

**27 October 2021**

**On the Beach Group plc**  
("On the Beach", "OTB" or the "Group")

**Full Year Trading Update and Notice of Results**

On the Beach Group plc (LSE: OTB.L), the UK's leading online retailer of beach holidays, today provides an update on trading for the 12 months to 30 September 2021 ("FY21") ahead of announcing its Preliminary Results on 9 December 2021.

Following the Government's announcement in May 2021 on the traffic light system for leisure travel, where most destinations were classified "amber", On the Beach made the decision to extend the Group's off-sale period for holidays from 30 June to 31 August 2021. In addition to the Group's focus on growing its market share in the long term, the Board's decision was based on consumer feedback from both research and search / sales data, showing a market-wide lack of appetite for booking amber destinations, as well as the likely loss of customer goodwill for holidays that might be booked only to be cancelled or re-arranged.

As a result of the above, the Group along with the whole travel industry experienced suppressed trading in H2. The Group has maintained investment in all strategic areas over this period, including technology, brand and supply, to ensure it remains well-placed to take advantage of the market share opportunity when demand for booking holidays returns.

OTB restarted selling holidays to travel from early September 2021, when it became clearer that overall confidence to book a holiday had increased, with OTB research finding 53% of Brits feeling confident about booking a holiday for the remainder of calendar year 2021 (up from 34% in July 2021).

While demand for international leisure travel currently remains below pre-pandemic levels, our specific initiatives, including the "Free Covid Tests" promotion, combined with a further softening of government restrictions, have stimulated bookings in the final weeks of the financial year. The increased awareness of brand and strengthening of trading over this period provides confidence that there is pent up demand for travel, and positions the business well as we enter 2022.

On 30 September 2021, the Group had cash in excess of £55m, excluding customer prepayments of c.£40m which are held in a ring-fenced trust account. The Group has access to a £75m credit facility which is undrawn. The Group continues to refund all customers in cash and in full where their holidays are cancelled.

Given the continued level of short term uncertainty, it would not be appropriate to provide any financial guidance for the 2022 financial year. The Board remains committed to investing for long term market share gains in FY22, ahead of full market recovery.

The Board continues to believe that the strength of OTB's balance sheet and flexible business model means the business is well-positioned to both sustain further significant disruption and to grow market share. OTB continues to appraise UK and international commercial opportunities. The Group will update shareholders further on release of its Preliminary Results.

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

"The strategic initiatives we have taken throughout the year to best navigate the crisis and manage risk while investing in our brand, people and technology, ensure On the Beach is in a strong position

as we head into our typically busiest booking period. Thanks to the continued support from our shareholders and lender, we remain well-funded to successfully and sustainably grow market share.

“I would like to thank the On the Beach team for their support and hard work as we continue to evolve towards a new normal of holidaying. Their creativity and ingenuity, which was the inspiration behind our recently launched “Free Covid Test” offer is a key reason why our customers are building back their confidence and On the Beach continues to thrive.”

**For further information:**

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**About On the Beach**

With over 20% share of online sales in the short haul beach holiday market, we are one of the UK's largest online beach holiday retailers. We have significant opportunities for growth and a long-term mission to become Europe's leading online retailer of beach holidays. By using our innovative technology, low-cost base and strong customer-value proposition to provide a structural challenge to legacy tour operators, we continue our journey to disrupt the online retail of beach holidays. Our model is customer-centric, asset light, profitable and cash generative.

**[www.onthebeachgroupplc.com](http://www.onthebeachgroupplc.com)**

**Cautionary statement**

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