0.3)	(0.4)
Loss for the period	**(3.9)**	**(3.7)**

Revenue

Revenue for the six months to 28th February 2021 was £17.5m, 32% lower than the six months to 29th February 2020, which was the last period before international lock-downs took effect. Net Revenue which is our key revenue measure was £17.2m, down 28% compared to the prior period and 16% below that generated in the previous 6 months of £20.5m.

This revenue decline reflected the impact of the COVID-19 pandemic.

Development of corporate contracts

Contracts by size	Launched by 28 February 2021	Expected to be launched by 31 August 2021
Extra Large	3	3
Large	5	6
Medium	15	14
Total	**23**	**23**

New business wins of Medium, Large and Extra Large contracts was subdued in the period. Secured a Medium contract in APAC and, as previously reported, the contract loss related to a Large contract which transitioned from a corporate to an affiliate contract model from September 2020.

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

Operating expenses of £15.5m (H1 2020: £21.7m) reduced by £6.2m, as a result of continued operational efficiencies, government funded COVID-19 initiatives in various countries and other cost saving initiatives throughout the period, including several salary sacrifice schemes, to mitigate the impact of COVID-19.

Adjusted EBITDA

Adjusted EBITDA, as reported, takes into account all Group operating costs, other than depreciation of £1.8m (H1 2020: £2.3m), amortisation of £1.9m (H1 2020: £1.4m), share-based payment expenses of £0.8m (H1 2020: £0.5m) and an exceptional charge for the impairment of intangibles of £0.4m (H1 2020: nil). On this basis, Adjusted EBITDA was a profit of £1.7m (H1 2020: £2.1m).

Depreciation has declined by £0.5m, primarily due to a reduction in Right-of-use Asset (lower lease costs). Amortisation increased by £0.5m, reflecting our continued technology investment. Share-based payment expenses increased by £0.3m, due to the salary sacrifice for share options schemes in the period. The exceptional items expense of £0.4m related to a further review of a database previously capitalised that was less likely to generate future economic benefit, due to the effects of the COVID-19 pandemic on this content.

Net Finance Expense fell by £0.8m, due to a reduction in foreign-exchange translation differences in the income statement.

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.

£m	**H1 2021**	**H1 2020**	**% change**
EMEA	8.7	11.9	**(27%)**
Americas	5.0	7.7	**(35%)**
APAC	3.5	4.2	**(17%)**
Total	**17.2**	**23.8**	**(28%)**

After fully allocating our indirect central costs including IT, platform support, non-lease costs and management across the regions, the Adjusted EBITDA profitability of each regional segment is:

£m	**H1 2021**	**H1 2020**
EMEA	3.0	3.9
Americas	(1.7)	(1.5)
APAC	0.4	(0.3)
Total	**1.7**	**2.1**
Adjusted EBITDA % of Net Revenue	**9.8%**	**8.7%**

EMEA

Net Revenue in the region decreased by 27% to £8.7m (H1 2020: £11.9m). The reduction in Net Revenue of £3.2m is primarily driven by base business reduction and low supplier revenue due to reduced demand as a result of the COVID-19 pandemic. In addition, as previously communicated, one Large contract (£0.6m revenue reduction in H1 2021 compared to H1 2020) ended at the start of the year. However, through efficiencies, government funded COVID-19 initiatives and cost savings the EMEA Adjusted EBITDA margin percentage in the period was overall slightly up on the previous period at 34% (H12020: 33%).

AMERICAS

Net Revenue from the region decreased by 35% to £5.0m (H1 2020: £7.7m). The £2.7m reduction in revenue in the region also reflected the impact of COVID-19 with base business activity declining and very low levels of Supplier Revenue due to the travel restrictions. The Adjusted EBITDA loss of £(1.7)m is higher than prior year of £(1.5)m and Adjusted EBITDA margin percentage of (34)% is below prior year of (20)%. Despite reduced profitability, we made the conscious decision to retain key people, despite few government funded COVID-19 initiatives across the region, to be ready when the effects of COVID-19 unwind and activity returns.

APAC

Net Revenue decreased by 17% to £3.5m (H1 2020: £4.2m). The impact of COVID 19 pandemic (on our revenue) in this region appeared to have levelled-off at current levels, however further revenue recovery is dependent on the timing of international travel opening back up again. Through operational efficiencies, some government funded COVID-19 initiatives and tight cost control, the region has moved to an Adjusted EBITDA profit of £0.4m compared to an Adjusted EBITDA loss of £(0.3)m in the prior period.

