



On the
Beach 

On the Beach Group plc

Annual Report and Accounts

FOR THE YEAR ENDED 30 SEPTEMBER 2025



**TOTAL FINANCIAL
PROTECTION**

**ABTA**
Travel with confidence

ABTA number: P8849

**On the Beach is one of the
UK's largest online package
holiday specialists.**

**PRICE DROPTM
PROTECTION**

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Financial highlights

Group TTV¹

£1,249.0m

2024	£1,124.2m
2023	£983.8m

Adjusted profit before tax²

£35.0m

2024	£29.2m
2023	£24.7m

Cash

£91.7m

2024	£96.2m
2023	£75.8m

Group adjusted revenue²

£121.4m

2024	£114.6m
2023	£106.9m

Adjusted earnings per share²

19.0p

2024	13.1p
2023	12.0p

Trust account

£142.9m

2024	£139.5m
2023	£108.6m

1. Group Total Transaction Value ('TTV') is a non-GAAP measure representing the cumulative total transaction value of sales booked each month before cancellations and adjustments. The prior periods are restated for the effects of discontinued operations.

2. A full reconciliation of all non-GAAP measures to the closest equivalent GAAP measure is included in the glossary. The prior periods are restated for the effects of discontinued operations.



At a glance

Since inception in 2004 we've evolved from offering short haul beach holidays to also offering long haul and premium beach holidays, city breaks and cruises.



We operate in:

157*

Cities

89

Beach destinations

61

Countries



1.7m

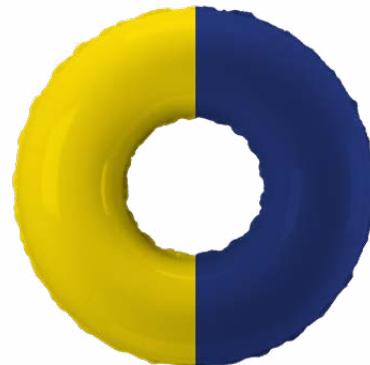
Passengers travelled this year

4.3/5

Trustpilot score

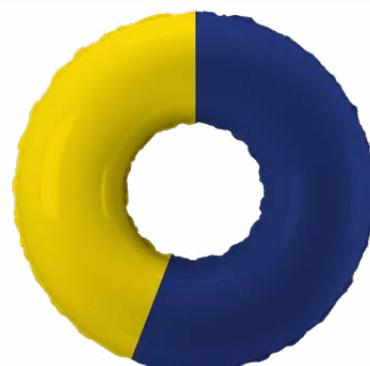
505*

employees in 2025



50%*
of our
Executive team
are female

- Female
- Male



56%*
of the Board
are female

- Female
- Male

7.2

employee engagement
index score



5,765*

sustainable hotels available
on our website

94%

reduction in direct emissions since our
FY23 baseline, significantly ahead of
our 2030 reduction trajectory

Chair's statement

FY25 has been a year of impressive strategic progress, in which we have expanded our reach, enhanced our customer proposition and reinforced the foundations for long-term growth.



Richard Pennycook
Chair of the Board

I am pleased to present the Annual Report and Accounts of On the Beach Group plc for the financial year ended 30 September 2025.

Delivering growth in a challenging environment

FY25 has been a year of impressive progress against our strategy, underpinned by strong delivery from our core B2C business. Despite a cautious consumer backdrop, the Group has once again significantly outperformed the wider package holiday market, demonstrating both the resilience of our model and the continued appeal of our customer proposition.

Financial performance

We have delivered another record year, with Total Transaction Value reaching £1.25bn, an increase of 11% year-on-year, supported by 9% growth in booking volumes. Adjusted profit before tax was £35.0m, and adjusted earnings per share increased by 45% to 19.0p. This performance demonstrates the strength of our model and our ability to generate profitable growth. The CFO report provides further detail on the financial results, on page 24.

Capital allocation and balance sheet strength

The Board remains committed to a disciplined and balanced approach to capital allocation. In March 2025, we completed our first £25m share buyback, and in September 2025 we commenced a further £25m buyback which completed in November 2025 (after the financial year end). Taken together, these two buybacks represent a £50m return of capital (of which £28m was during FY25), reflecting the Board's confidence in the long-term prospects of the business.

In line with our policy of distributing 25% of profit after tax, we also declared an interim dividend of 1.0p per share and are recommending a final dividend of 3.0p per share, bringing total dividends for the year to 4.0p.

In total, the Group will have returned approximately £33m to shareholders in FY25 through dividends and buybacks. These returns demonstrate the Group's strong cash generation and financial discipline.

In September 2025, the Group completed a refinancing of its banking facilities, expanding from a two-bank £85m facility to a three-bank £120m facility with improved terms and an option to extend by a further £30m. This provides the Group with significant additional flexibility to support the delivery of its strategic growth plans and Medium Term Ambition.

Strategic progress

Our strategy to help people holiday better and more often has continued at pace. We have expanded our product offering into 157 cities, more than doubling our addressable market, and established a growing presence in the Republic of Ireland.

£1.25bn

TTV for the full year

11%

increase in TTV on last year



13%

Summer '25 year-on-year volume growth

£50m

returned to shareholders via share buyback between December 2024 and November 2025

After the FY25 year end, we successfully launched our cruise offering, entering a new high-growth segment that represents a significant additional revenue opportunity and further broadens our appeal to existing and new customers. We have further enhanced our technology-led proposition, embedding personalised perks into our app, launching our Price Drop Protection feature, and leveraging AI and faster search technology to deliver a differentiated customer experience.

Discontinued Operations: Classic Collection

As announced on 24 September 2025, the Board took the decision this year to commence an orderly wind down of the B2B business, Classic Collection. This decision allows management to sharpen focus on the higher growth, profitable B2C business, while ensuring that customers and agents are fully supported during the transition.

Following that decision, FY25 includes a £16.0m loss from discontinued operations relating to Classic Collection as we complete the wind-down. This includes exit costs and the write-down of historic goodwill and intangible assets, with c£10m of the charge being non-cash and is reported within discontinued operations to provide a clear view of the ongoing performance of the continuing On the Beach business.

Board and Executive changes

David Kelly stepped down from the Board in January 2025, having served for nine years. We thank him again for his significant contribution. We welcomed Victoria Self to the Board in February 2025. She brings significant digital and customer-facing experience, and following a thorough induction is already strengthening the Board's expertise in these areas.

On our Executive Team, our longstanding Chief Supply Officer, Bill Allen retired in September and we thank him for his service. As part of a wider organisational redesign, responsibility for supply and commercial has now moved under our CFO, Jon Wormald, ensuring the business is best structured to deliver on its strategy.

Shareholder engagement and Remuneration Policy

The Board oversaw important shareholder engagement this year, particularly ahead of our General Meeting in September to approve the new Remuneration Policy and Growth Plan. We greatly value the time and insight of shareholders during that process, and I would like to acknowledge the extensive engagement led by our Remuneration Committee Chair, Rt Hon Justine Greening.

We were pleased to receive strong support at the meeting, with over 80% of votes cast in favour. Full details are set out in the Directors' Remuneration Report on page 94.

People and culture

Our colleagues remain central to everything we do. Our most recent employee engagement survey, returned a score of 7.2, showing continued positive engagement throughout our teams. The feedback provides valuable insight into our culture and the voice of our people to help us keep driving engagement even further. We are grateful for the work of Veronica Sharma, our designated Non-Executive Director for employee engagement, who has helped ensure that Board discussions are firmly rooted in the perspectives of our colleagues.

ESG and community

We have continued to strengthen our sustainability and community initiatives. Our People Team has led impressive outreach programmes with local schools to build a diverse pipeline of future tech talent, and we have achieved material reductions in our Scope 1 & 2 emissions this year, keeping us ahead of the path required to meet our internal reduction target. More detail can be found in the Sustainability section of this report on page 42.

Customer service and satisfaction

Our operational improvements have translated into measurably better customer outcomes this year. We achieved a record Net Promoter Score of 56, representing a 14% year-on-year improvement, while reducing inbound contact volumes by 21% through tech-enabled self-service capabilities.

These results reflect our systematic approach to enhancing the customer experience and demonstrate the operational leverage we continue to see from our business model.

Regulatory environment

We continue to engage with regulators and industry stakeholders on matters of importance to our sector, including long-awaited ATOL reforms and reforms to the Package Travel Regulations. A fair, transparent and well-designed regulatory environment is critical to maintaining consumer protection, supporting a level playing field across the industry, sustaining customer confidence and underpinning long-term economic growth.

In December 2025, the Group also joined ABTA. Membership further strengthens our consumer protection credentials, aligns us with industry best practice, and provides an additional platform through which to engage constructively on key regulatory issues.

Conclusion and outlook

On behalf of the Board, I would like to thank all my colleagues across the business for their dedication and hard work this year, our customers for their continued loyalty, and our shareholders for their support.

The Group has an ambitious Medium Term Ambition of £2.5bn TTV, £100m EBITDA and £85m Adjusted PBT. We believe we have the right strategy to achieve this, led by a strong management team and supported by talented colleagues across the business.

Despite near-term uncertainty in consumer sentiment, the Group is resilient, financially disciplined, and well positioned to deliver long-term value for all stakeholders.



Richard Pennycook

Chair of On the Beach Group plc

1 December 2025



Our strategy for growth

Our mission

To help people holiday better and more often.

Our ambition

To become Europe's largest online package holiday specialist.

Our strategy

How we'll achieve our mission and ambition.

→ See more on page 10

Stickiness

Increase the purchase frequency and repeat rate of active customers

Choice

Increase the share of holiday wallet to attract new and existing customers

Peace of mind

Create hiccup-free holidays to increase NPS and reduce churn

Scale and automation

Increase our addressable market, designing for 10x not +10%



Our stakeholders

Are central to our business, and we seek to align our interests with theirs.

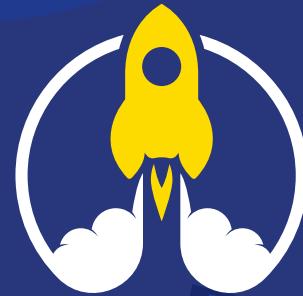
→ See more on page 78

- Customers
- Our People
- Shareholders
- Suppliers and Partners
- Communities and Society
- Government and Regulators

Our values

**Underpin our culture
and how we work.**

→ See more on page 72



We're bold



We're open



We're dynamic

Sustainability

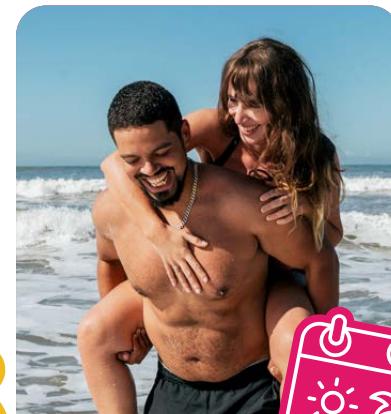
**Our ESG strategy
is embedded
in our mission and
strategic priorities.**

Supporting long-term resilience, responsible supply chain practices and sustainable value creation – while positioning us to lead positive change across the industry.

→ See more on page 28



Here for
people



Here for
holidaymakers



Here for
the planet

Chief Executive Officer review

Our low-cost, asset light and cash generative model provides a structural challenge to tour operators, disrupting the package holiday market.



Overview

A winning business model

On the Beach ('OTB') has a low-cost, asset light, and cash generative business model that provides a structural challenge to tour operators, disrupting the package holiday market. Our proprietary technology, combined with a market-leading proposition, delivers value, choice, peace of mind and financial protection for our customers.

Operating in a large, growing market

Overseas leisure travel spend continues to grow year-on-year, and within that, package holidays continue to grow in popularity. With Summer volumes +13%, we have been growing significantly ahead of the market¹.

Seat and bed supply remain abundant, with over 70m seats from UK departure points to European destinations in Summer '25, including an additional 5% airline capacity to beach leisure destinations and total seat growth of +3% from the UK to all European destinations. This represents significant headroom for OTB to continue to grow into, having taken 1.7m passengers away on holiday during the year.

Another record year

FY25 has been another record year, achieving TTV for the full year of £1.25bn, representing an increase of 11% on last year. We continue to improve operational leverage whilst improving customer metrics. FY25 represents the fourth consecutive year that the Group has increased Revenue, EBITDA and EBITDA as a percentage of Revenue, and this year we achieved significant improvement in customer satisfaction, with an NPS score of 56, +14% year-on-year ('YOY').

We are confident about the future

The Group has delivered transformational progress against its strategic priorities in the current year, which positions us well for another exciting year of growth in FY26 as we build toward our Medium Term Ambition ('MTA') by FY29 (see page 14).

£1.25bn

TTV for the full year

11%

OTB increase in TTV on last year

13%

OTB Summer '25 year-on-year volume growth

3%

Package holiday market growth¹

1. In FY25, ATOL data from the latest CAA renewal cycle in March 2025 reported a 3% YOY increase in total licensed forecast passenger volumes across the market for the next 12 months.

