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

Preliminary results for the year ended 31 August 2024

Ten Lifestyle Group plc (AIM: TENG) the global concierge platform driving customer loyalty for global financial institutions and other premium brands, is pleased to announce its preliminary results for the year ended 31 August 2024.

Financial highlights

- Net Revenue[1] of £62.9m (2023: £63.0m), £64.4m at constant currency
  - corporate revenue[2] of £55.3m (2023: £55.6m)
  - supplier revenue[3] of £7.6m (2023: £7.4m)
- Adjusted EBITDA[4] up £0.8m to £12.8m (2023: £12.0m), £12.6m at constant currency
- Adjusted EBITDA margin[5] increased to 20.3% (2023: 19.1%)
- Second consecutive year of profit before tax of £0.5m (2023: £0.9m)
- Cash and cash equivalents of £9.3m (2023: £8.2m) and net cash of £3.9m (H1 2024: £1.9m; FY 2023: £3.7m)

Operational highlights

- Material Contract[6] developments delivered Net Revenue growth at constant currency in H2 2024
- £12.8m (2023: £13.9m) investment in proprietary digital platforms, communications, and technologies, of which £6.7m (2023: £7.3m) was capitalised
  - launched "Ten Box Office"; a significant milestone in Ten's digital roadmap
  - launched and enhancing generative AI solutions to improve service quality and efficiency
- Number of Active Members[7] maintained; 349k (2023: 353k)
- Maintained a high levels of member satisfaction[8], which drives repeat use and value to Ten's corporate clients
- Remained focused on cost and efficiency gains, supporting EBITDA margin growth

Current Trading and Outlook

We continue to generate revenue by serving existing Active Members and activating "first time users" from our existing Eligible Member base. In addition, we have a healthy pipeline of new partnership opportunities that will further increase our Eligible Member base.

Our corporate clients pay us to improve the engagement and retention of their most valuable customers, which drives their commercial success.

We expect to continue to convert our strong pipeline of contract opportunities with global financial institutions and premium brands, with new contract developments since the start of the financial year expected to deliver revenues from H2 2025. Since the end of the year, we won a multi-year Extra Large contract in the USA with an existing global client, initially worth £5.0m per year in corporate revenue and a Medium contract in AMEA with a new client. We believe our digital platform is highly competitive and was a major reason why we won these contracts.

Since the end of the year, we successfully raised £5.9m through a secondary placing, to support growth from new business as well as to strengthen our balance sheet.

We remain focused on increasing both Net Revenue and Adjusted EBITDA profitability. We plan to maintain investment in our proprietary technology (including AI), communications, and content, which provide competitive advantage. Our technology roadmap is led by our new CTO, Jon Mullen, who brings a deep expertise in developing complex platforms and leveraging AI.

Given our positive trading to date, healthy sales pipeline producing new contract wins and contract developments, strengthened balance sheet, strong service levels, improving profitability, and continued investment to improve our technology and proposition, we are optimistic, even at this early stage of the year, that 2025 will be a year of Net Revenue and profitability growth.

Alex Cheatle, CEO of Ten Lifestyle Group, said:

Alex Cheatle, CEO of Ten Lifestyle Group, said;

"After two years of exceptional growth, Ten has sustained levels of Net Revenue, whilst achieving record Adjusted EBITDA profit. We continue to develop an AI-driven digital platform, a deep competitive moat and a robust sales pipeline for future growth."

1 Net Revenue includes the direct cost of sales relating to certain member transactions managed by the Group.
2 Corporate revenue is Net Revenue from Ten's corporate clients, including service fees, implementation fees, and fees for the customisation of the Ten Digital Platform.
3 Supplier revenue is Net Revenue from Ten's supplier base, such as hotels, airlines, and event promoters which sometimes pay commission to Ten.
4 Adjusted EBITDA is operating profit/(loss) before interest, taxation, amortisation, depreciation, share-based payment expense, and exceptional items.
5 Adjusted EBITDA margin is Adjusted EBITDA as a percentage of Net Revenue.
6 Ten categorises its corporate client contracts based on the annualised value paid, or expected to be paid, by the corporate client for the provision of concierge and related services by Ten as: Small contracts (below £0.25m); Medium contracts (between £0.25m and £2m); Large contracts (between £2m and £5m); and Extra Large contracts (over £5m). This does not include the revenue generated from suppliers through the provision of concierge services. Medium, Large, and Extra Large contracts are collectively Ten's "Material Contracts".
7 Individuals holding an eligible product, employment, account or card with one of Ten's corporate clients are "Eligible Members", with access to Ten's platform, configured under the relevant corporate client's programme, with Eligible Members who have used the platform in the past twelve months becoming "Active Members".
8 Ten measures member satisfaction using the Net Promoter Score (NPS) management tool, which gauges the loyalty of a firm's member relationships (https://en.wikipedia.org/wiki/Net_Promoter).

Analyst Presentation

An online analyst presentation will be held by video link at 9:00am on 13 November 2024.

Investor Webinar

Additionally, an Investor Webinar tailored for current and prospective investors will be presented at 4:30pm on 25 November 2024, providing participants a deeper insight into the Group's results and strategic initiatives and a chance to engage directly with the leadership team.

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

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

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Notes to Editors:

About Ten Lifestyle Group Plc

Ten Lifestyle Group Plc partners with financial institutions and other premium brands to attract and retain wealthy and mass affluent customers.

Millions of members have access to Ten's services across lifestyle, travel, dining and entertainment on behalf of over fifty clients including HSBC, Swisscard and Royal Bank of Canada. Ten's partnerships are based on multi-year contracts generating revenue through platform-as-a-service and technology fees.

Ten's operations are underpinned by an increasingly sophisticated personalisation platform comprising industry-first, proprietary technology, thousands of supplier relationships and 25 years of proprietary expertise delivered from over 20 global offices. Ten was also the first B Corp-certified company on the AIM market, demonstrating its commitment to sustainability, social responsibility and ethical business practices.

Ten is on a mission to become the most trusted service platform in the world.

For further information about Ten Lifestyle Group Plc, please go to: www.tenlifestylegroup.com

Chairman's Statement

Introduction

During my first year as Ten's Chairman, I have been pleased that the step-change in profitability achieved last year was sustained across this year and that Net Revenue remained at historically high levels. The global tailwinds expanding the number and value of the world's affluent individuals underpin our thesis that the "experience economy" will continue to grow. I am confident that the actions we have taken in the year to deliver value to our members, corporate clients, and partners will continue to demonstrate product-market fit, maintain our pre-eminent position versus competitors, and provide a platform for future growth and value realisation.