<u>Cash flow</u>

	H1 2021 £m
Loss before tax	**(3.6)**
Net finance expense	0.2
Movement in working capital	0.9
Non-cash items (share-based payments, depreciation, amortisation charges and exceptional items)	4.9
Pre-tax operating cash in flows	**2.4**
Capital expenditure	-
Investment in intangibles	(2.5)
Taxation	(0.3)
Cash outflow	**(0.4)**
Cash receipts from issue of new shares	0.6
Repayment of leases and net interest	(1.7)
Net Financing activities	**(1.5)**
Foreign currency movements	(0.3)
Reduction in cash	**(1.8)**
Cash and cash equivalents balance	**9.2**

Pre-tax operating cash inflows of £2.4m, reflecting a loss before tax of £3.6m, reduced net working capital of £0.9m, and add back of non-cash items of £4.9m, as highlighted above.

Additionally, as planned, there was £2.5m (H1 2020: £2.7m) of capital investment in the period in both our global content, our internal CRM platform (TenMAID) and the continued development of our digital platform.

Repayment of leases and net interest of £1.7m has resulted in a cash outflow in the period of £1.8m.

Balance sheet

£m	As at 28 February 2021	As at 31 August 2020
Intangible assets	10.7	10.5
Property, plant and equipment	0.8	1.1
Right-of-use Asset	3.9	5.1
Cash	9.2	11.0
Other Current Assets	5.3	7.0
Current Liabilities	(14.1)	(15.8)
Long Term Borrowings	(1.0)	(1.0)
Other non-current Liabilities	(2.2)	(2.7)
Net assets	**12.6**	**15.2**
Share capital/Share premium	29.2	28.6
Reserves	(16.6)	(13.4)
Total equity	**12.6**	**15.2**

Net assets of £12.6m includes cash of £9.2m as at 28th February 2021. Right-of-use Asset reduced as a result of renegotiation, expiry of leases, and new leases taken out on better terms. The Group carries £1.0m in debt from the US government as a Payment Protection Program (PPP) loan. We have submitted a loan forgiveness application in line with US government guidance and we await confirmation if some or all of this loan will be forgiven.

Principle Risks and Uncertainties

The principle risks and uncertainties facing the Group remain broadly consistent with the Principle Risks and Uncertainties reported in Ten's 2020 Annual Report.

Alex Cheatle
Chief Executive Officer
12 May 2021

Alan Donald
Chief Finance Officer
12 May 2021

Consolidated statement of comprehensive income

	Note	6 months to 28 February 2021	6 Months to 29 February 2020
		Unaudited	**Unaudited**
		£'000	**£'000**
Revenue	**2**	17,484	25,570
Cost of sales on principal member transactions		(318)	(1,802)
Net Revenue	**2**	17,166	23,768
Other cost of sales		(328)	(559)
Gross profit		16,838	23,209
Administrative expenses		(20,202)	(25,288)
Other income		150	-
Operating profit/(loss) before amortisation, depreciation, interest, share based payments, exceptional items and taxation ("Adjusted EBITDA")		1,689	2,060
Depreciation		(1,765)	(2,286)
Amortisation	**3**	(1,877)	(1,355)
Share-based payment expense		(816)	(498)
Exceptional items	**3**	(445)	-
Operating loss		(3,214)	(2,079)
Net Finance Expense		(365)	(1,244)
Loss before taxation		**(3,579)**	**(3,323)**
Taxation expense	**4**	(351)	(406)
Loss for the year		**(3,930)**	**(3,729)**
Other comprehensive (expense)/income:			
Foreign currency translation differences		(135)	652
Total comprehensive loss for the year		**(4,065)**	**(3,077)**
Basic and diluted loss per ordinary share	**5**	(4.9)p	(4.6)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 February 2021	31 August 2020
		Unaudited	Audited
		£'000	£'000
Non-current assets			
Intangible assets	**3**	10,736	10,532
Property, plant and equipment		764	1,126
Right of use assets		3,858	5,116
Total non-current assets		**15,358**	**16,774**
Current assets			
Inventories		61	66
Trade and other receivables		5,243	6,941
Cash and cash equivalents		9,172	10,957
Total current assets		**14,476**	**17,964**
Total assets		**29,834**	**34,738**
Current liabilities			
Trade and other payables		(11,134)	(11,906)
Provisions		(578)	(596)
Lease Liabilities		(2,413)	(3,335)
Total current liabilities		**(14,125)**	**(15,837)**
Net current assets		**351**	**2,127**
Non-current liabilities			
Borrowings		(959)	(1,000)
Lease Liabilities		(2,169)	(2,668)
Total non-current liabilities		**(3,128)**	**(3,668)**
Total liabilities		**(17,253)**	**(19,505)**
Net assets		**12,581**	**15,233**
Equity			
Called up share capital		81	81
Share premium account		29,077	28,480
Merger relief reserve		1,993	1,993
Treasury reserve		15	15
Foreign exchange reserve		(540)	(405)
Retained deficit		(18,045)	(14,931)
Total equity		**12,581**	**15,233**