People

Our people remain at the heart of everything we achieve. This year, we've made significant investments in leadership development, launching a bespoke programme that's upgrading capability across our senior team and will cascade to all people managers over the coming year. This focus on developing exceptional leaders creates the foundation for accelerated performance throughout our organisation.

We've continued to evolve our employee benefits and enhanced our pension contributions for the second consecutive year. Our commitment to supporting our people has never been stronger.

The talent and innovation within our teams continues to impress. From the development of our proprietary technology platform, to breakthrough initiatives on the app, our people are pushing boundaries and delivering solutions that transform how we operate and serve customers.

We're particularly proud to be one of only eight UK employers partnering with the CIPD on their national research into AI and the Future of Work. This positions us at the forefront of shaping how AI will be adopted ethically and responsibly across UK workplaces, while building confidence and capability across our teams. Our employee engagement remains strong, with our people continuing to demonstrate the drive, innovation and collaborative spirit that defines our culture and powers our growth.

Market

Favourable trends

Market tailwinds, including rising demand for package travel, support our strategy for growth.

A consumer survey earlier this year indicated that spending on holidays for the next 12 months is the most protected discretionary category for consumers, ahead of health and well-being, home improvement, hobbies, leisure and all other buckets of discretionary spend.

A third of Brits are now taking three or more overseas trips per year. Share of holidaymakers seeking to book an overseas package over a DIY trip has increased from 40% to 59% over the last ten years.

Booking intent currently remains strong amongst younger age groups, particularly 25–34s, where package uptake is highest and has seen consistent year-on-year growth, supporting long-term structural adoption. Recent research indicates that 38% of Gen Z are now more likely to book a package holiday compared to five years ago. Businesses with relevant digital platforms are particularly well-positioned to benefit, as consumers increasingly expect a seamless, tech-driven booking experience.

Sources: OC&C, Redburn, easyJet research.

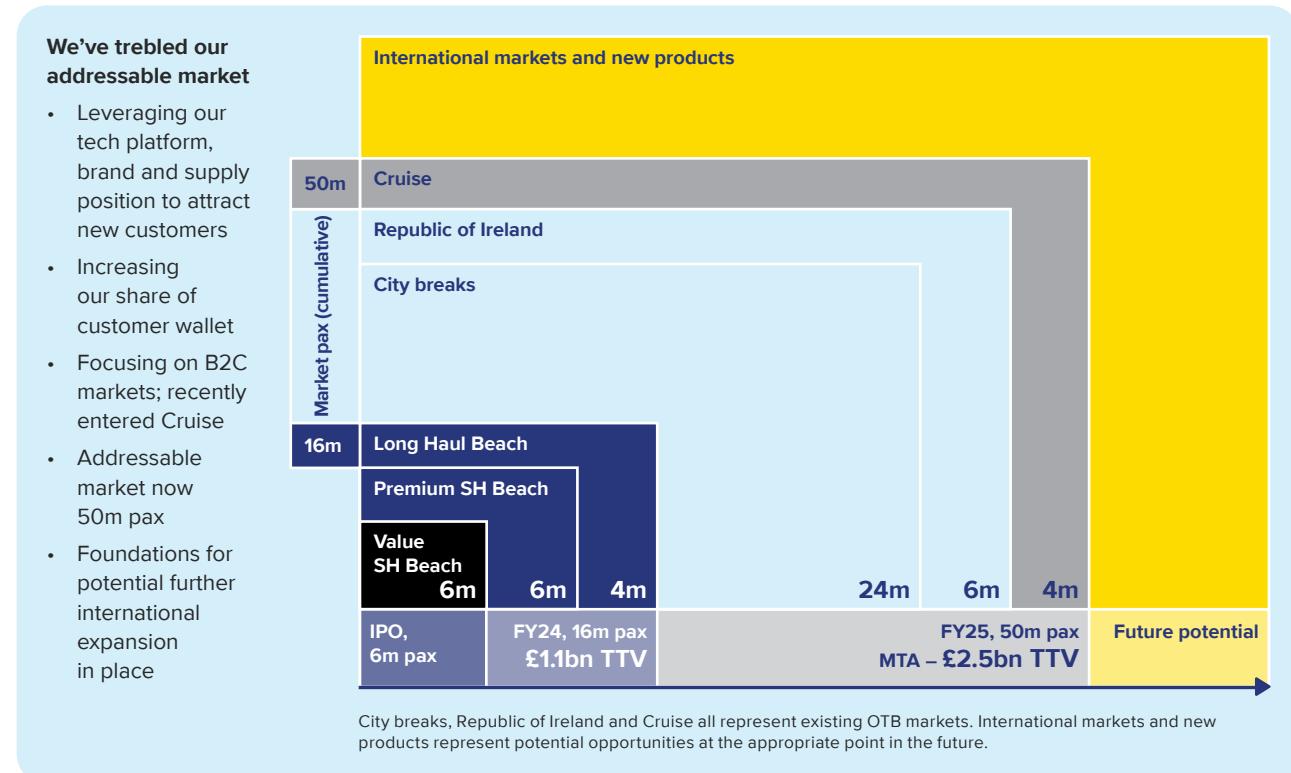
A large addressable market

In the last 12 months, following a re-platforming of the business and a transformational partnership signed with Ryanair, OTB has trebled the size of its addressable market from 16m pax to 50m pax. This unlocks significant potential for medium-term sustainable growth.

In FY25, we made significant progress in our existing Beach market and in two new expansion markets: City breaks and Republic of Ireland.

During the year we also took the decision to strategically focus on our B2C offer, where we see the strongest potential for growth, resulting in the closure of our B2B operations, trading as Classic Collection. I want to take the opportunity to acknowledge the commitment and hard work of all affected colleagues.

In early FY26, in the latest step on our journey, OTB entered the large, high-growth Cruise market.



Chief Executive Officer review continued

Beach

We have continued to grow year-on-year across all our existing B2C Beach markets (Value Short Haul, Premium Short Haul, and Long Haul), with 4 and 5-star holidays now representing over 80% of Group TTV. In FY25, we have grown in all our core beach destinations. Most of our overall TTV growth this year has been driven by our core beach proposition.

City breaks

OTB has attracted existing and new customer demand with entry into City breaks from FY24, enabling capture of a greater share of our customer's holiday wallet. From a low base in Summer '24, City bookings grew 3x YOY, representing 2% of the 11% YOY growth in Group FY25 TTV, supercharged by the significant re-platforming of our technology in Q4 FY24.

Republic of Ireland

In the final quarter of FY24 we began selling holidays departing from the Republic of Ireland, enabling access to a new source market. In FY25 we invested £2m of net spend to establish brand presence and remain on track with our strategic plans as we enter FY26. The market, estimated at 15% of the size of the UK, offers strong growth potential leveraging OTB's existing platform, brand and supply relationships.

Cruise

In early FY26, the Group is also leveraging these strengths including its organic customer acquisition channels to enter and disrupt the UK Cruise holiday market. Cruise is a compelling opportunity to further increase our share of a customer's holiday wallet. We expect to attract both existing and new customers to the brand, with 4m cruise passengers departing from the UK and Ireland each year, representing a further increase of our addressable market. Cruise represents one of the fastest growing segments of travel, with supply underpinned by new ship launches and increased demand from younger demographics.

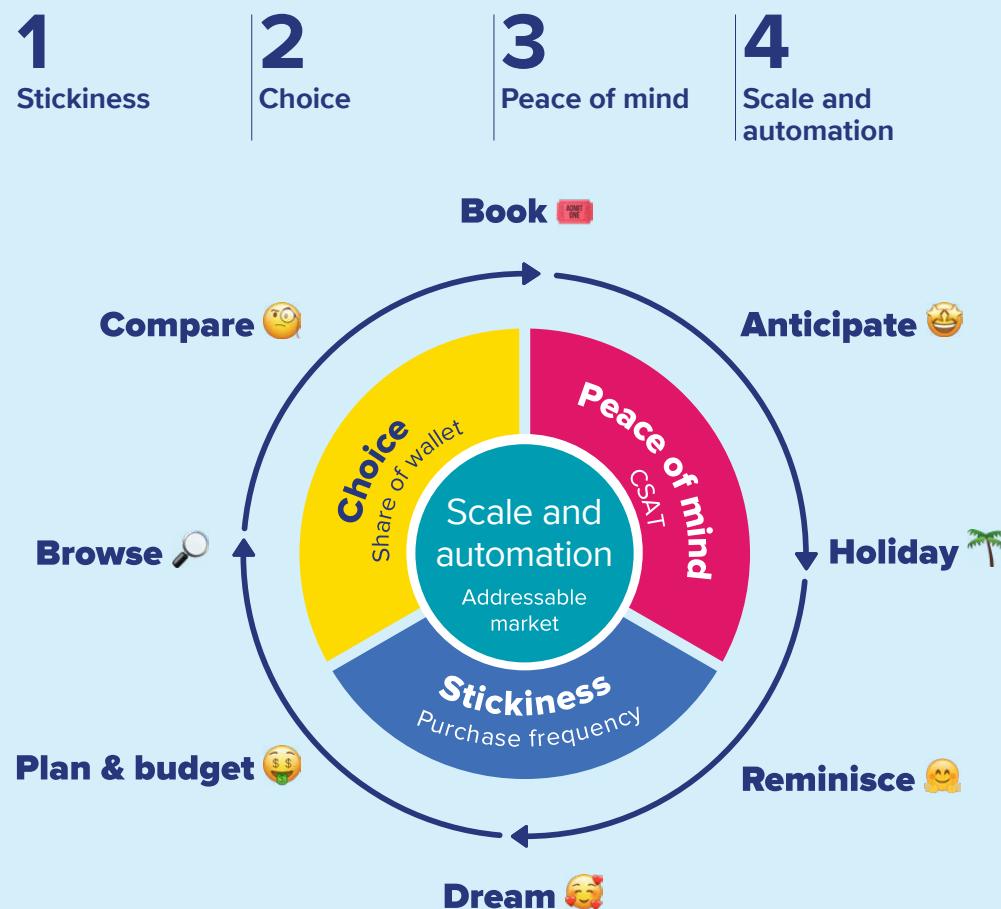
International markets

A strong relationship with Europe's largest airline and a scalable platform supports opportunities to add new source markets and new products when appropriate. Strategic progress in FY25 has created a foundation for further international expansion.

Strategy

We are on a mission to help people holiday better and more often.

Ongoing development to our platform underpins everything we do strategically, enabling growth through delivery of the four pillars of our strategy:



1 Stickiness

Why stickiness?

Consumers are shopping around as much as ever so we are having to reacquire them. By designing for stickiness, there is a significant opportunity to grow volumes and improve operating efficiency.

Major drivers

The app is the vehicle for stickiness. We know that customers who download the app, engage with it and search for a holiday, are more likely to book a holiday with us, are more satisfied and are more likely to repeat. This year we have focused on the app and are experiencing 6x higher search conversion vs web, a 41% higher NPS score and a +47% higher one-year rebook rate.

Increasing retention rates enables reduced and more effective marketing spend.

Significant re-platforming of our technology in FY24 has enabled OTB to transition its strategy from booking-centric to customer-centric, focusing on how we build a relationship with a customer over their lifetime.

By adding customer-centric, app-only features, keeping customers active in the app and reducing travel anxiety through targeted app notifications, we have been increasing app downloads and engagement.

In FY25 we have developed app-centric features making it easier to:

- Access documentation
- Manage your booking and payments
- Access in-resort support

We have also developed customer-centric app-only features in the year, such as:

- Live flights information
- Access to perks and benefits
- Social features like shareable documentation and countdowns

Our ultimate goal is for the app to become a customer's essential booking and travel companion (or a rep in your pocket).

Results to date

The below leading indicators demonstrate our 'Stickiness' progress in the app during FY25, which lay the foundations for continued growth in FY26 and beyond.

Bookings from repeat customers: +18% YoY

	FY25	YoY
App downloads	1m	+28%
App users before departure	80%	+54%
App bookings mix	30%	+42%
App monthly active users	0.6m	+58%

2 Choice

Why choice?

By designing for choice, we are increasing the breadth and depth of our offering, and the holiday wallet that we compete for. By adding more choice to our proposition, there is a significant opportunity to attract new customers to the brand and increase the number of customers booking more than one holiday in any given holiday year.

Major drivers

Over the last 18 months, the significant upgrades to our technology platform have transformed the choice of holiday options available to our customers.

Through our technology, we have been able to solve the complex problem of exponentially increasing holiday combinations on the platform, whilst increasing the speed and discoverability of holiday searches.

We have built an AI-powered platform managing more than 5 billion hotel prices – optimised for best pricing, availability, accuracy and speed. We call this our Hotel Discovery Cache.

Alongside this, we have also built an 'in memory' data store which allows our customers to search our entire inventory of holidays for any given date range – and in under a second. We call this Fast Flexible Search.

Without these developments we would not have been able to scale as quickly or as cost effectively. Also, the high level of accuracy of pricing and availability means that fulfilment of the billions of deals is almost entirely automated.