I am thankful to all my colleagues at Ten who have continued to take every opportunity to delight our members, throughout the year. Ten assists our members to discover, organise, and buy travel, dining, entertainment, events, and luxury retail. We create value by saving our members time and money or providing access to in-demand tickets or bookings more efficiently than they could achieve on their own.

We are proud to be trusted and valued by our clients. Over 85% of our revenues are sourced from globally renowned banks, wealth managers, and credit card organisations. Through serving their customers, our "members", Ten demonstrates a "return on investment" (ROI) to our corporate clients by generating improved customer acquisition, retention, satisfaction, and profitability.

Members, clients, and partners benefit from improved service levels across the Ten Digital Platform, member proposition, and consistently high member Net Promoter Score (NPS) results. Specifically, our continued investment in digitisation, technology, and generative artificial intelligence (AI) drives up service quality and personalisation for members and operational efficiency and insight for our corporate clients and partners.

We are confident that the combination of significant global tailwinds and a relentless focus on value creation for our members and corporate clients, together with Ten's Growth Engine, creates ideal conditions for Ten to scale further.

The Board's focus in 2025 will continue to be on exceptional operational accountability and execution to achieve further digital transformation and efficiencies, demonstrating our value to all stakeholders and enhancing shareholder value and liquidity.

Strategy

Our strategy is to provide preferred, premium access and seamless organisation of the travel, dining, entertainment, and other lifestyle needs of the customers of our corporate clients.

Central to our strategy is the creation of a tailored customer loyalty proposition for corporate clients, driving both new and existing corporates to invest in Ten's increasingly sophisticated personalisation platform. This investment enhances the profitability and loyalty of their most valuable customers and gives us the opportunity to fund our continuous advancements in technology, content, and service quality. This, in turn, fortifies our unique member proposition and propels the Growth Engine at the heart of Ten's business model.

Ten partners with corporate clients, primarily in the financial services sector, and has developed a strong track record of growing the value of these partnerships over time. We also work with premium brands in other sectors seeking to enhance engagement, retention, and acquisition of their high-value customers.

Ten's unique member proposition ensures access to benefits and experiences not generally available to the public. The combined buying power of Ten's membership and operational scale enables members to achieve better outcomes than they could on their own. The member proposition is accessible for online search and booking through Ten's market-leading proprietary lifestyle and travel technology platform - the "Ten Digital Platform" - or by phone, email, live chat, and WhatsApp via our expert Lifestyle Managers.

We have continued to invest into Ten's proprietary customer relationship management platform (TenMAID) and the Ten Digital Platform. This investment, along with 26 years of expertise, enables our Lifestyle Managers to provide members with 24/7 services in 22 languages (2023: 18). Our exceptional service levels are reflected in a consistently high NPS, an indicator of positive member impact for our corporate clients.

Our technology platforms deliver superior corporate client outcomes, which in turn drives revenue from existing corporates by increasing ROI on our client's spend. These platforms also serve as a key differentiator for Ten, giving us a competitive edge when bidding for new contracts.

AI and Environmental, Social and Governance (ESG) considerations have been pivotal in shaping the Board's decision making and strategy and will remain so in the future. AI presents significant opportunities for operational efficiency and member experience.

This year, we launched Experiences x Ten to provide members with access to exclusive client-commissioned events sourced and hosted by Ten and Ten Box Office which gives members exclusive access to premium event tickets and packages on the Ten Digital Platform; a significant milestone in Ten's digital roadmap.

Beyond supporting good governance and global climate change management, ESG offers a substantial opportunity to enhance our differentiation and value proposition to our stakeholders. The continuation of our B Corp status underscores our commitment to this strategy.

The ESG Working Group, established in 2021, remains under my Chairmanship, focusing on assessing material ESG risks and opportunities stemming from our business. Its ongoing efforts aim to deliver on our strategy by developing internal reporting and transparency, instigating behavioural change within the business, and ensuring that we offer our members ESG-friendly choices in their interactions with us.

Board composition and our people

The Group continues to benefit from a founder-led executive management team, showcasing strength in

The Group continues to benefit from a founder-led executive management team, showcasing strength in leadership, innovation, and resilience to develop the business over the long term in all regions.

During the year we welcomed Edward Knapp and Carolyn Jameson as Non-Executive Directors, who bring significant growth, governance, and subject matter expertise to our ranks. I am confident that the Board's composition is well equipped to meet the evolving needs of our business.

Our commitment to developing our people is evident, in part, through the Ten Academy and Ten's Global Leadership Programme - a twelve-month internal development initiative shaping the Group's future leaders on a global scale. An employee culture rooted in Ten's principles of transparency, education, promotion, engagement, our Diversity, Equity, and Inclusion (DEI) Programme, underpinned by our B Corp certification, supports our diverse, global workforce and helps us attract, retain, and develop the best talent.

On behalf of the Board, I would like to thank the entire Ten team for their successes, professionalism, and commitment throughout the year. Their contributions are highly valued, and we take great pride in the teams' dedication to our collective success.

Summary

After two years of exceptional growth, Ten has sustained levels of Net Revenue, whilst achieving record Adjusted EBITDA profit and margin. These results demonstrate the ability of our business model to drive efficiencies whilst delivering value to our corporate clients, as an integral component of their customer engagement strategies.

The expanding "experience economy" coupled with the desire of affluent individuals for convenient, technology-enabled access to travel, dining and lifestyle experiences - something Ten excels in providing - offers our corporate clients a unique opportunity to forge deeper connections with their most valuable customers, indicating a significant potential for market growth. The initiatives we have undertaken this year, along with our plans for 2025, highlight our commitment to capitalising on these global opportunities.

Following the end of the period, Ten secured a significant multi-year Extra Large contract in the USA with an existing global corporate client initially worth c.£5.0m per year in corporate revenue and a Medium contract in AMEA with a new client, both of which are expected to transition from their respective incumbent providers in latter stages of H1 FY 2025. These contract wins underpin our belief in strong revenue and profit growth in the year ahead.

Given the significant volume of service requirements of these contracts from launch, operational and working capital investment will be necessary to support the transition and ongoing service delivery. To meet these short-term working capital needs for the launch of this and other new contract wins, as well as to strengthening our balance sheet, we successfully raised approximately £5.9m through a secondary placing with new and existing shareholders and a retail offer to existing shareholders.

I want to express my gratitude to our shareholders for their support throughout the year and beyond.

Jules Pancholi
Non-Executive Chairman
12 November 2024

Chief Executive's statement

Overview

This year served as a period of consolidation, during which we reinforced Ten's foundations for future growth, continued profitability, and service improvements.