Consolidated statement of changes in equity

	Note	Share capital £'000	Share premium account £'000	Merger relief reserve £'000	Foreign exchange reserve £'000	Treasury reserve £'000	Retained deficit £'000	Total £'000
Balance at 1 September 2019 (Audited)		**81**	**28,480**	**1,993**	**(345)**	**(30)**	**(9,234)**	**20,945**
Period ended 31 August 2020:								
Loss for the year		-	-	-	-	-	(6,896)	(6,896)
Change in accounting policy		-	-	-	-	-	(326)	(326)
Foreign exchange		-	-	-	(60)	-	-	(60)
Total comprehensive loss for the year		-	-	-	(60)	-	(7,222)	(7,282)
Shares sold by Employee Benefit Trust (EBT)		-	-	-	-	45	-	45
Equity-settled share-based payments charge		-	-	-	-	-	1,525	1,525
Balance at 31 August 2020 (Audited)		**81**	**28,480**	**1,993**	**(405)**	**15**	**(14,931)**	**15,233**
Period ended 28 February 2021								
Loss for the year		-	-	-	-	-	(3,930)	(3,930)
Foreign exchange		-	-	-	(135)	-	-	(135)
Total comprehensive loss for the year		-	-	-	(135)	-	(3,930)	(4,065)
Equity-settled share-based payments charge		-	-	-	-	-	816	816
Issue of new share capital		-	597	-	-	-	-	597
Balance at 28 February 2021 (Unaudited)		**81**	**29,077**	**1,993**	**(540)**	**15**	**(18,045)**	**12,581**

Condensed consolidated statement of cash flows

£'000	Note	6 Months to 28 February 2021	6 Months to 29 February 2020
		£'000	**£'000**
Cash flows from operating activities			
Loss for the year, after tax		(3,930)	(3,729)
Adjustments for:			
Taxation expense	**4**	351	406
Finance expense		173	241
Amortisation of intangible assets	**3**	1,877	1,353
Depreciation of property, plant and equipment		376	452
Depreciation of right-of-use asset		1,389	1,834
Equity-settled share based payment expense		816	498
Impairment	**3**	445	-
Movement in working capital:			
Decrease/(Increase) in inventories		5	(47)
Decrease in trade and other receivables		1,698	2,072
(Increase) in trade and other payables		(786)	(219)
Cash generated from operations		**2,414**	**2,861**
Tax paid		(227)	(207)
Net cash generated from operating activities		**2,187**	**2,654**
Cashflows from Investing activities			
Purchase of intangible assets	**3**	(2,525)	(2,749)
Purchase of property, plant and equipment		(49)	(581)
Finance income		-	2
Net cash used by investing activities		**(2,574)**	**(3,328)**
Cash flows from financing activities			
Lease Liability repayments		(1,544)	(1,847)
Interest received/(paid)		-	(3)
Interest paid on lease liabilities		(167)	(237)
Cash receipts from issue of share capital		597	-
Net cash (used) by financing activities		**(1,114)**	**(2,087)**
Foreign currency movements		(284)	-
Net decrease in cash and cash equivalents		(1,785)	(2,761)
Cash and cash equivalents at beginning of period		**10,957**	**12,341**
Cash and cash equivalents at end of period			
Cash at bank and in hand		9,172	9,580
Cash and cash equivalents		**9,172**	**9,580**

Notes to the Interim Financial Information

1. Basis of preparation

These interim consolidated financial statements have been prepared using accounting policies based on applicable law and international accounting standards, in conformity with the requirements of the Companies Act 2006. Furthermore, the financial information has been prepared on the historical cost basis except that financial instruments are stated at the fair value. 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 2020 Annual Report. The financial information for the half years ended 28 February 2021 and 29 February 2020 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 accounting standards in conformity with the requirements of the Companies Act 2006. The comparative financial information for the year ended 31 August 2020 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 2020 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 20120 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 2020 annual financial statements, except for those that relate to new standards and interpretations effective for the first time for periods beginning on (or after) 1 January 2020, and will be adopted in the year ended 31 August 2021 financial statements. There are currently deemed to be no new standards, amendments and interpretations to existing standards, which have been adopted by the Group, that have had a material impact on the financial statements

The Group's financial information has been presented in Pounds sterling (GBP).