This is all proprietary technology. Finally, by increasing the number of suppliers per hotel we are achieving better pricing and availability for our customers.

Results to date

We have increased the number of customers booking more than one holiday with us this year by 15% (our 2+ customers). More than a quarter of our bookings this year were made by customers who booked more than one holiday with us throughout the year.

2+ customers: +15% YoY

	FY25	YoY
Destinations on sale	240	2.4x
Cities on sale	157	7.0x
Hotels on sale	24k	2.7x
Airlines on sale	42	1.5x
Combinations		80bn+

Chief Executive Officer review continued

Peace of mind 3

Why peace of mind?

Consumers want both the peace of mind, and the choice, value and flexibility of an online travel agent, so we are designing for peace of mind, for hiccup-free holidays to increase NPS and reduce churn.

Major drivers

By significantly upgrading the platform and entering a commercial agreement with Ryanair in FY24, we have improved the booking experience and peace of mind metrics.

We are continually iterating the app, introducing several new app-only features, and improving flight/in-resort notifications.

We know that customers who don't need to contact us have higher satisfaction levels, so we are enhancing our self-serve technology and operating a digital-first contact model.

Should customers need our help, they can then contact us through Livechat. We use a chatbot to handle as many simple enquiries as possible. We continue to improve this with careful monitoring of customer satisfaction. Customers can request to chat with an advisor in their chat or request a callback.

Results to date

Our strengthening of peace of mind is paying off, and we believe this will be a leading indicator for higher levels of repeat bookings in the future. Our Net Promoter Score, which is an inherently difficult measure to improve, has increased by 14% to 56.

Net Promoter Score 56: +14% YoY

	YoY
Inbounds per customer	(21)%
Net Promoter Score (with contact)	+31%



Scale and automation 4

Why scale and automation?

Our platform developments have accelerated significantly, with a principle that we design for 10x scale rather than +10%.

Major drivers

We have spent 3 years building AI ready tech. Our API-first microservices architecture is enabling direct integration into ChatGPT, Gemini, and emerging AI platforms. We have developed infrastructure that scales, with a cost that does not scale in the same way.

AI automation across the back-office and company-wide is saving thousands of hours per week and enables us to move at pace towards our strategic ambition.

We have achieved company-wide AI adoption with employees using AI assistants daily for individual productivity gains.

Our move into Ireland means we have developed the technology to handle new languages and currencies in weeks, not months, which will enable further international expansion when we are ready.

Results to date

We have automated and optimised hotel content, whilst also making significant improvements to the speed of onboarding new destinations.

We are using AI to automate significant volumes of supply-related tasks – like contract loading and managing operational changes, at 50x the pace. We are using AI to increase the velocity of engineering tasks, and to assist with using new technologies (e.g. our In-Memory cache (FFS) built with significant AI support). As a result, we are now able to store billions of holiday combinations and present the results in seconds.



Brand and tech enable increased differentiation and loyalty

Our brand combined with our technology enable continued differentiation from our competitors. Our perks (e.g. lounge) provide a unique value proposition and a communicable point of difference, helping strengthen our brand, and broaden our appeal to new customers seeking package holidays in our core beach market or expansion areas. Perks are now embedded in the app, which is used to promote our perks and vice versa, supporting further stickiness.

Our perks, combined with the successful partnership with Paddy McGuinness, have enabled us to effectively maintain high levels of spontaneous brand awareness and consideration. In FY25, alongside a significant reduction in marketing spend as a % of revenue, we achieved our highest ever Top 3 Consideration score at 32%.

Looking ahead to FY26, we are seeking to build on the trading momentum at the start of the year by continuing to execute against the four pillars of our strategy.

FY26 key strategic focus areas

Stickiness

Increase App activation and engagement

Increase in year purchase order frequency and 2 year repeat rates

Choice

Significantly grow bookings across all expansion areas

Improve customer search funnel conversion

Peace of mind

Scale and automation

Ready for LLM distribution in an AI first world

Leverage AI powered automation in booking ecosystem and customer change requests

Chief Executive Officer review continued

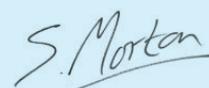


We have announced a stretching Medium Term Ambition.

Medium term outlook

We announced our highly stretching Medium Term Ambition in December 2024: to achieve a Total Transaction Value of £2.5bn, EBITDA of £100m, and Adjusted Profit Before Tax of £85m by FY29 (the 'Medium Term Ambition' or 'MTA'). These goals represent a near tripling of adjusted PBT from FY24 and remain our central strategic focus through to FY29.

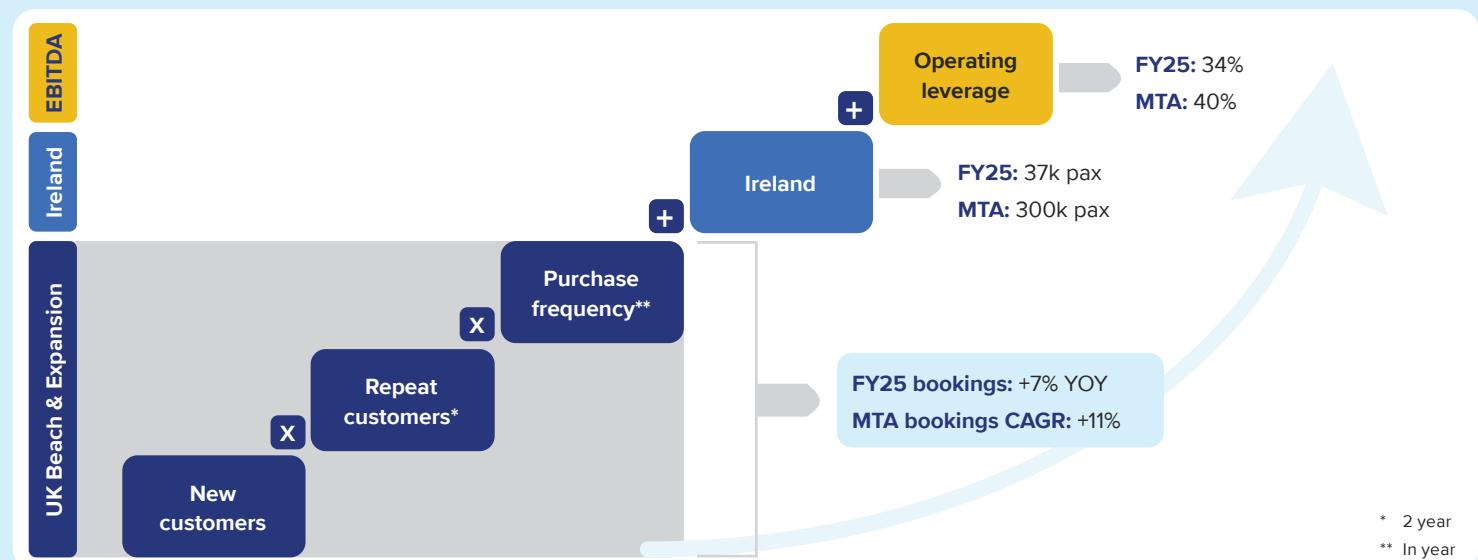
Our strategic pillars – stickiness, choice, peace of mind and scale and automation – are integral to achieving OTB's MTA. We are annually targeting five KPIs to deliver the MTA: new customers, repeat customers, in year purchase frequency, customers departing from the Republic of Ireland, and Group EBITDA margin. We are measuring the success of our strategy by our progress against these KPIs.



Shaun Morton
Chief Executive Officer

1 December 2025

Medium Term Ambition driven by 5 KPIs



Medium Term Ambition

Group TTV

£2.5bn

Group EBITDA

£100m

Group PBT

£85m

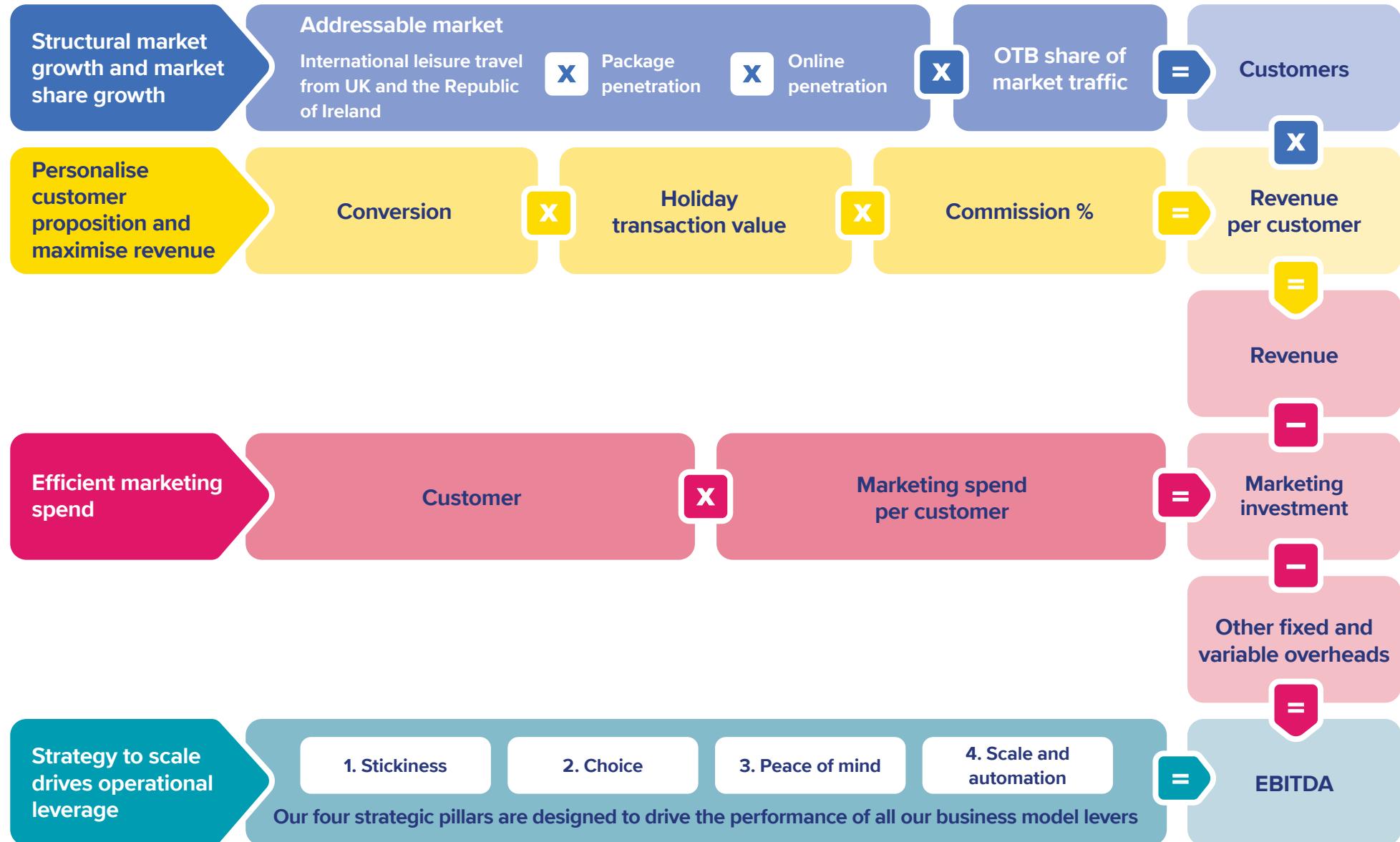
Adjusted basic EPS

38.7p



Business model

Profitable and cash generative business model



Proprietary, scalable end-to-end technology platform



Search and booking functionality

- The core platform **dynamically packages** flights and hotels from a wide range of supply partners **in real time**, delivering custom-built holidays
- Smart caching technology** rolled out in FY24 enables rapid retrieval of **billions of holiday combinations**, significantly improving site performance and booking conversion
- Our Fast Flexible Search now allows customers to search our entire inventory of holidays for any date range in under a second



Pricing and inventory management

- Live pricing architecture** supports dynamic updates of flight and hotel costs, ensuring customers receive accurate pricing and availability at the point of booking
- Our AI powered Hotel Discovery Cache manages more than 5 billion hotel prices
- Our Ryanair integration allows direct seat access and automated fulfilment, reducing manual intervention, supporting a reduction in inbound contacts



Mobile and app infrastructure

- Native iOS and Android apps were fully re-platformed in FY24, improving speed, stability and unlocking native functionality (e.g. push notifications, biometric login)
- The app **supports the full booking flow as well as post-booking** customer service, with over 0.6m monthly active users and 30% of bookings made via the app



Customer service and automation

- Platform includes an **AI-powered chatbot**, automated interactive voice response ('IVR') and **self-serve options for payments, changes and cancellations**
- These tools significantly reduce the volume of manual service contacts and increase customer satisfaction, contributing to our 14% increase in NPS to 56 this year



Content management and hotel onboarding

- AI tools now support content generation for hotel pages, deduplication of rooms offered through various bed banks, and quality control, reducing onboarding time by 99%
- Automated processes **enable scalable inventory growth**, with hotel supply increasing from 7k in FY19 to 24k in FY25



Operational efficiency and cost control

- Internal tech and product teams are **now focused on growth and innovation** following the resolution of legacy integration issues with Ryanair
- Platform investments are **delivering measurable productivity gains** across technology, marketing, operations and customer service

Chief Marketing Officer report

I'm delighted that our continued customer focus, across service teams and beyond, has resulted in 80% of customers rating us 8 or above on their likelihood to recommend On the Beach to friends or family.