The "Growth Engine" at the heart of our business continues to demonstrate its effectiveness. Following two years of 35% growth, we maintained Net Revenue levels. We also sustained the step-change in profitability achieved in the prior year, whilst continuing to invest into our proprietary technology, including AI, which will drive our future growth and profitability.

By delivering high service levels across our high-touch and digital platforms and continuing to invest in our digitally enabled service platform, we have developed a deep competitive moat and a robust sales pipeline for future growth.

Consolidated Net Revenue and profitability

After two years of 35% growth, we maintained Net Revenue levels at £62.9m (2023: £63.0m), with a slight increase to £64.4m in constant currency.

Our pipeline of new business yielded five new Medium contract wins, including new partnerships with a Private Bank in AMEA, Emirates NBD and the Global Travel Collection.

We also achieved significant contractual developments with existing corporate clients, including a multi-year extension of an existing Large contract on renegotiated terms, with options to expand the scope of current services. However, the same corporate client decided to withdraw concierge services from its customer engagement strategy, leading to the loss of a Large contract in the last quarter of the year.

Since the end of the year, we have secured significant contract expansions and new business wins. We won a multi-year Extra Large contract in the USA with an existing global client, initially worth £5.0m per year in corporate revenue and a Medium contract in AMEA with a new client, both of which are expected to transition from their respective incumbent providers in latter stages of H1 FY 2025. Given that these contracts require us to take over from incumbent high-touch providers, they will have high service requirements from launch. We also secured significant multi-year renewals of two Extra Large contracts with existing global clients, underpinning our revenue outlook.

We sustained the 145% step-change in Adjusted EBITDA profitability achieved in the prior year (2023: £12.0m; 2022: £4.9m), increasing Adjusted EBITDA by 7% to £12.8m. Adjusted EBITDA margin increased to 20.3% (2023: 19.1%), fuelled by enhanced efficiencies, driven by advancements in our technology and growing professionalism of our operational staff. This also resulted in the second consecutive year of profit before tax of £0.5m (2023: £0.9m).

Cash generated from operations in the year increased. The Group ended the year with cash and cash equivalents totalling £9.3m (2023: £8.2m). Net cash continued to improve to £3.9m (H1 2024: £1.9m; FY 2023: £3.7m).

We continue to drive our market-leading digital capability

We invested £12.8m (2023: £13.9m) in technology, communications, and content in the year to develop the quality, operational, and competitive advantages of our digital capability, of which £6.7m (2023: £7.3m) was capitalised. Our focus on market-leading digital capability clearly differentiates us from our competitors and is intended to underpin our long-term "Growth Engine" strategy to become the world's most trusted service.

The investments across the year led to significant advances in our digital roadmap. These advances include improved personalisation and automation, leading to an improved user experience. One of the key developments was the launch of Ten Box Office, our proprietary marketplace technology, which consolidates Ten's ticketing inventory. Clients have responded to this launch by promoting this functionality, stimulating new members to become active, driving our impact and revenues.

Additionally, we have expanded our service delivery channels to include WhatsApp and chat. These platforms now feature semi-automated conversations, which are seamlessly transferred to our Lifestyle Managers once the automated interaction runs its course. These improvements not only reduce the time to serve but also deliver a stronger ROI for our corporate clients' customer loyalty budgets, whilst improving the user/member experience. This unlocks additional budget to utilise Ten's full suite of services and increases the stickiness of our service.

Our early adoption of AI in recent years, and our plans to continue this into the future, underscores our commitment to harnessing its potential to turbo-charge our Growth Engine by using AI to improve operational efficiency and service quality. We are seeing material results in multiple areas of the business, from translations to coding and quality assurance for high touch requests. We continue to develop an AI "co-pilot" for Lifestyle Managers, who make up the largest group of employees, to support more efficient and high-quality service.

Our unique "not available on the internet" assets, such as exclusive tables at top restaurants, tickets for sold-out shows, exclusive events, and value-add benefits at hotels, empowered by our AI technology, delivers value for our members via our digital self-serve and high-touch channels. This advantage sets us apart from mass-market AI interfaces reliant on publicly available assets.

Enhanced member proposition, satisfaction, and engagement

Throughout the year, we have strengthened our core propositions to deliver a more compelling and accessible offering to serve existing members and attract new members.

The attractiveness and accessibility of our member proposition directly correlates with engagement, usage, and advocacy among our members. Member engagement and satisfaction are key to building value for corporate clients, who want to improve the engagement, retention, and acquisition of their most valued customers. This, in turn, justifies increased corporate spending with us and attracts new corporate clients and new supplier partners to work with us.

We are delighted to have maintained another strong year of member satisfaction, consistent with the high levels of the prior year, as measured by NPS.

We believe that our high member satisfaction and strengthened member proposition have played a key role in broadly maintained the number of Active Members using the service. These metrics not only highlight the success of our member-focused initiatives but also serve as compelling evidence of the ROI for corporate clients continuing to invest in our service.

Summary

We believe our competitive moat is deeper than ever, backed by Ten's global reach, market-leading member proposition and leading technology platforms, which delivers a strong ROI for our corporate clients. This has been achieved through our commitment to innovation and continuing to invest in our technology, AI, content and market expertise and better pricing, access, benefits, and integration with our supplier partners, which has enhanced the service to members and corporate clients.

This strategy recognises the importance of innovation in building our market position and improving service levels, whilst continuing to progress from last year's step-change in Adjusted EBITDA profitability at £12.8m (2023: £12.0m) and growing Adjusted EBITDA margin up to 20.3% (2023: 19.1%).

I am proud of how our people across our offices globally continue to professionally deliver and innovate high-quality service to our members, paid for by our corporate clients. I would like to express my thanks also to our outstanding management team, which continues to drive the business successfully towards our mission of becoming the world's most trusted service.

Alex Cheatle
Chief Executive Officer
12 November 2024

Financial Review

Net Revenue was maintained at £62.9m (2023: £63.0m) and up £1.4m (2.2%) at constant currency. Adjusted EBITDA of £12.8m (2023: £12.0m), £12.6m at constant currency, increased by 7% as operational efficiencies delivered an improved Adjusted EBITDA margin of 20.3% (2023: 19.1%).