Going Concern

The consolidated financial statements have been prepared on a going concern basis.

In carrying out the going concern assessment, the Directors have considered a number of scenarios, taking account of the possible impacts of the continuing impact of the coronavirus pandemic, in relation to revenue forecasts for the next 12 months. A material downside scenario assumes a longer delay in the recovery of both variable corporate and supplier revenues whilst assuming the current agreed contractual minimum revenues will be maintained over the period. In such a scenario, the Group has identified cost reductions which could be implemented, to help mitigate the impact on cash outflows.

In reaching their going concern assessment, the Directors have considered the foreseeable future, a period extending 12 months from the date of approval of this half-yearly financial report. This assessment has included consideration of the forecast performance of the business, as noted above, the cash and financing facilities available to the Group.

In light of all of this analysis, the Directors are satisfied that, even if this downside scenario were to occur, the Group has sufficient cash resources over the period. As such, the consolidated financial statements have been prepared on a going concern basis.

The Board of Directors approved this interim report on 12 May 2021.

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 February 2021 Unaudited £'000	6 months to 29 February 2020 Unaudited £'000
EMEA	8,735	11,908
Americas	4,997	7,674
Asia	3,434	4,186
Net Revenue	**17,166**	**23,768**
Add back: Cost of sales on principal member transactions	318	1,802
Revenue	**17,484**	**25,570**
EMEA	2,956	3,868
Americas	(1,653)	(1,533)
Asia	386	(275)
Adjusted EBITDA	**1,689**	**2,060**
Depreciation	(1,765)	(2,286)
Amortisation	(1,877)	(1,355)
Share-based payment expense	(816)	(498)
Exceptional Items	(445)	-
Operating loss	**(3,214)**	**(2,079)**
Foreign exchange loss	(192)	(1,005)
Other net finance expense/income	(173)	(239)
Loss before taxation	**(3,579)**	**(3,323)**
Taxation charge	(351)	(406)
Loss for the period	**(3,930)**	**(3,729)**

Net Revenue is a non-GAAP Group measure that excludes 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 Group non-GAAP specific measure excluding interest, taxation, depreciation, amortisation, share-based payments and exceptional items, the latter being expenses which are considered to be one-off and non-recurring in nature (where applicable).

Adjusted EBITDA is the main measure of performance used by the Group's Chief Executive Officer, who is considered to be the chief operating decision maker. Adjusted EBITDA is the principal profit measure for a segment.

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

3. Intangible Assets

The Group capitalised £2.5m (H1 2020: £2.7m, FY 2020: £5.3m) of costs representing the development of Ten's global digital platform, TenMAID (Ten's proprietary customer relationship management system) resulting in a net book value of £10.7m (H1 2020: £10.4m, FY 2020: £10.5m) after an amortisation charge of £1.8m (H1 2020: £1.4m, FY 2020: £3.3m) as well as am impairment of £0.4m (H1 2020: Nil, FY 2020: £0.4m).

There is an impairment charge in the year related to specific know-how, enabling more cost-efficient servicing of concierge request. An assessment of the data base capitalised determines that a specific portion of this was less likely to generate future economic benefits due to the impact of COVID-19 pandemic on this data. Such impairment is considered to be a one-off in nature and therefore has been presented as an exceptional item.

Exceptional Items

	2021	**2020**
	£'000	**£'000**
Impairment of intangible asset	(445)	-
	(445)	**-**

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 Group currently forecasts a loss for the financial year ending 31 August 2021 and therefore no charge has been recognised in regard to UK corporation tax in the period.

The income tax expense of £0.4m (H1 2020: £0.4m) included foreign taxes recognised by overseas Group companies on a territory by territory basis using the expected effective tax rate for the full year.

5. Loss Per Share

	6 months to 28 February 2021 Unaudited £'000	**6 months to 29 February 2020 Unaudited £'000**
Loss attributable to equity shareholders of the parent	(3,930)	(3,729)
Weighted average number of ordinary shares in issue (net of treasury)	80,302,498	80,103,503
Basic loss per share (pence)	(4.9)p	(4.6)p

Where the Group has incurred a loss in the six-month period to 28 February 2021, the diluted earnings per share is the same as the basic loss per share as the loss has an anti-dilutive effect.

6. 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.