Zoe Harris
Chief Marketing Officer

Customer report

This year has seen incredible progress from our customer and marketing teams as we continue to differentiate our proposition and improve delivery for holidaymakers.

The creation of a dedicated customer experience team, supported by automation, has enabled us to raise satisfaction while also reducing customer inbounds and the cost to serve. This balance is something we are particularly proud of – holidaymakers enjoy a more seamless service while the business runs more efficiently.

Listening and responding

In January, we launched **Price Drop Protection** in response to concerns that January was no longer the best month to book. With On the Beach, travellers no longer have to take a chance – if the price of their holiday falls before 60 days of departure, they can claim a credit for the difference.

This was the latest addition to our family of perks, all designed to provide peace of mind. A record number of people were eligible this year, whether through Price Drop Protection, Free Lounge Access or Airport Fast Track. With perks now integrated into our app, it has never been easier to view, access and use them. This app engagement drives the customer stickiness that underpins our strategy, as app users show significantly higher rebooking rates.

Campaigns that cut through

Our advertising continues to perform strongly. It remains the top-performing radio creative in the pool monitored by the commercial radio industry body and delivers excellent results on brand trackers. This reflects a consistent, distinctive approach: believing that ads wear in, not out; making the most of our brand assets across channels; and steering clear of the stereotypes common in travel advertising. The result is a campaign that stands apart and builds recognition in a way that resonates with holidaymakers.

Making it easier to find us

We have also made it simpler for new customers to choose On the Beach, as improved search visibility and stronger positioning as trusted holiday experts have brought more visitors to our site. We are increasingly the go-to travel brand for media, with more than **700 pieces of national coverage** this year.

Influencer partnerships are showcasing our holidays to new audiences, while smarter use of data has reduced the need to spend heavily on reacquiring existing customers. Many rebook with us naturally, freeing up investment to reach people seeking flexibility, choice and reassurance.

over 1.7m

people holidayed with us this year

+56%

uplift in NPS: perk + app users

£924,000

customer credits from Price Drop Protection



Growing the brand

Awareness and affection for the brand continue to grow, allowing us to stretch beyond short haul beach holidays. This year, thousands booked city breaks with us, and in November, we launched Cruise, demonstrating our commitment to address more of our customers' holiday needs.

We also launched in Ireland, where awareness has doubled in under a year. It is encouraging to see that the same brand proposition and campaign that work so well in the UK also resonate in the Republic of Ireland.

Going the extra mile

We introduced a campaign this year to help customers avoid costs from airport drop-off charges. With 35% admitting to being caught out, we began sending text reminders to help them steer clear of fines. It is a small initiative, but one that reflects our determination to support holidaymakers at every stage of their journey.



Powered by our people

I am incredibly proud of the passion and commitment shown by the whole team. From service colleagues through to Finance, Technology & Product, Legal and beyond, every part of the business contributes to ensuring holidaymakers have the best possible experience. The determination to do whatever it takes is what makes these results possible.

Looking ahead

As we look to the year ahead, our focus is clear: to keep putting customers first, to continue investing in our proposition, and together to help more people holiday better.


Zoe Harris

Chief Marketing Officer
1 December 2025

Listening and responding

PRICE DROP PROTECTION

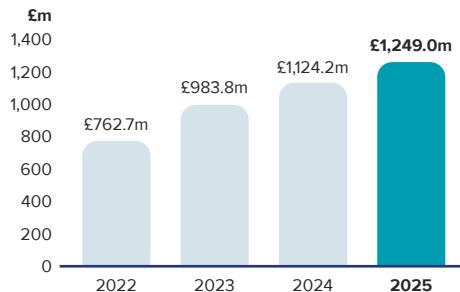
Travellers no longer have to take a chance. If the price of their holiday falls after booking and before 60 days of departure, they can claim a credit for the difference.



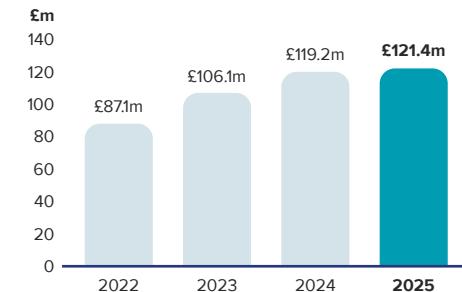
Key performance indicators

Financial

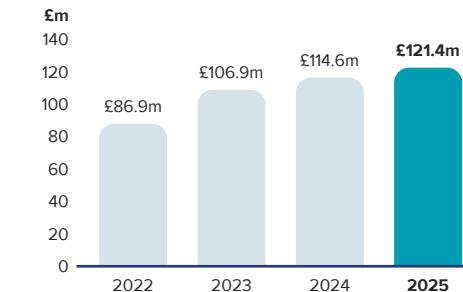
TTV¹ (£m)



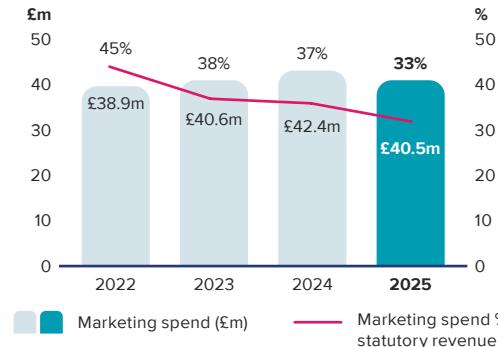
Statutory revenue³ (£m)



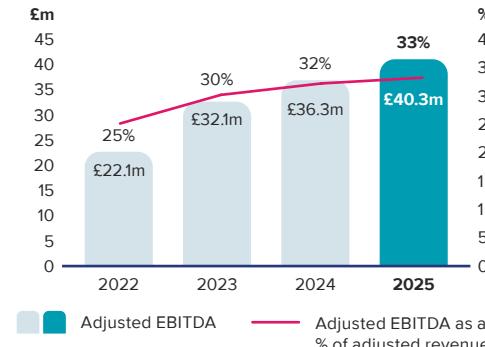
Adjusted revenue² (£m)



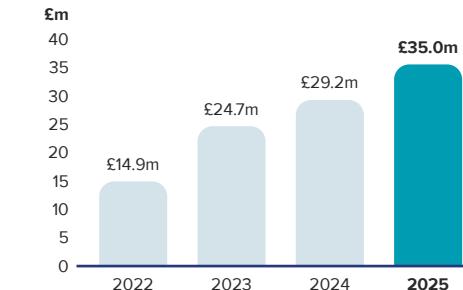
Marketing spend (£m) as a % adjusted revenue²



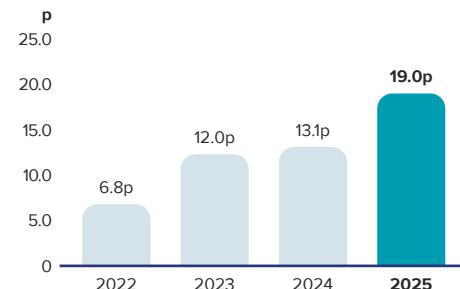
Adjusted EBITDA (£m) as a % adjusted revenue²



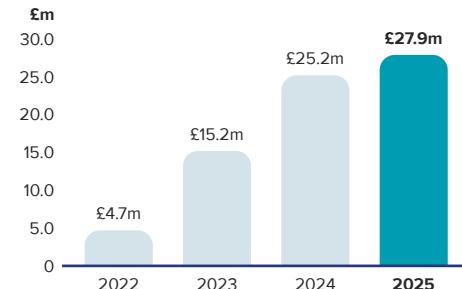
Adjusted profit before tax² (£m)



Adjusted basic earnings per share² (p)



Profit before tax³ (£m)

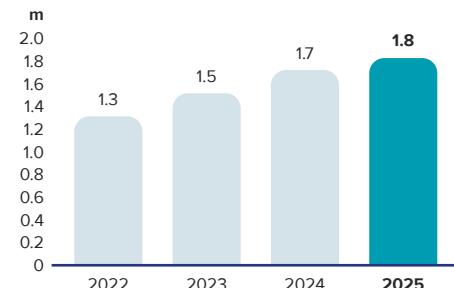


1. Group Total Transaction Value ('TTV') is a non-GAAP measure representing the cumulative total transaction value of sales booked each month before cancellations and adjustments. The prior periods are restated for the effects of discontinued operations.

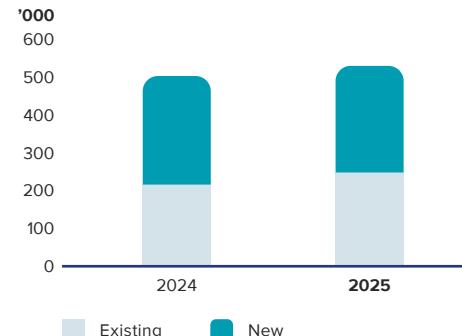
2. A full reconciliation of all non-GAAP measures to the closest equivalent GAAP measure is included in the glossary. The prior periods are restated for the effects of discontinued operations.

3. The prior periods are restated for the effects of discontinued operations.

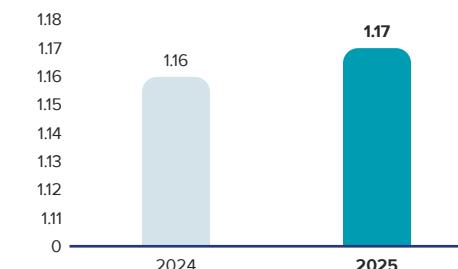
Passenger numbers (booked)¹



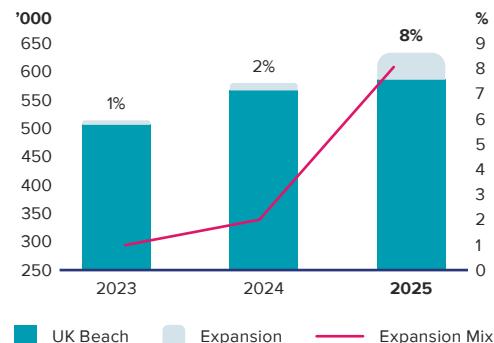
Number of customers (UK)²



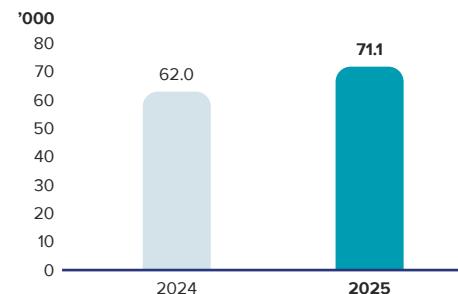
Average order frequency ('AOF')³



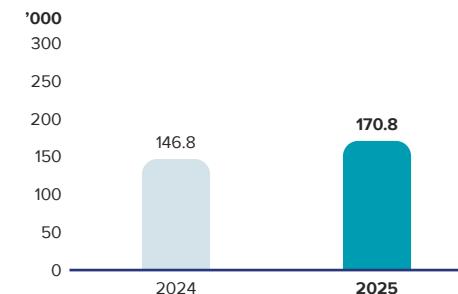
Bookings share⁴



Customers 2+ bookings in year⁵



Repeat customers⁶



1. Passenger number is defined as the number of passengers booked in the year. The prior periods are restated to exclude the effects of discontinued operations.
2. Existing customer is defined as customers who have previously booked with OTB prior to the year. New customer the first booking within the year.
3. Average order frequency ('AOF') is defined as the average number of bookings per customer in the year.

4. Bookings share is defined as the number of bookings, booked in the year. Expansion areas inclusive of Republic of Ireland and Cities.
5. Customers 2+ is defined as the number of customers who have booked more than one holiday in the year.
6. Repeat customer is defined as the number of customers who have booked in the year and also booked within the prior 2 years.

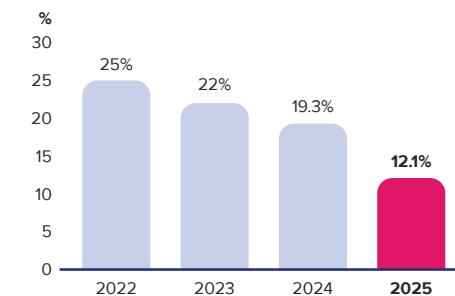


Key performance indicators continued

Non-financial

Each of our non-financial KPIs is mapped to the four strategic priorities that underpin our growth strategy – choice, stickiness, peace of mind and scale and automation.