Summary P&L	**2024**	**2023**
	£m	**£m**
Revenue	67.3	66.7
Corporate revenue	55.3	55.6
Supplier revenue	7.6	7.4
Net Revenue	**62.9**	**63.0**
Operating expenses and other income	(50.1)	(51.0)
Adjusted EBITDA	**12.8**	**12.0**
Adjusted EBITDA %	20.3%	19.1%
Depreciation	(3.3)	(2.9)
Amortisation	(5.8)	(5.3)
Share-based payments	(0.9)	(0.9)
Exceptional items charge	(0.7)	(1.1)
Operating profit before interest and tax	**2.1**	**1.8**
Net finance expense and FX	(1.6)	(0.9)
Profit before taxation	**0.5**	**0.9**
Taxation credit	0.5	3.6
Profit for the period	**1.0**	**4.5**
Net cash	**3.9**	**3.7**

Adjusted EBITDA

Adjusted EBITDA is not a statutory measure, however, the Board believes it is appropriate to include this as an additional metric as it is one of the main measures of performance used by the Board. It reflects the underlying profitability of our business operations, excluding amortisation of investment in platform infrastructures, exceptional charges and share-based payment expenses and related taxes.

Revenue and Net Revenue

Revenue for the twelve months to 31 August 2024 was £67.3m, representing a modest increase from £66.7m in the prior year. Net Revenue remained consistent with the previous year at £62.9m (2023: £63.0m) (£64.4m at constant currency), in line with market expectations. Net Revenue includes the direct cost of sales related to member transactions where Ten acts as the principal service provider, capturing the full scope of member transactions managed by the Group.

Corporate Revenue was stable at £55.3m (2023: £55.6m), with underlying base business relatively flat overall. The loss of a Large contract in the last quarter of the year and FX headwinds were partially offset by new contract wins during the year. These included Medium contracts with key corporate clients, such as a private bank in AMEA and Emirates NBD, which began generating revenue in H2 2024, providing a foundation for growth in the coming year.

Supplier Revenue increased to £7.6m from £7.4m, reflecting a consistent demand for supplier-driven offerings.

The table below provides a four-year history of Net Revenue.

Net Revenue	**2024**	**2023**	**2022**	**2021**
	£m	**£m**	**£m**	**£m**
Corporate revenue	55.3	55.6	41.1	31.9
Supplier revenue	7.6	7.4	5.7	2.8

	62.9	**63.0**	**46.8**	**34.7**

Contract analysis

The following tables set out an analysis of our contracts by size and by region. We have analysed only our Material Contracts. Note, the contract size is 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. This does not include the revenue generated from supplier partners through the provision of these concierge services.

Contract by size	**2024**	2023	change
Extra Large	3	3	-
Large	6	6	-
Medium	20	19	1
	29	**28**	**1**

Contract by region	**2024**	2023	change
Europe	8	10	(2)
Americas	10	11	(1)
AMEA	10	6	4
Global	1	1	-
	29	**28**	**1**

During the year, the Group announced five new Medium contract wins as well as an expansion of an existing contract from a Medium to a Large and an expansion of an existing Large contract. Offsetting this, four Medium contracts did not renew or became Small contracts as well as the loss of a Large contract in the last quarter of the year. Within the regions, AMEA saw the most significant growth, adding two new contracts and growing two more into Material Contracts. Europe saw one Large contract and one Medium contract loss, whilst the Americas saw a net decrease of one Medium contract.

Post balance sheet we have announced a further two contract wins, an Extra Large in the Americas region and one Medium contract in AMEA, as set out in tables below.

Contract by size	**Nov 2024**	**Nov 2023**	**change**
Extra Large	4	3	1
Large	6	6	-
Medium	21	19	2
	31	**28**	3

Contract by region	**Nov 2024**	**Nov 2023**	**change**
Europe	8	10	(2)
Americas	11	11	-
AMEA	11	6	5
Global	1	1	-
	31	**28**	3

Regional analysis

While there is a clear overlap between the geographic locations of our corporate clients and their members' requests, members use our concierge services across all the regions. Net Revenue by region reflects our servicing location, rather than the location of our corporate clients. This allows us to track the efficiency and profitability of our operations around the world and is therefore presented on this basis.

Net Revenue	**2024 £m**	**2023 £m**	**% change**
Europe	26.4	25.9	2%
Americas	25.0	25.8	(3%)
AMEA	11.5	11.3	2%
	62.9	**63.0**	(0%)

Net Revenue in **Europe** saw a modest 2% increase to £26.4m (2023: £25.9m) (£26.5m at constant currency), supported by sustained activity across key corporate contracts. This stability reflects strong member engagement and steady supplier revenue in the region.

Net Revenue in the **Americas** decreased slightly by 3% to £25.0m (2023: £25.8m) (£25.6m at constant currency), primarily due to shifts in contract sizes and member activity normalising after a high-growth period in prior years. Some of the slow-down in growth was due to corporate clients holding back on activity in anticipation of our digital roll out of Ten Box Office and other digital enhancements. Nonetheless, strong member demand and engagement remain across longstanding client relationships in the region.

Net Revenue in **AMEA** increased by 2% to £11.5m (2023: £11.3m) (£12.3m at constant currency). Growth in this region was supported by increased member demand and new business activity, particularly in key Middle Eastern markets, which continue to strengthen the Group's presence and market penetration across the region with the post period end Extra Large contract win expected to drive growth in the region in the coming year.

Operating expenses and other income

Operating expenses and other income totalled £50.1m (2023: £51.0m), reflecting a slight decrease of £0.9m. This was largely driven by efficiency gains across the Group, enabling effective cost management alongside stable revenue levels. Total full-time equivalent (FTE) employees was 1,145 at the year end (2023: 1,238), a reduction of 93 FTEs as the Group continues to invest in technology and infrastructure to optimise service delivery and enhance profitability.

Regional Adjusted EBITDA

The Group's Adjusted EBITDA increased to £12.8m (2023: £12.0m) resulting in an improved Adjusted EBITDA margin of 20.3% (2023:19.1%) reflecting stable revenue and continued focus on operational efficiencies. This figure includes expenses aside from depreciation of £3.3m (2023: £2.9m), amortisation of £5.8m (2023: £5.3m), exceptional items of £0.7m (2023: £1.1m), and share-based payments of £0.9m (2023: £0.9m).

Following the allocation of central costs, including IT infrastructure, software development, property, senior management, and other central expenses, the Adjusted EBITDA by region is presented below:

Adjusted EBITDA	**2024 £m**	**2023 £m**	**Change £m**
Europe	10.4	9.2	1.2
Americas	0.6	1.9	(1.3)
AMEA	1.8	0.9	0.9
Total	**12.8**	**12.0**	**0.8**

Europe

Adjusted EBITDA for Europe increased to £10.4m (2023: £9.2m), growing by £1.2m during the year both at actual and constant currency. This growth was primarily driven by stable revenue performance combined with operational efficiencies, supporting strong regional profitability and continued growth in supplier revenue.

Americas

Adjusted EBITDA in the Americas decreased to £0.6m (2023: £1.9m) (£0.2m at constant currency), reflecting adjustments in contract sizes and cost structures aimed at maintaining long-term profitability whilst in addition investing in resources in advance of future contract launches.

AMEA

AMEA's Adjusted EBITDA increased to £1.8m (2023: £0.9m) (£1.9m at constant currency). with the region benefiting from enhanced member activity and new business activity across key markets as well as continuing operational efficiencies, supporting increased profitability.

Amortisation

Amortisation costs, relating to the internal platform (TenMAID) and the member-facing platforms, were £5.8m (2023: £5.3m), reflecting continued investment in technology to drive improvements in service levels, efficiency, and competitive advantage. The increase from the prior year is attributable in part to the realisation of a full year of amortisation of costs capitalised over the course of the previous financial year.

Net finance expense

Net finance expense in the year was £1.6m (2023: £0.9m); the expense included loan interest of £0.6m (2023: £0.4m), IFRS 16 lease interest expense of £0.4m (2023: £0.2m) as well as foreign exchange losses on the translation of inter-company balances in the year of £0.6m (2023: £0.2m).

Loan interest increased following an increase in total debt to £5.4m (2023: £4.6m). Since year-end, the Group has repaid £1.45m of related party loans using the proceeds from the secondary placing.

The increase in IFRS 16 lease interest is as a result of leases having been renewed, modified or entered into over the course of the year.

Share-based payments

The share-based payments expense in the year was £0.9m (2023: £0.9m). These related to share-based payments expense reflecting share grants made under management incentive plans in the year (see note 29), including the extension of salary sacrifice share options of £0.4m (2023: £0.2m).

Exceptional items expense

The exceptional items expense was £0.7m (2023: £1.1m), The expenses incurred principally related to a specific restructuring programme across the Group. This impacted a number of functions, both service and support functions as we reset our cost base and realigned some management structures to better support the Group going forward.

Profit before tax (PbT)
The Group has a profit before tax for the second consecutive year, achieving a profit before tax of £0.5m (2023: £0.9m). The decrease from the prior year is primarily driven by non-cash items and foreign exchange losses on inter-company balances.

Taxation
The taxation expense for the year was a tax credit of £0.5m (2023: £3.6m). The tax credit for the year was the result of the recognition of deferred tax assets related to historical losses of £1.7m (2023: £5.3m). This was partially offset by tax expense in overseas operations and other deferred tax movements.

Earnings per share (basic, diluted and underlying)
The profit for the year was £1.0m (2023: £4.5m), resulting in a basic profit per share (excluding treasury shares) of 1.2p (2023: 5.4p) and diluted profit per share of 1.1p (2023: 5.2p).

Underlying earnings per share is calculated by adjusting the profit / (loss) attributable to equity shareholders for exceptional items of £0.7m (2023: £1.1m) along with deferred tax arising from the recognition of historical losses of £1.7m (2023: £5.3m), resulting in a basic and diluted underlying EPS of 0.0p (2023: 0.4p).

The Board does not recommend the payment of a dividend.

Group cash flow

Summary Cash Flow

£m	**2024 £m**	**2023 £m**
Profit before tax	**0.5**	**0.9**
Net finance expense	1.5	0.9
Working capital changes	(1.0)	0.4
Non-cash items (share based payments, depreciation and amortisation charges, exceptional items)	10.0	9.3
Operating cash flow	**11.0**	**11.5**
Capital expenditure	(0.3)	(0.5)
Investment in intangibles	(6.7)	(7.3)
Taxation	(1.2)	(0.8)
Cash inflow	**2.8**	**2.9**
Cash flows from financing activities		
Sale of treasury shares	-	0.1
Receipts issue of shares	1.1	0.6
Loan receipts	1.1	1.2
Loan payments	(0.3)	-
Loan receipts - Invoice Discounting Facility	(0.1)	0.1
Repayment of leases and net interest	(3.7)	(3.2)
Net cash used in financing activities	**(1.9)**	**(1.2)**
Foreign currency movements	0.2	(0.1)
Net increase in cash and cash equivalents	**1.1**	**1.6**
Cash and cash equivalents	**9.3**	**8.2**
Net cash	**3.9**	**3.7**

Cash generated from operations was £11.0m (2023: £11.5m). Non-cash items in the year of £10.0m (2023: £9.3m) was substantially made up of depreciation of £3.3m and amortisation charges of £5.8m for the year.

The expenditure that was capitalised on IT equipment and infrastructure, the Ten Digital Platform ,and TenMAID totalled £7.0m (2023: £7.8m) as we continue to invest in our technology.

Net cash used in financing activities is primarily due to IFRS 16 lease payments and interest of £3.7m (2023: £3.2m). This was offset by loan receipts of £1.1m (2023: £1.2m) and receipts from the issuance of equity of £1.1m (2023: £0.6m).

This has led to an overall increase in cash of £1.1m during the year (2023: £1.6m), with net cash at £3.9m (2023: £3.7m).

Group balance sheet

Summary balance sheet	**2024 £'m**	**2023 £'m**
Intangible assets	16.3	15.4
Property, plant and equipment	0.6	0.9
Right-of-use assets	5.5	1.9
Deferred tax assets	5.0	4.3
Cash	9.3	8.2
Other current assets	12.5	12.1
Current lease liabilities	(1.2)	(1.7)
Current liabilities	(19.8)	(20.9)

Current liabilities	(19.8)	(20.9)
Short term borrowings	(4.4)	(1.6)
Non-current lease liabilities	(4.4)	(0.4)
Long-term borrowings	(1.0)	(3.0)
Net assets	**18.4**	**15.2**
Share capital/share premium	32.5	31.4
Reserves	(14.1)	(16.2)
Total equity	**18.4**	**15.2**

Net assets were £18.4m (2023: £15.2m). The growth in the year is driven by increased profitability in addition to the recognition of a deferred tax asset of £0.7m related to historical losses for which the Group expects to be able to utilise against future profits. The Group has also continued to invest in its digital platforms driving the increase in intangible assets. This was offset by increases in borrowing arrangements.