Voluntary employee turnover (%)



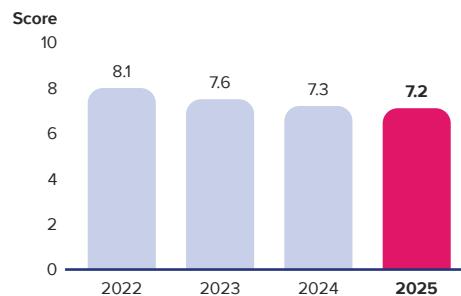
Description

Voluntary turnover tracks the number of employees who have left of their own volition and provides a measure of our ability to retain employees.

Performance

Voluntary turnover has reduced for the fourth consecutive year to 12.1%, reflecting improved retention as we strengthen our organisational capabilities and embed higher performance expectations. This continued improvement provides an important counterbalance to the engagement trend, indicating that colleagues remain committed and are choosing to stay with us through a period of significant strategic change.

Employee engagement (Score out of 10)



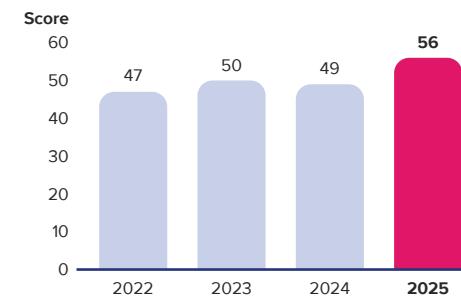
Description

Overall employee engagement score from the employee engagement survey (administered by Hive, a third party).

Performance

We achieved an engagement score of 7.2. While this is a modest reduction year-on-year, it reflects the scale of organisational and strategic change undertaken to support a higher-performance culture. Engagement remains strong overall, and when viewed alongside a material improvement in voluntary turnover, the results suggest a stable and resilient workforce that is aligned behind our strategy.

Net Promoter Score



Description

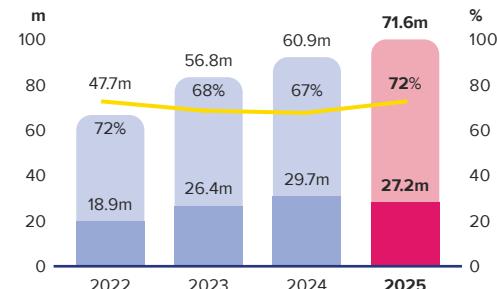
Index that measures willingness of customers to recommend the Company's services to others. It gauges a customer's overall satisfaction and provides us with insight into our customers' views.

Performance

Our investment in technology and skilled teams is shown in impressive customer satisfaction results with a Net Promoter Score high score of 56.



Brand traffic share (millions)



Description

Data shows the percentage share of sessions that have come from brand and non-brand channels.

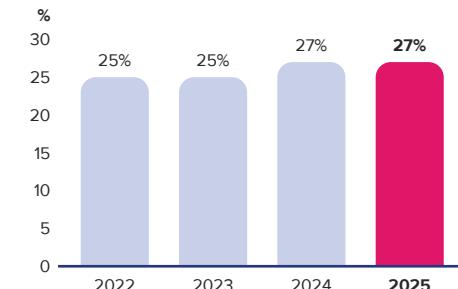
Performance

Another record year of sessions (98.8m) to www.onthebeach.co.uk driven by growth in brand sessions. Brand traffic share at 72%, the increase reflecting the efficiencies in non-brand sessions.

  Non-brand sessions   Brand sessions

 Brand share

Spontaneous brand awareness



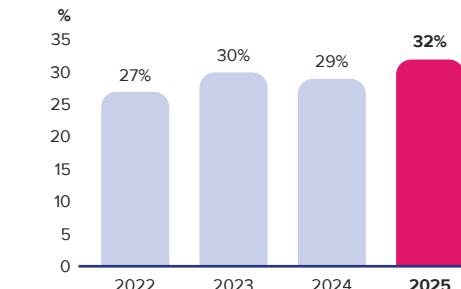
Description

Chart shows the % of people who name On the Beach, without a list or prompt, when asked to think of a beach holiday company.

Performance

Spontaneous awareness remains at our highest level as media optimisation and consistency continues to pay off.

Brand consideration – Top 3 choice



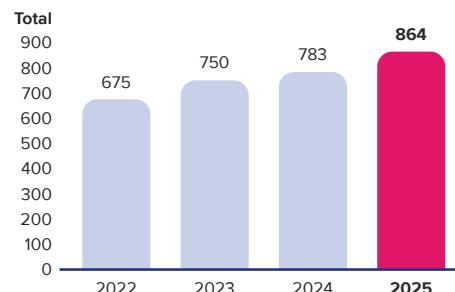
Description

Chart shows the % of people who consider On the Beach as one of their top three choices when booking a package holiday. This is directly linked to purchase intent.

Performance

Our highest ever Top 3 consideration despite no increase in investment, driven by improved effectiveness from imaginative repetition of our campaign assets used to communicate our unique perks proposition.

Key brand metrics – multiplied



Description

This metric combines our top two brand indicators by multiplying Spontaneous Awareness with Brand Consideration (Top 3 choice), providing a single measure of brand strength.

Performance

This year saw our highest ever performance across spontaneous brand awareness and Top 3 consideration combined, despite no increase in investment, driven by improved effectiveness from imaginative repetition of our campaign assets used to communicate our unique perks proposition.

Chief Financial Officer report

Booked TTV has increased by 11% with growth across 3*, 4* and 5* bookings as the brand continues to resonate across a diverse customer base.



The Group's financial performance for the year ended 30 September 2025 ('FY25') is reported in accordance with UK adopted international accounting standards and applicable law.

Following the discontinuation of activities in relation to B2B (Classic Collection) during the year, the Group now operates with a single segment with all revenue accounted for on a booked rather than travelled basis as it is not the primary party responsible for providing the components that make up the customers' bookings. Prior periods have been restated accordingly.

Financial performance

	2025		2024	
	Adjusted £m	GAAP £m	Adjusted ¹ £m	GAAP £m
TTV	1,249.0	–	1,124.2	–
Revenue	121.4	121.4	114.6	119.2
ECL	(2.5)	(2.5)	(1.7)	(1.7)
Gross profit	118.9	118.9	112.9	117.5
Online marketing costs	(28.4)	(28.4)	(30.2)	(30.2)
Offline marketing costs	(12.1)	(12.1)	(12.2)	(12.2)
Gross profit after marketing costs	78.4	78.4	70.5	75.1
Overheads	(38.1)	(38.1)	(34.2)	(34.2)
Depreciation and amortisation	(10.3)	(10.3)	(12.2)	(12.2)
Exceptional operating costs	–	(1.3)	–	(4.2)
Share-based payments	–	(3.6)	–	(2.2)
Amortisation of acquired intangibles	–	(2.2)	–	(2.2)
Operating profit	30.0	22.9	24.1	20.1
EBITDA	40.3	35.4	36.3	34.5

1. Adjusted measures are non-GAAP measures, a full explanation of the adjustments is included in the glossary. The prior period is restated for the effects of discontinued operations.

Revenue

Booked TTV has increased by £124.8m (11%) to £1.25bn (FY24: £1.12bn), as a result of volume growth of 9% and ABV growth of 2%. Growth has been across 3*, 4* and 5* bookings, with a 20% increase in 5* TTV as the brand continues to resonate across a more diverse customer base.

The major contributor to TTV growth remains Beach holidays, with 2% growth coming from each of Ireland and City breaks.

Growth in Adjusted Revenue (after adjusting for exceptional recoveries in the prior year) of 6% reflects a lower revenue per booking (FY25: £193; FY24: £199) as a result of the expansion in City breaks, due to a lower ABV, and also incremental price investment reflecting the more challenging trading environment in H2.

Gross profit after marketing costs

Gross profit after marketing costs of £78.4m was up £7.9m (11%) on FY24 (£70.5m), after adjusting for exceptional income relating to Ryanair refunds in the prior year.

Total marketing costs in the year were £40.5m which is £1.9m lower than the prior year (FY24: £42.4m) despite significant volume growth, demonstrating the improving effectiveness and operational leverage as the business scales.

Online marketing costs were down by £1.8m on the prior year despite investment into our Irish business as we continue to build scale.

Offline marketing costs of £12.1m were £0.1m below the prior year, inclusive of investment into brand awareness in Ireland.

Overheads

	2025		2024	
	Adjusted £m	GAAP £m	Adjusted ¹ £m	GAAP £m
Overheads % TTV	3.1%	—	3.1%	—
Overheads % revenue	31%	31%	30%	29%
Total marketing % revenue	33%	33%	37%	36%

1. Adjusted measures are non-GAAP measures, a full explanation of the adjustments is included in the glossary. The prior period is restated for the effects of discontinued operations.

Total overheads in the year amounted to £38.1m, an increase of £3.9m on FY24. £1.1m of the increase relates to variable costs which have increased below the rate of volume growth. Incremental fixed costs relate to continued investment into Technology & Product talent, alongside additional cloud computing costs relating to the increased inventory being made available to customers. Overall costs remained consistent as a % of TTV.



Depreciation and amortisation

Depreciation and amortisation charges in the year have reduced to £10.3m from £12.2m in FY24. During the year the Audit Committee considered a proposal from management to reconsider the useful economic life policy that was being applied to capitalised development costs. This had historically been three years, but this is now felt to be too short a period given the investment that has been made in recent years into transformational platform development that will support the delivery of the medium-term targets over the next five years and beyond.

The useful economic life has been changed to five years to more appropriately reflect the nature of the spend. This has been considered by our auditors alongside external benchmarking data and agreed as an appropriate treatment. The change has been applied prospectively from 1 October 2024 and decreased amortisation expense by £2.5m for the year ended 30 September 2025.

Amortisation of acquired intangibles in the year of £2.2m (2024: £2.2m) has been included as an adjusting item as per previous years with no changes made to the useful economic life.

Net interest income

Net finance income in the year has reduced to £5.0m (2024 restated: £5.1m) due to the impact of lower base rates on the trust balance and the incremental costs of being further drawn on the RCF in the year due to continued growth and shareholder returns.

Taxation

The Group tax charge of £3.3m represents an effective rate of 28% (FY24: 24%) based on total Group profit on ordinary activities.

Chief Financial Officer report continued

Exceptional items

Group exceptional items on a net basis are £1.3m in the year. Costs related to legal and professional fees of £0.3m, fees for commission and stamp duty arising on the repurchase of shares of £0.3m and restructuring costs of £0.7m.

Exceptional items in the prior year (restated) amounted to £0.4m, being exceptional income of £4.6m following the settlement of refunds litigation with Ryanair, offset by exceptional costs of £4.2m, relating to legal and professional fees £3.9m and restructuring costs £0.3m.

Share-based payments

The Group has a number of Long Term Incentive Plan ('LTIP') schemes in place which vest subject to continued employment and performance criteria. In accordance with IFRS 2, the Group has recognised a non-cash charge of £3.6m (FY24 restated: £2.2m).

The share-based payment charge represents a non-cash charge for the expected cost of shares vesting under the Group's LTIP. The increase in the year is a result of an increase in the number of awards in the year as well as reflecting the increase in the share price in the period. Given the volatility and size of these charges they are added back to provide comparability to prior periods.

Financing

In September 2025, the Group refinanced its credit facilities, extending the RCF to £120m, with a £30m accordion. The initial term of the new facility is four years, with a one-year extension option. We were pleased to see significant support for the refinancing from both our existing lenders, Lloyds Bank and NatWest, and from a number of new lenders. We were delighted to add HSBC to our lending syndicate following a competitive process, which showed the confidence in the Medium Term Ambition of the Group and which enabled us to deliver improved pricing versus the previous facility.

The increased facility will be utilised in line with our capital allocation policy, focusing initially on the delivery of our organic growth plans.

Existing facilities	£	Issued	Expiry	Drawn at 30 September 2025
RCF – Lloyds Bank	£40.0m	Sep 2025	Sep 2029	Nil
RCF – NatWest	£40.0m	Sep 2025	Sep 2029	Nil
RCF – HSBC	£40.0m	Sep 2025	Sep 2029	Nil
Total facilities	£120.0m			

Cash flow

	FY25 £m	FY24 £m
Profit before tax from continuing operations	27.9	26.5
Loss before tax from discontinued operations	(16.0)	(7.2)
Depreciation and amortisation	13.1	15.1
Net finance income	(5.1)	(5.3)
Share-based payments	3.8	2.3
Net (profit)/loss on disposal of property, plant and equipment	(0.6)	0.6
Net loss on disposal of intangible assets	0.1	0.2
Loss on goodwill for discontinued operations	8.4	4.6
Movement in working capital	7.9	(4.3)
Corporation tax	(4.1)	(3.9)
Cash generated from operating activities	35.4	28.6
Capitalised development expenditure	(10.4)	(10.2)
Purchase of intangible assets	–	(0.1)
Proceeds from disposal of assets	2.6	–
Net finance income	5.1	5.4
Payment of lease liabilities	(1.4)	(1.8)
Dividends paid	(4.9)	(1.5)
Share buyback	(30.9)	–
Total net cash flows	(4.5)	20.4
Opening cash balance	96.2	75.8
Closing cash at bank	91.7	96.2
Closing trust balance	142.9	139.5

The Group's asset light business model continues to deliver strong cash conversion, with cash generation from operating activities increasing to £35.4m in the year (FY24: £28.6m).