Key Financial Performance Indicators (KFPIs)
Management accounts are prepared on a monthly basis and include KPIs covering revenue, Adjusted EBITDA, cash balances and Material Contracts, and are measured against both the Group's budget and the previous years' actual results. The KFPIs for the year are:

	2024	**2023**	**2022**	**2021**
Net Revenue (£m)	62.9	63.0	46.8	34.7
Corporate (£m)	55.3	55.6	41.1	31.9
Supplier (£m)	7.6	7.4	5.7	2.8
Net Revenue growth %	-0%	35%	35%	-21.6%
Adjusted EBITDA	12.8	12.0	4.9	4.4
Adjusted EBITDA Margin %	20.3%	19.1%	10.4%	12.8%
Net cash (£m)	3.9	3.7	3.2	6.7
Material Contracts	29	28	28	24

Each month the Board assesses the performance of the Group based on these KFPIs, operational performance indicators, including the number of Active Members, sales performance, corporate client development and technology updates. The Group's performance has strengthened since being previously impacted by COVID-19, achieving records across several of its KFPIs.

Going concern
The impact of plausible adverse macroeconomic scenarios on the Group's business still warrants focus and ongoing management. The Group is particularly exposed to the adverse impact on variable revenues from these scenarios as well as the risk of corporate revenue contracts not being renewed.

The Group has set its budget for 2025 and forecast for the following year which includes the recently announced contract wins. We recognise that there are scenarios under which the Group could be impacted by reductions in the number of member engagements and by prospective corporate clients failing to renew contracts. From our budget base case, a stress scenario of 20% reduction in variable revenues was performed as well as a severe downside scenario of 90% reduction in variable revenues. In each of these scenarios, if revenue is not in line with cash flow forecasts, the Directors have identified cost savings associated with the reduction in revenue and can identify further cost savings if necessary.

Since the year end, the completion of the secondary placing of new Ordinary Shares, which raised gross proceeds of £5.9m, provided further liquidity to ensure the Group can meet its obligations as they come due.

The Directors have no reason to believe that corporate revenue and receipts will decline to the point that the Group no longer has sufficient resources to fund its operations. However, in the unlikely event this should occur, the Group will continue to manage its working capital position, as well as making significant reductions in its fixed costs.

Post Year End events
Since the end of the year, the Group has:

- won a significant multi-year Extra Large contract in the USA with an existing global corporate client. Ten will transition service from the incumbent high-touch provider in late H1 FY 2025, with the launch of its digitally enabled concierge platform scheduled for H2 FY 2025

- won a Medium contract in AMEA with a new corporate client, which is expected to transition from the incumbent provider in late H1 FY 2025

- raised gross proceeds of £5.9m through the secondary placing of 9,332,853 new Ordinary Shares at 63 pence per share. The funds raised will support the Group's short-term working capital requirements for the launch of the two contract wins, as well as having repaid £1.45m of related party loans, in addition to strengthening its balance sheet

Alan Donald
Chief Financial Officer
12 November 2024

Consolidated Statement of Comprehensive Income for the year ended 31 August 2024

	Note	2024	2023
		£'000	**£'000**
Revenue	4	**67,264**	**66,656**
Cost of sales on principal member transactions		(4,361)	(3,653)
Net revenue	4	**62,903**	**63,003**
Other cost of sales		(1,957)	(2,032)
Gross profit		**60,946**	**60,971**
Administrative expenses		(59,601)	(60,012)
Other income		731	836
Operating profit before amortisation, depreciation, interest, share-based payments, exceptional items, and taxation ("Adjusted EBITDA")		**12,801**	**12,004**
Depreciation	18 & 19	(3,332)	(2,916)
Amortisation	17	(5,770)	(5,287)
Share-based payment expense	29	(900)	(908)
Exceptional items	5	(723)	(1,098)
Operating profit	6	**2,076**	**1,795**
Net finance expense	13	(1,539)	(871)
Profit before taxation		**537**	**924**
Taxation credit	14	485	3,623
Profit for the year		**1,022**	**4,547**
Other comprehensive income/(expense):			
Foreign currency translation differences		170	(564)
Total comprehensive profit for the year		**1,192**	**3,983**
Basic profit per ordinary share	15	1.2p	5.4p
Diluted profit per ordinary share	15	1.1p	5.2p
Basic underlying profit per ordinary share	15	0.0p	0.4p
Diluted underlying profit per ordinary share	15	0.0p	0.4p

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

Consolidated Statement of Financial Position as at 31 August 2024
Company No: 08259177

	Note	2024	2023
		£'000	**£'000**
Non-current assets			
Intangible assets	17	16,349	15,394
Property, plant, and equipment	18	636	912
Right of use assets	19	5,489	1,911
Deferred tax asset	16	4,957	4,297
Total non-current assets		**27,431**	**22,514**
Current assets			
Inventories		55	511
Trade and other receivables	21	12,408	11,608
Cash and cash equivalents	23	9,267	8,229

Total current assets		**21,730**	**20,348**
Total assets		**49,161**	**42,862**
Current liabilities			
Trade and other payables	**24**	(19,231)	(20,059)
Provisions	**25**	(598)	(931)
Lease liabilities	**27**	(1,236)	(1,738)
Borrowings	**26**	(4,389)	(1,622)
Total current liabilities		**(25,454)**	**(24,350)**
Net current liabilities		**(3,724)**	**(4,002)**
Non-current liabilities			
Borrowings	**26**	(1,011)	(2,950)
Lease liabilities	**27**	(4,360)	(399)
Total non-current liabilities		**(5,371)**	**(3,349)**
Total liabilities		**(30,825)**	**(27,699)**
Net assets		**18,336**	**15,163**
Equity			
Called up share capital	**28**	87	85
Share premium account		32,389	31,272
Merger relief reserve		1,993	1,993
Treasury reserve		606	606
Foreign exchange reserve		(941)	(1,111)
Retained deficit		(15,798)	(17,682)
Total equity		**18,336**	**15,163**

Consolidated Statement of Changes in Equity for the year ended 31 August 2024

	Note	Called up 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 31 August 2022		84	30,658	1,993	(547)	513	(22,858)	9,843
Profit for the year		-	-	-	-	-	4,547	4,547
Foreign exchange		-	-	-	(564)	-	-	(564)
Total comprehensive income for the year		**-**	**-**	**-**	**(564)**	**-**	**4,547**	**3,983**
Employee Benefit Trust (EBT) costs		-	-	-	-	93	-	93
Equity-settled share-based payments charge	**29**	-	-	-	-	-	629	629
Issue of new share capital		1	614	-	-	-	-	615
Balance at 31 August 2023		**85**	**31,272**	**1,993**	**(1,111)**	**606**	**(17,682)**	**15,163**
Profit for the year		-	-	-	-	-	1,022	1,022
Foreign exchange		-	-	-	170	-	-	170
Total comprehensive income for the year		**-**	**-**	**-**	**170**	**-**	**1,022**	**1,192**
Equity-settled share-based payments charge	**29**	-	-	-	-	-	862	862

Issue of new share capital	2	1,117	-	-	-	-	1,119
Balance at 31 August 2024	**87**	**32,389**	**1,993**	**(941)**	**606**	**(15,798)**	**18,336**

Consolidated Statement of Cash Flows for the year ended 31 August 2024

	Note	2024 £'000	2023 £'000
Cash flows from operating activities			
Profit for the year, after tax		1,022	4,547
Adjustments for:			
Taxation credit	14	(485)	(3,623)
Net finance expense	13	1,539	871
Amortisation of intangible assets	17	5,770	5,287
Depreciation of property, plant, and equipment	18	502	511
Depreciation of right-of-use asset	19	2,830	2,405
Equity-settled share-based payment expense	29	862	629
Exceptional Items	5	-	427
Movement in working capital:			
Decrease/(Increase) in inventories		456	(393)
Increase in trade and other receivables		(801)	(1,222)
(Decrease)/Increase in trade and other payables		(631)	2,106
Cash generated from operations		**11,064**	**11,545**
Tax paid		(1,175)	(826)
Net cash from operating activities		**9,889**	**10,719**
Cash flows from investing activities			
Purchase of intangible assets	17	(6,725)	(7,284)
Purchase of property, plant, and equipment	18	(294)	(531)
Finance income	13	6	7
Net cash used by investing activities		**(7,013)**	**(7,808)**
Cash flows from financing activities			
Lease liability repayments	27	(2,801)	(2,538)
Sale of treasury shares		-	102
Net receipts from invoice discounting	26	(109)	122
Interest paid		(577)	(442)
Interest paid on IFRS16 lease liabilities	27	(408)	(216)
Cash receipts from issue of share capital		1,119	615
Loan receipts - loan notes	26	1,075	1,185
Loan payments - loan notes	26	(300)	-
Net cash used by financing activities		**(2,001)**	**(1,172)**
Foreign currency cash and cash equivalents movements		163	(94)
Net increase in cash and cash equivalents		1,038	1,645
Cash and cash equivalents at beginning of period		**8,229**	**6,584**
Cash and cash equivalents at end of period			
Cash at bank and in hand		9,267	8,229
Cash and cash equivalents		**9,267**	**8,229**

1. Basis of preparation

The financial information set out in this document does not constitute the Company's statutory accounts for the years ended 31 August 2024 or 2023. Statutory accounts for the years ended 31 August 2023 and 31 August 2024, which were approved by the Directors on 12 November 2024, have been reported on by the Independent Auditors. The Independent Auditors' Reports on the Annual Report and Financial Statements for each of 2023 and 2024 were unqualified, did not draw attention to any matters by way of emphasis, and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006.

Statutory accounts for the year ended 31 August 2023 have been filed with the Registrar of Companies. The statutory accounts for the year ended 31 August 2024 will be delivered to the Registrar in due course, and are available from the Company's registered office at 9th Floor, Regent's Place, 338 Euston Road, London NW1 3BG and are available from the Company's website: https://www.tenlifestylegroup.com/investors.

The financial information set out in these results has been prepared using the recognition and measurement principles of UK adopted international accounting standards and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS (except as otherwise stated). The accounting policies adopted in these results have been consistently applied to all the years presented and are consistent with the policies used in the preparation of the financial statements for the year ended 31 August 2023. There are 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.

2. Going concern

The consolidated financial statements have been prepared on a going concern basis. The ability of the Company to continue as a going concern is contingent on the ongoing viability of the Group. The Group meets its day-to-day working capital requirements through its cash balances and wider working capital management.

The current economic conditions continue to create uncertainty, particularly over (a) corporate members' engagement; and (b) supplier revenue volumes. The Group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group expects to be able to operate within the level of its current cash resources. Having assessed the principal risks and the other matters discussed in connection with the going concern statement, the Directors considered it appropriate to adopt the going concern basis of accounting in preparing the consolidated financial statements.

From our budget base case, a stress scenario of 20% reduction in variable revenues was performed as well as a severe downside scenario of 90% reduction in variable revenues. In each of these scenarios, if revenue is not in line with cash flow forecasts, the Directors have identified cost savings associated with the reduction in revenue and can identify further cost savings if necessary. Overall, the Directors have prepared cash flow forecasts covering a period of at least twelve months from the date of approval of the financial statements, which foresee that the Group will be able to operate within its existing working capital facilities.

The completion of a secondary placing of new Ordinary Shares after year end raised £5.9m of gross proceeds. This has provided further liquidity to ensure the Group is able to meet its obligations as they come due. The funds raised will support the Group's short-term working capital requirements for the launch of the two aforementioned contract wins, as well as having repaid the related party loans outstanding of £1.45m in addition to strengthening our balance sheet.

Having assessed the principal risks and other matters discussed in connection with the going concern statement, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing the financial statements.

3. Segment reporting

The total revenue for the Group has been derived from its principal activity, the provision of concierge services. This has been disaggregated appropriately into operational segment and geographical location.

The Group has three reportable segments: Europe, Asia-Pacific, the Middle East and Africa (AMEA) and North and South America ("the Americas"). Each segment is a strategic business unit and includes businesses with similar operating characteristics. They are managed separately in similar time zones to reflect the geographical management structure.

	2024 £'000	2023 £'000
Europe	26,379	25,914
Americas	25,006	25,834
AMEA	11,518	11,255
Net Revenue	**62,903**	**63,003**
Add back: cost of sales on principal transactions	4,361	3,653
Revenue	**67,264**	**66,656**
Europe	10,444	9,207
Americas	604	1,943
AMEA	1,753	854
Adjusted EBITDA	**12,801**	**12,004**
Amortisation	(5,770)	(5,287)
Depreciation	(3,332)	(2,916)
Share-based payment expense and national insurance	(900)	(908)
Exceptional items	(723)	(1,098)
Operating profit	**2,076**	**1,795**
Foreign exchange loss	(507)	(220)
Other net finance expense	(1,032)	(651)
Profit before taxation	**537**	**924**
Taxation credit	485	3,623
Profit for the year	**1,022**	**4,547**

Statutory revenue for the Americas and AMEA segments is the same as the Net Revenue amounts disclosed above. Statutory revenue for the Europe segment was £30,740k (2023: £29,567k).

The Group's statutory revenue from external corporate clients is generated from commercial relationships entered into by various Group companies, which, given the global nature of the Group's service delivery model, may not reflect the location where the services are delivered, as reflected in the Net Revenue segmentation noted below.