The Group remains in a strong financial position with combined cash balances of £234.6m (2024: £235.7m) despite returning £38m to shareholders during the year, with:

- group cash, excluding amounts held in trust, of £91.7m (30 September 2024: £96.2m); and
- customer prepayments held in a ringfenced trust account of £142.9m (30 September 2024: £139.5m). Growth in the trust account was below the rate of bookings growth due to slower growth in the final quarter of the year and also cash relating to Ireland bookings not being held in trust.

Earnings per share

	2025 p per share	2024 p per share
Basic earnings per share	15.6	11.3
Adjusted earnings per share	19.0	13.1
Diluted earnings per share	15.1	11.1
Adjusted diluted earnings per share	18.3	12.9

Profitable growth in the year, coupled with continued shareholder returns through share buybacks, have resulted in a 45% increase in basic adjusted EPS in the year in respect of continuing operations. This growth is ahead of the CAGR required to achieve the Medium Term Ambition of 38.7p by FY29.

Discontinued operations

During the year the Board made the decision to commence an orderly wind down of our B2B operations, Classic Collection. As a result of these changes the results of Classic Collection are presented as discontinued operations.

We have recognised a loss on discontinued operations of £16.0m. This includes the impairment of £8.4m of goodwill and intangibles previously attributed to the Classic Collection segment, as well as redundancy costs, onerous contract provisions and the loss for the period.

Capital allocation

In line with our stated capital allocation policy, the Board has continued to invest in organic growth whilst maintaining capital discipline. During FY25 £38m has been returned to shareholders following the reintroduction of the dividend in FY24 and share buyback activity across two programmes.

The £25m share buyback announced in December 2024 completed in March 2025, with 10,517,173 shares being repurchased and subsequently cancelled, providing a positive enhancement to EPS.

The Board announced as part of its pre-close update in September 2025 the commencement of a further £25m share buyback. This completed on 18 November 2025 with a further 11,569,166 shares being repurchased and subsequently cancelled.

Dividend

The Board is recommending a final dividend of 3.0p per share (2024: 2.1p per share). An interim dividend of 1.0p per share was paid in June 2025. The Board is comfortable that the Company has sufficient distributable reserves to recommend the dividend. Subject to approval at the 2026 AGM on 12 March 2026, the final dividend will be paid on 19 March 2026 to shareholder on the register of members at the close of business on 6 February 2026.

Current trading and outlook

We have seen a positive start to FY26, with YTD booking volumes up 14% and TTV up 16% as at 30 November 2025. Winter '25/26 forward bookings are currently tracking +15% YOY and Summer 26 momentum is building; YTD forward bookings for Summer 26 +8% YOY.

The Board is confident in delivering FY26 Adjusted PBT in the range of £39-43m and the Group remains on track with its Medium Term Ambition; TTV of £2.5bn, EBITDA of £100m, Adjusted PBT of £85m and EPS of 38.7p.

Medium-term guidance

As set out within the Strategic Report, the Board remains confident in the delivery of the Medium Term Ambition. Despite not having yet seen a full year benefit of the growth in our Cities proposition or launch in Ireland we have seen positive growth in both new and repeat customers, alongside an increase in the average order frequency. With a continued focus on operational improvement, which resulted in a 150bps improvement in EBITDA margin % in the year, we remain confident of the non-linear trajectory towards those targets.



Jon Wormald
Chief Financial Officer

1 December 2025

Sustainability

Beach holidays. Fairly. For everyone. Forever.

We are committed to conducting our business the right way and we want to drive meaningful change across the industry in areas that are strategically important.

To that end, we developed an ESG strategy aligned to our purpose, values and strategy that will help build resilience in the business, improve behaviours in our supply chain, create long-term value and ultimately drive positive change.





Here for people

An inclusive workplace that champions diversity, attracts and fairly rewards talent, and strengthens communities through outreach and social mobility initiatives.

Focus areas

- Health and wellbeing:** Supporting employee health and wellbeing and cultivating an engaged, skilled and rewarded workforce.
- Diversity and inclusion:** Creating an inclusive workplace that attracts talent from diverse backgrounds.
- Giving back:** Giving back to communities and empowering our employees to support causes they care about.

2025 highlights

50%*

of our Executive team are female

£9.5k+

raised by colleagues for DKMS Charity of the Year

350+

Above and Beyond Award nominations

7.2

Employee Engagement Index score

Link to SDGs



Here for holidaymakers

Providing safe and accessible holidays that empower and inspire customers to travel more sustainably.

Focus areas

- Health and safety:** Delivering the holiday our customers bought, safely.
- Customer satisfaction:** Making our holidays accessible and ensuring customers have value, choice, flexibility and a great holiday experience.
- Sustainable travel:** Empowering and inspiring our customers to travel more sustainably.

2025 highlights

56

Net Promoter Score – highest ever achieved

21%

reduction in contacts per customer year-on-year

5,765*

sustainable hotels available on our website

Link to SDGs



Here for the planet

Reducing our environmental impact and helping to protect our natural environment.

Focus areas

- Climate:** Responding to the climate crisis and measuring and reducing our GHG emissions.
- Operations:** Reducing the environmental impact of our operations and developing an environmentally responsible culture.
- Oceans:** Protecting our beaches and oceans for future generations.

2025 highlights

0%

of waste sent to landfill

0.02%

of direct emissions make up total emissions (based on FY23 scope 3 inventory)

94%

reduction in Scope 1 & 2 emissions achieved from the FY23 baseline

208

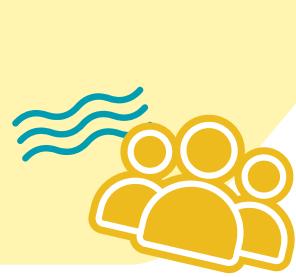
trees planted via Fruitful Office partnership

Link to SDGs



Sustainability continued

Here for people



FY25 highlights

- Delivered a bespoke Leadership Development Programme to our Senior Leaders, strengthening capability across the organisation
- Established our Senior Leadership Forum, strengthening and improving communication and information flow throughout the business
- Enhanced support policies for colleagues during critical life moments, both at work and beyond
- Introduced our employee volunteering policy, enabling every colleague to contribute one day annually to their local community



FY26 focus

- Accelerate leadership capability to scale with business growth and drive sustainable performance
- Build talent pipelines that fuel innovation and future success
- Continued focus on 'always on' engagement where people feel heard, valued and connected to our strategy
- Implement new HR Information System ('HRIS') to automate operations, deliver insights and advance our equity and diversity journey
- Continue supporting DKMS as Charity of the Year and evolve our employee and community volunteering opportunities

We're proud of our diverse, dedicated and talented teams who drive our success. This year marked a cultural evolution focused on accelerating performance and maximising potential. We've invested in leadership development, remained focused on enhancing employee engagement, and created an environment where people feel empowered to bring their true selves, push boundaries, and go further and faster together.



“

Our continued focus on people development and engagement isn't just about today's performance – it's about building the sustainable foundation for tomorrow's growth. By investing in our leaders and listening to our people, we're creating an organisation that can adapt, innovate, and succeed in an ever-changing business environment.”

Jennie Cronin
Chief People Officer



Leadership development

Leadership excellence is critical to our sustainable growth and key to evolving our culture from high performance to one of accelerating performance.

This year, we invested significantly in our talented leaders through a bespoke Leadership Development Programme designed to upgrade their leadership capability, ensuring they're better equipped to coach and support our talented teams to go further and faster.

Our leaders serve as role models, setting the standard for how we collaborate, make bold decisions, and drive results.

By strengthening their capabilities and embedding a coaching culture, we create a ripple effect that elevates performance throughout the entire organisation.

Building on this foundation, we'll roll out similar leadership training to all people managers over the next 12 months. This strategic expansion will further strengthen our leadership capability at every level, ensuring consistent, high-quality people management that supports both individual growth and the delivery of our business objectives.

31
senior leaders
strengthened
their leadership
capability through
our development
programme

34.5
hours per leader
dedicated to building
skills through targeted
workshops and
masterclasses

Talent development

We support and encourage employees with their personal and professional development, making the most of opportunities both inside and outside of work.

Our leaders are embracing our coaching culture when it comes to development, actively seeking opportunities for their teams to grow through the natural flow of work. They're identifying stretch projects, new responsibilities, and skills development aligned to real assignments – ensuring people are learning and building capabilities while delivering business results. This means development isn't confined to formal reviews, but is woven into everyday work, creating stronger, more capable teams across the business.

To encourage and support flexible learning, we provide every employee with a personal learning allowance to invest in their own development via our learning platform, Learnerly. Employees can choose from books, courses, podcasts and other resources that align with their individual learning needs and preferences.

Combined with access to free learning resources, this gives our people the flexibility to shape their development in the way that works best for them.

And we're seeing examples of our teams creating their own opportunities to connect and learn together.

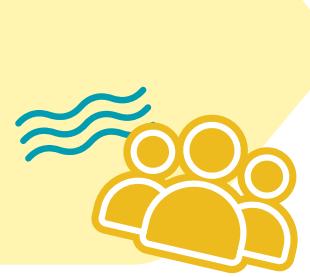
This year, our Product and Technology teams arranged an incredible three-day Learnathon, packed with talks, demos, and collaborative sessions, supported by some of our key partners, designed to spark curiosity and build capability.

Career framework evolution

Within our Product and Technology teams, we've invested in creating clearer career pathways to support continuous development and growth. By streamlining our career framework, we've made expectations more transparent and removed barriers that previously hindered progression, particularly for those uncomfortable with self-promotion. The new framework enables regular coaching conversations, ongoing feedback, and better identification of development opportunities, ensuring everyone has equal access to career advancement and the support they need to reach their potential. Throughout the year, we're delighted to have supported nine promotions within the team.

Sustainability continued

Here for people continued



Employee voice

Our employee engagement remains high. In our annual FY25 employee engagement survey, we reported an engagement index of 7.2 and a response rate of 88% – showing a continued high level of psychological safety. Alongside this, we saw a further reduction in voluntary turnover to 12.1% for the fourth consecutive year.

Through our established Employee Voice forums, we empower our people to share diverse perspectives and champion ideas for positive change. With particular focus on wellbeing, equality, diversity and inclusion, and community and charity, these forums have generated engaging discussions across the business and are creating meaningful impact.

When our Employee Voice forums raised questions about support for gender transition, we listened and acted. The result is our new Transitioning in the Workplace policy, which provides comprehensive support for those who are on this journey. It's a tangible demonstration of our longstanding belief that when someone chooses to bring their career to On the Beach, they feel supported from the moment they join us.

As our team grows and we continue to welcome diversity into our business, we want to ensure that support is there for everyone, however and wherever they need it. This reflects our commitment to staying ahead on issues that matter to our people's wellbeing and performance.

Supporting our people

We're firmly committed to staying ahead of the curve and listening to what our people need. Supporting our people in all aspects of their lives, helping them reach their potential, and enabling them to contribute to our accelerated performance remains a priority for us.

This was front of mind when we reviewed and announced positive changes to our employee benefits last year and continues to be as we evolve our policies going forward.

We enhanced our employer pension contributions for the second consecutive year and have expanded our Family Friendly Policy with the addition of Neonatal Care leave, providing two full weeks' pay (exceeding statutory requirements) to support employees when they most need it.

We're proud to support our people, and we'll keep listening and reviewing our benefits and policies to ensure they enable everyone to perform at their best.

Accelerating performance through innovation

Our accelerated performance culture is most visible in the breakthrough innovations emerging from our teams. The development of our app and proprietary tech platform – enabling us to deliver even greater choice, peace of mind and stickiness for our customers – represents exactly the kind of bold thinking we're encouraging. Our people are collectively pushing boundaries to create solutions that fundamentally change how we operate and serve customers.

This performance mindset extends across every function. Our Marketing team exemplifies doing more with less, consistently pushing creative boundaries to maximise impact while optimising resources. These bold initiatives demonstrate how accelerated performance drives both efficiency and innovation.

Our Price Drop Protection ('PDP') initiative showcases innovation and collaboration across our teams at its best – working together and at speed to test, learn and launch the right initiatives that keep driving our strategy forward and delivering for our customers.

We're continually exploring how AI can drive performance improvements – being intentional about focusing technology on tasks that free our people to concentrate on higher-value, uniquely human contributions. This approach ensures that acceleration doesn't come at the expense of the personal connection and the creative thinking that defines our culture.



Sustainability continued

Here for people continued



AI and the future of work

We're proud to be one of only eight employers selected to partner with the CIPD (Chartered Institute of Personnel and Development) on their national research into AI and the Future of Work.

Our cross-functional working group is already deep into the study, working alongside world-leading experts to explore AI in a safe and practical way.