The Group's statutory revenue is disaggregated into the following revenue streams. In addition, the Group disaggregates revenue into services where the Group is considered agent or principal as below:

Segmental reporting continued

	2024 £'000	2023 £'000
Direct concierge service revenue	52,835	52,257
Offers and benefits revenue	949	1,170
Indirect concierge service revenue	11,982	11,095
Digital platform revenue	1,498	2,134
Gross revenue	**67,264**	**66,656**

	2024 £'000	2023 £'000
Corporate revenue	55,282	55,561
Supplier revenue	11,982	11,095
Total revenue	**67,264**	**66,656**
Supplier revenue (cost of sales on principal member transactions)	(4,361)	(3,653)
Net Revenue	**62,903**	**63,003**

	2024 £'000	2023 £'000
Revenue from services as principal	60,640	61,416
Revenue from services as agent	6,624	5,240
	67,264	**66,656**

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

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

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

Three corporate clients (2023: three) generated more than 10% of total revenue each during the year ended 31 August 2024. The total combined revenue of these corporate clients was £24.8m (2023: £23.9m) and was mainly included in the Europe and Americas segments.

4. Exceptional items

	2024 £'000	2023 £'000
Restructuring costs	723	995
Loss on disposal of subsidiary and restructuring	-	18
Provision for overseas tax authority costs	-	85
	723	**1,098**

The Group recognised an exceptional charge relating to restructuring costs of £723k (2023: £995k). The cost is made up of redundancy costs incurred during the year of £723k.

5. Income tax expense

	2024 £'000	2023 £'000
Current tax		
Foreign taxes related to current year	966	843
Prior year adjustments	(152)	(169)
Deferred tax		
Original and reversal of timing differences	439	1,009
Historical losses recognised	(1,738)	(5,306)
Total tax credit	**(485)**	**(3,623)**

The tax credit for the year can be reconciled to the income statement as follows:

	2024	2023

	£'000	£'000
Profit before taxation	**537**	**924**
Expected tax credit based on a corporation tax rate of 25.0% (2023: 21.5%*)	134	199
Effect of expenses not deductible in determining taxable profit	133	60
Effect of taxes related to previous years	(152)	(169)
Origination and reversal of timing differences	439	1,009
Recognition of historical tax losses	(1,738)	(5,306)
Overseas tax rate differences	699	584
Taxation credit for the year	**(485)**	**(3,623)**

**A blended rate of 21.5% was used in the prior period following the change in the corporation tax rate from 19% to 25% on 1 of April 2023*

6. Earnings per share

Basic earnings per share	**2024 £'000**	**2023 £'000**
Profit attributable to equity shareholders of the parent	1,022	4,547
Weighted average number of ordinary shares in issue (net of treasury)	85,850,877	83,894,193
Basic profit (pence)	1.2p	5.4p

Basic profit per ordinary share

Basic profit per ordinary share is calculated by dividing the net result for the year attributable to shareholders by the weighted number of ordinary shares outstanding during the year (2023: 5.2p).

Diluted earnings per share	**2024 £'000**	**2023 £'000**
Profit attributable to equity shareholders of the parent	1,022	4,547
Weighted average number of ordinary shares in issue (net of treasury)	89,216,913	86,986,163
Diluted profit per share (pence)	1.1p	5.2p

Diluted earnings per ordinary share

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

Underlying earnings per share	**2024 £'000**	**2023 £'000**
Profit attributable to equity shareholders of the parent	1,022	4,547
Excluding exceptional items and taxes		
Exceptional items	723	1,098
Recognition of historical tax losses	(1,738)	(5,306)
Underlying profit attributable to equity shareholders of the parent	7	339
Basic weighted average number of ordinary shares in issue (net of treasury)	85,850,877	83,894,193
Basic underlying profit per share (pence)	0.0p	0.4p
Diluted weighted average number of ordinary shares in issue (net of treasury)	89,216,913	86,986,163
Diluted underlying profit per share (pence)	0.0p	0.4p

Underlying earnings per ordinary share
Underlying earnings per share is calculated by adjusting the profit attributable to equity shareholders for exceptional items (note 5) and associated taxes along with non-underlying tax items such as deferred tax arising from the recognition of historical losses. No changes are made to the weighted average number of ordinary shares.

7. Deferred tax

Deferred Tax	**2024 £'000**	**2023 £'000**
Credited/(Charged) to the statement of comprehensive income		
Historical losses	1,738	4,999
Movement in other temporary differences	(439)	(702)

Deferred tax	**Intangible assets £'000**	**Capital allowances £'000**	**Losses £'000**	**Other temporary differences £'000**	**Total £'000**
Opening balance as at 1 September 2023	**(1,672)**	**715**	**4,999**	**255**	**4,297**
Credited/(Charged) to the statement of comprehensive income					
Movement in deferred tax balances	(458)	9	-	10	(439)
Utilisation of historical losses	-	-	(639)	-	(639)
Recognition of historical losses	-	-	1,738	-	1,738
Closing balance as at 31 August 2024	**(2,130)**	**724**	**6,098**	**265**	**4,957**

As at 31 August 2024, the Group has unused tax losses of £54.8m (2023: £61.1m) that are available for offset against future taxable profits. During the year ended 31 August 2024, a deferred tax asset has been recognised in respect of £24.7m of such losses (2023: £21.0m). Due to uncertainty as to the level and timing of taxable profits in the future, no deferred tax asset has been recognised in respect of the remaining £30.1m (2023: £40.1m). The losses that remain unrecognised are not expected to expire. Further information about the recoverability of the recognised deferred tax asset is contained in the "Critical Accounting Estimates and Judgements" section of these notes.

8. Intangible assets

	Capitalised development costs £'000	**Website £'000**	**Total £'000**
Cost			
At 31 August 2022	**41,484**	**1,909**	**43,393**
Additions	7,284	-	**7,284**
At 31 August 2023	**48,768**	**1,909**	**50,677**
Additions	6,725	-	6,725
At 31 August 2024	**55,493**	**1,909**	**57,402**
Accumulated amortisation			
At 31 August 2022	**28,087**	**1,909**	**29,996**
Charge for the year	5,287	-	5,287
At 31 August 2023	**33,374**	**1,909**	**35,283**
Charge for the year	5,770	-	5,770
At 31 August 2024	**39,144**	**1,909**	**41,053**
Carrying amount			
At 31 August 2023	15,394	-	15,394
At 31 August 2024	**16,349**	**-**	**16,349**

All additions are related to internal expenditure. The useful economic lives of the capitalised development platforms and website are assessed to be between two to five years.

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

looking information.

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