By being part of this, we're not just learning to get ahead, we're actively shaping the guidance that will influence how AI is adopted in workplaces across the UK.

Through this partnership, we're building AI skills and confidence across our teams so that we can work smarter, design better jobs, and deliver stronger outcomes for our customers, and we're contributing to the frameworks that will guide ethical and responsible AI adoption nationwide.

“

This partnership allows us to build AI confidence across our teams while contributing to the national frameworks that will guide ethical AI adoption in workplaces across the UK.”

Yasmin Bell
Head of People



Connection and collaboration

We keep everyone connected to our growth ambitions and journey – understanding where we're going, how we'll get there and what this means for them as part of our high-performing team, while demonstrating our values throughout.

We use our monthly all-hands (Beach Life) to showcase our progress, share updates and celebrate achievements. Our communication platforms, including Slack, enable seamless cross-business collaboration and communication wherever our people are working, helping to develop and embed the partnerships that drive accelerated performance.

We host regular meaningful social events that bring our people together to connect and celebrate what makes our culture special. From Winter Wellbeing lunches and Mental Health Awareness breakfasts that promote colleague wellbeing, to International Women's Day panel discussions with executive participation and end-of-season celebrations recognising collective achievement – these moments create authentic connection, strengthening the relationships and sense of belonging that underpin our collaborative culture.

Reward and recognition

Our reward structure is designed to ensure we can attract, retain and incentivise our people to enable us to deliver on our business strategy and accelerated performance objectives. Further information on reward and workforce remuneration can be found in the Directors' Remuneration Report on pages 101 and 113.

We recognise and celebrate great work throughout the year with our Above and Beyond Awards (quarterly) and End of Year Awards. Through peer nomination, these awards spotlight exceptional contributions – with winners selected by the Executive team and celebrated at Beach Life, our monthly all-hands meeting.

The awards highlight the drive, commitment and talent across our organisation, demonstrating the mutual respect and support that defines our culture.

This year, we had over 350 nominations, with over 20 winners recognised for innovation, living our values, and delivering exceptional customer service.

350+

Above and Beyond Award nominations

20+

colleagues recognised for exceptional achievements



Talent attraction

We understand and value the strength that diversity brings to accelerated performance, and that's why our commitment to creating an inclusive and supportive culture at On the Beach continues – a culture where all our people feel valued, respected, and empowered to reach their potential.

Attracting and securing diverse talent is key to our success. We continue to review and improve our talent acquisition process using feedback and insights to ensure we're building teams capable of pushing boundaries and driving innovation.

The more diverse we are, the better we can understand our customers, their wants and needs, and work together to find innovative solutions that accelerate our performance.

This year, we've invested in a new Applicant Tracking System which will transform our recruitment processes, replacing manual workflows with streamlined automation. This allows our team to focus on what matters most – finding and engaging the right talent and creating a smoother, faster experience for candidates.

Building a sustainable talent pipeline

We've continued our partnership with Hopwood Hall College, taking important steps towards building a sustainable talent pipeline.



As part of this, we've hosted exploratory sessions that give students real insights into what it's like to work at On the Beach, along with practical guidance on career progression and interview skills. Going forward, we're looking to evolve this talent pipeline further. Our goal is to create longer-term opportunities, beginning with work placements, which we've trialled within our Legal team this year, that offer students real workplace experience and a proper foot in the door.

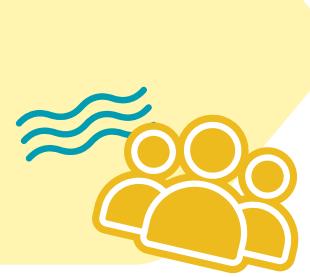
“

We were delighted to trial work placements within the Legal team this year, and it's been a success on every level. Built with our wider DE&I strategy in mind, it's created a model we can roll out with colleges we partner with, like Hopwood Hall, supporting our social mobility and outreach goals for the long term.”

Kirsteen Vickerstaff
General Counsel and Company Secretary

Sustainability continued

Here for people continued



+£4k

in individual fundraising boosts

+£9.5k

raised so far by colleagues for DKMS

+350km

cycled from Aeroworks to London

+160km

raced in the Great Manchester Run

“

We're delighted that On the Beach are supporting DKMS UK as their Charity of the Year. Their colleagues' energy, creativity and commitment to our mission has helped raise vital awareness about blood cancers and disorders and the power of stem cell donation. Every pound raised and every conversation started brings us closer to giving more patients a second chance at life.”

DKMS

Charles Rowe, Corporate Partnerships Manager, DKMS

Making a difference together

Our incredible people are not only delivering outstanding results for our business, they're also making a real difference in their communities.

Our whole business rallies behind DKMS as our Charity of the Year and we're proud to support them on their mission to delete blood cancer by raising awareness of their work, helping to grow the stem cell register, alongside fundraising to support the cause.

It's a charity close to our hearts and colleagues are fundraising in memory of a much-loved colleague who passed away after a two-year battle with blood cancer.

Our teams have gone above and beyond this year, from conquering the Great Manchester Run and collectively running over 160km and hosting epic holiday-themed bake-offs, to an incredible three-day cycle challenge from our Manchester Aeroworks office all the way to the DKMS headquarters in London.

This year, we introduced our BeACH days volunteering scheme – giving every colleague one 'Be a Community Hero' day annually to make a difference in their local communities. From supporting local scout groups to volunteering with charities like the RSPCA, our people are already using these days to give back where it matters most to them.

We also support colleagues' personal charitable activities through our Fundraising Boost scheme. This year, we provided over £4,000 in individual boosts, helping colleagues make an even bigger impact with their fundraising efforts to support charities and causes that are most meaningful to them.

When our people are passionate about making a difference, we're here to support them every step of the way.



Employment of disabled persons

The Group has carefully adhered to policies in relation to the employment of disabled persons. Selection for employment, promotion, training, and development (as well as other benefits and awards) are made based on merit, aptitude, and ability, and the Group does not tolerate discrimination in any form, including in relation to disabled candidates.

The Group works on a one-to-one basis with employees who need support with any health conditions, physical or mental, at any point in their career journey with On the Beach, to understand how all of their individual needs can be met. For example, we'll conduct risk assessments and detail all adjustments that need to be made to accommodate the additional needs of individual employees, eg, disabled parking space, step-free access, and specific workstation needs.

Gender pay gap

We've published our 2025 Gender Pay Gap Report (covering the period between April 2024 and April 2025). The full report is available at <https://www.onthebeachgroupplc.com/people/responsibility>.

Our mean gender pay gap stands at 28.7% (2024: 27.6%). Since 2021, we've reduced our mean gender pay gap from 33.6% to 28.7% – a meaningful shift reflecting our sustained effort and focus on creating equal opportunities across our business. The small increase this year reflects some changes we've made to consolidate our employing entities and reduce the number of payrolls in operation.

The encouraging news is our progress in the priority areas we've been deliberately focusing on. Female representation has increased in our top two pay quartiles, and women are advancing across the business. Our leadership demonstrates strong gender balance – 50% female representation on our Executive Team and 56% on our Board.



We're taking systematic action where it matters most and within Product & Technology, we've achieved a 5.9% improvement. This is the result of a dedicated focus on how we attract, hire, and develop talent. We're delighted to have made a number of senior female appointments throughout 2025, including a Principal Product Manager and VP Product Engineering – showing our diverse talent attraction strategy is working. In recruitment, we've embedded meaningful changes: requesting salary expectations rather than history, ensuring gender-diverse interview panels, anonymising CVs, using inclusive language in job advertisements, and implementing a new applicant tracking system that removes unconscious bias.

There's lots still to do and this isn't a quick fix. We remain committed to attracting, developing, promoting and retaining talented women, with further progress expected in the year ahead.

Our gender diversity



● Male ● Female

Group data as at 30 September 2025.

Sustainability continued

Here for holidaymakers



FY25 highlights

- Achieved highest-ever Net Promoter Score of 56 – reflecting significant improvements to customer experience
- Enhanced app functionality and automation, enabling customers to self-manage bookings more easily
- Introduced WhatsApp communication channel, giving customers direct access to our teams
- Increased hotels with sustainability accreditations through proactive supplier engagement

FY26 focus

- Optimise automation and self-service capabilities to further enhance customer experience
- Develop app into comprehensive one-stop destination for complete booking management
- Expand sustainability accreditations across hotel portfolio through supplier partnerships
- Advocate for fair, competitive market policy through continued government and regulatory engagement

Being here for holidaymakers means more than just selling holidays – it means creating seamless experiences, ensuring safety throughout the journey, and advocating for fair market conditions that benefit consumers.

This year, we've made significant strides in all these areas, delivering improvements that give customers greater confidence, choice, and peace of mind.

Health and safety

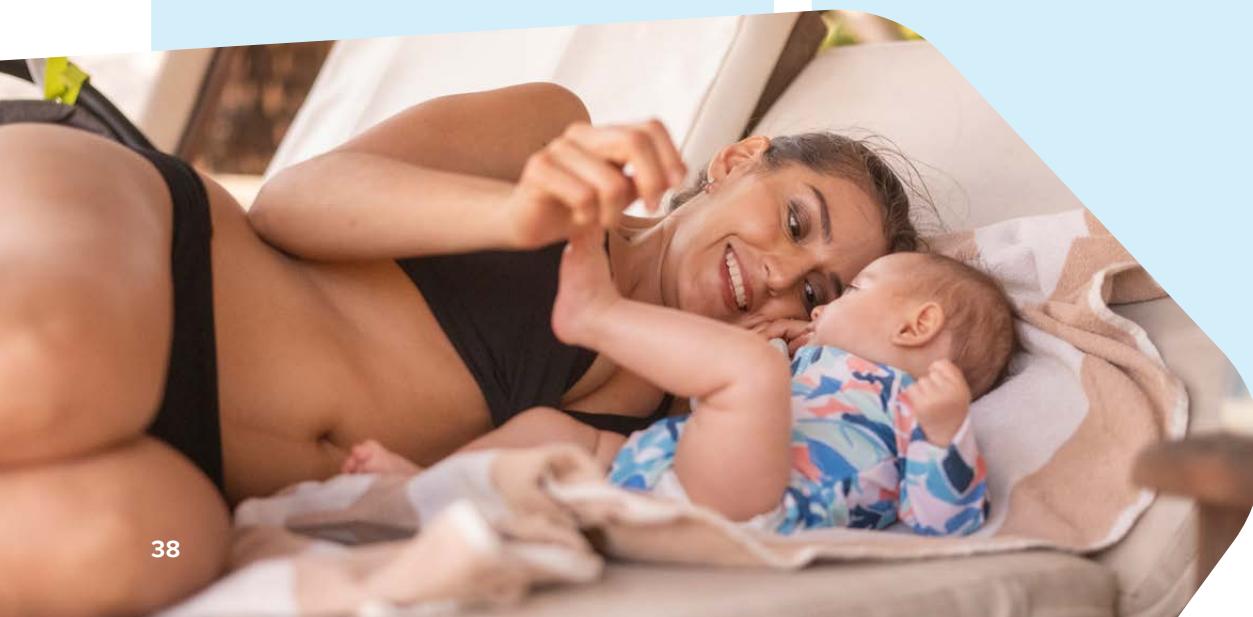
We're committed to maintaining and developing a culture of safety and risk awareness throughout our organisation for the benefit of our customers, suppliers and employees.

Our commitment to safety

We maintain a comprehensive overseas health and safety management system designed to uphold robust and proportionate safety standards across the Group.

Our dedicated Health and Safety team delivers on our committed safety standards through established processes and procedures. We measure risk and safety standards through multiple approaches, including:

- Remote evidence-based verification
- Review of documentation and certification
- Physical audits to ensure compliance



When we identify potential improvements, we work collaboratively with our suppliers to provide continuous support and proactively enhance safety throughout our supply chain.

Our Customer Health and Safety Committee is responsible for reviewing and assessing our risk management processes and continuously monitoring standards. The Committee meets quarterly and forms part of the Group's overall risk governance structure (see page 53).

We're committed to helping our customers stay safe throughout their holiday experience. Through our comprehensive health and safety hub, we provide helpful content and guidance to support customers in making informed decisions and staying safe during their holidays.

We maintain a formal incident and crisis management plan to ensure that in the event of a disaster or crisis, we are prepared and able to respond quickly and effectively. This plan is regularly updated to incorporate learnings from recent events and evolving best practices, helping us stay ahead of emerging risks and challenges.

Our measured and proactive approach to health and safety reflects our commitment to being here for our holidaymakers when they need us most, giving them the confidence to create those unforgettable holiday memories.

Customer satisfaction

Whilst no one can guarantee a hiccup-free holiday, we're focused on doing everything we can to achieve this, and when there are issues, we resolve them quickly – giving our customers the ultimate peace of mind.

This year, we've invested in technology – moving to a digital-first but not digital-only model and we're delivering impressive results for customer satisfaction. Our Net Promoter Score has improved from 49 in FY24 to 56 at the end of FY25 – the highest it's ever been.

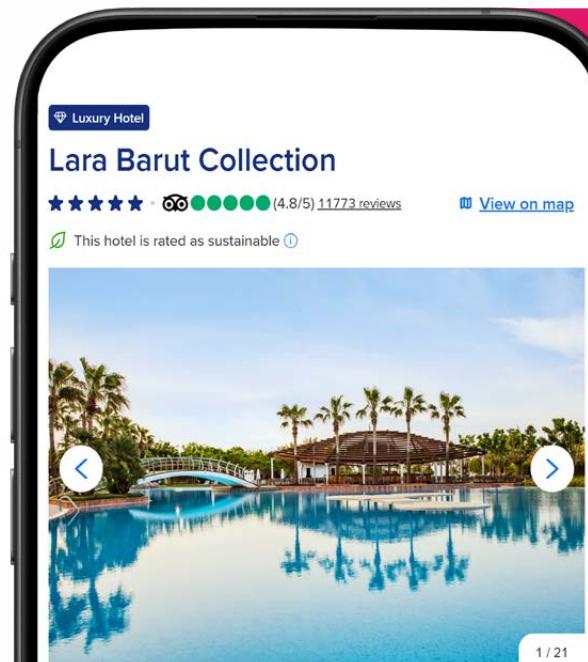
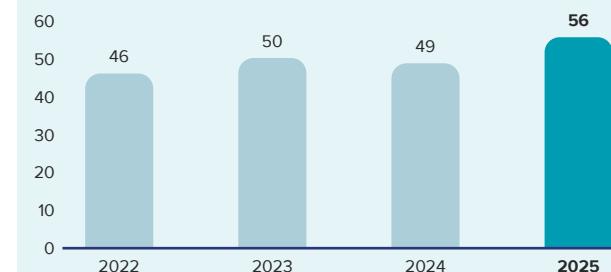
This digital transformation has reduced contacts to our Travel Advisors by 21% year-on-year, enabling customers to self-serve more effectively while freeing our skilled teams to focus on those who need additional support.

When customers do need to contact us, they're experiencing a significantly better service. We've reduced average wait times by five minutes year-on-year, improved time to book by 44% and are seeing less than 35% chats escalated to advisors.

In addition, we've introduced WhatsApp so that our customers can communicate directly with our teams when they need them most.

Our highly skilled employees in our Customer Teams are continuing to work hard to ensure we're delivering reassurance and peace of mind for all our customers.

NPS progress



Sustainable hotels

We continue to engage with suppliers to encourage and incentivise them to obtain a sustainability accreditation to enable more climate-conscious customers to make informed choices about where they choose to holiday.

We use Rating.Bio to compare and measure the sustainability of the hotels that we sell and at the end of FY25 we had 5,765 hotels flagged as sustainable on our website, an increase of 4,214 from FY24.

Sustainability continued

Here for holidaymakers continued



Accessible holidays

We continue to believe that holidays should be accessible and enjoyed by all, and we continue to make progress in this space:

Flexible payments

We're committed to making holidays achievable for everyone. Our low deposits and fee-free flexible payment plans let our customers spread the cost of their holiday over time, with payment dates that work around their schedule. We expanded our payment options last year by introducing Klarna, giving customers who prefer to 'holiday now, pay later' another flexible way to book.

This year, we launched our Price Drop Protection promise, delivering even more peace of mind to our customers. Now they can book with confidence knowing that if their holiday price drops after booking, we'll automatically refund the difference into their holiday wallet to use on their next On the Beach adventure. It's all about giving our customers the flexibility and confidence to secure their perfect holiday when they're ready to book.

“

In December 2025 we became a member of ABTA, strengthening our role in promoting high industry standards and reinforcing our commitment to consumer protection and a fair, competitive travel market.”



Finding the right holiday

We continue to introduce even more personalisation utilising technology and AI – helping to showcase to our customers the destinations and hotels that are most likely to meet their needs.

Special assistance

We want to make sure everyone can have an enjoyable holiday that suits their needs. We have an experienced team who can help customers with any special assistance requests – which we ask for at the time of booking so we can check if we can meet these needs.

Seamless experience

We're designing every step of the holiday experience to be effortless and exciting for our customers. Through continuous innovation in our technology, app development, and customer perks, our customers have everything they need at their fingertips – including access to over 24,000 hotels and 47 airlines, plus exclusive perks like Price Drop Protection, airport lounge access, fast track security, eSIMs to stay connected, countdown calendars to build the anticipation, and live flight notifications to keep them informed.

Supporting consumers, growth and protection

We have long championed fair and proportionate regulation that delivers the best outcomes for consumers; preserving choice, value and protection in the holiday market. Through direct engagement with government and regulators, and as an active member of Online Travel UK ('OTUK'), we advocate for a competitive and consumer-focused travel sector. OTUK's 2025 white paper highlights the importance of online travel to the UK economy and calls for action to modernise travel protections, ensure fair digital markets and support innovation. See www.onlinetraveluk.com/whitepaper for more information.

These priorities reflect our **Here for Holidaymakers** commitment – ensuring customers can book with confidence, access transparent pricing and benefit from real choice.



The value of online travel companies in the UK:

supporting consumers, growth and innovation.



Sustainability continued

Here for the planet

We continue to focus on managing climate risks by taking a practical approach: cutting emissions where we have control, meeting evolving regulations, and encouraging sustainable practices across our value chain.

This section of the report outlines our approach to managing climate change, our progress against our internal greenhouse gas ('GHG') reduction target, our statutory GHG emission reporting and our climate-related financial disclosures.

FY25 highlights

- Scope 1 & 2 target:** Scope 1 and 2 emissions fell by 94% from the FY23 baseline, meaning we have already exceeded the reduction trajectory required to meet our 2030 target.
- Operations:** we reduced usage of both natural gas and electricity, and maintained our target of 0% of waste from our head office sent to landfill.

FY26 focus

- Recalibration for UK Sustainability Reporting Standards ('UK SRS'):** Refresh our underlying emissions data (including a full Scope 3 reassessment), update our climate scenario analysis and conduct a UK SRS gap assessment.
- Maintain progress against our 2030 target:** Monitor and maintain our reduced Scope 1 and 2 emissions, ensuring we remain well ahead of the pathway required to meet the 2030 reduction target.
- Engagement with suppliers:** continue to engage with suppliers on climate and sustainability matters.

Climate change – areas of focus

The travel industry faces mounting climate pressures, from carbon reduction imperatives to increasingly volatile weather patterns affecting destinations and operations. Climate change creates both challenges and possibilities for our business. We're focused on managing emerging risks while staying responsive to evolving customer and supplier expectations around sustainability.

Our ongoing focus is on:

- Emissions:** understanding our emissions having already reduced Scope 1 & 2 emissions well beyond the level required by our 2030 target, and preparing refreshed analysis to support UK SRS readiness.
- Suppliers:** engaging with suppliers to encourage sustainable practices.
- Customers:** monitoring customer attitudes towards sustainability, with the flexibility to adapt as priorities shift.
- Operations:** improving sustainability within our own operations.
- People:** supporting our employees in climate-related initiatives that matter to them.

Sustainability continued

Here for the planet continued



Emissions

Emissions inventory and target

We have been measuring and reporting our greenhouse gas ('GHG') emissions for several years as part of our ongoing commitment to understanding and managing our environmental impact. During FY24, we engaged Envantage, our environmental advisers, to complete an updated GHG inventory, including Scope 3 emissions, covering the period from 1 October 2022 to 30 September 2023 ('FY23'). The results of this work were published in our FY24 Annual Report on page 45.



The analysis confirmed that our direct (Scope 1 and 2) emissions are minimal, representing around 0.02% of the Group's total footprint, while indirect (Scope 3) emissions account for over 99%, largely arising from customer flights and hotel stays.

Using these findings, we set an internal target to reduce absolute Scope 1 and 2 GHG emissions by 42% by 2030, using FY23 as the baseline year. This target is aligned with the ambition of the Paris Agreement.

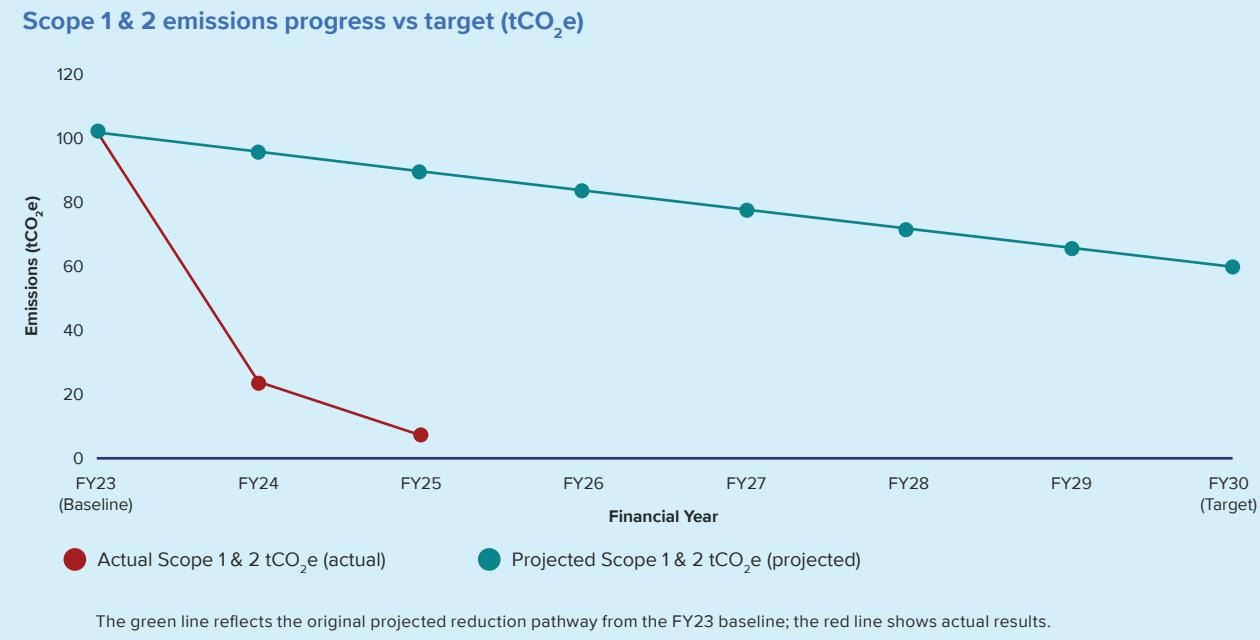
However, following a detailed assessment, the Board concluded that seeking formal Science Based Target Initiative (SBTi) validation would present risks disproportionate to our ability to influence outcomes, given that the majority of our footprint lies in Scope 3 categories outside our direct control. The rationale for this decision is explained on page 34 of our FY24 Annual Report and remains valid for FY25.

Progress in FY25 and next steps

Full details of our FY25 greenhouse gas ('GHG') and energy data are disclosed on page 44. These figures were prepared with support from our climate advisers, Envantage, who assist us in measuring and analysing our carbon footprint each year.

The FY25 analysis shows that we have already delivered a reduction in Scope 1 and 2 emissions that meets and significantly exceeds the level of reduction required by our 2030 target. Actual emissions fell by 94% from the FY23 baseline, driven primarily by the closure of our Worthing office and continued energy-efficiency improvements at our Manchester head office. While the formal target date remains 2030, the focus going forward will be on maintaining emissions at this low level.

This reduction is reflected not only in our absolute emissions but also in our emissions intensity ratios (see page 42): emissions per £m of Group revenue fell by 38.9% to 0.85 tCO₂e, and emissions per full-time employee fell by 39.4% to 0.18 tCO₂e. These metrics reinforce that our operational footprint is now structurally lower and significantly more efficient than at the time the original target was set.



With our remaining Scope 1 and 2 emissions now extremely low, FY26 will be a recalibration year as we prepare for the UK Sustainability Reporting Standards ('UK SRS'). We will undertake a structured programme of work to ensure our climate data and disclosures remain robust. This includes:

- refreshing our full Scope 3 emissions assessment, using FY25 activity data;
- updating our climate scenario analysis and reviewing climate-related risks; and
- conducting a UK SRS gap analysis to identify new reporting and governance requirements.

This work will strengthen our understanding of our broader climate impacts and ensure continued transparency in reporting progress against our existing 2030 target.

Suppliers

As noted on the previous page, flights make up nearly 96% of our total emissions, with limited ability for us to control or influence this. However, airlines have made notable progress in sustainable aviation, including introducing more fuel-efficient aircraft, increasing the use of sustainable aviation fuels ('SAF'), and setting commitments to achieve net zero emissions by 2050.

In contrast, our hotel relationships offer more direct influence and through our partnership with Rating.Bio, we're helping hoteliers showcase their environmental credentials. As at 30 September 2025, 5,765 hotels across our website now carry sustainability ratings.

Customers

Understanding changing consumer attitudes is central to our business, and sustainability plays an important role in this ongoing work. As noted above, we increased the number of sustainable hotels on our site, helping customers make informed decisions when booking accommodations.

Examples of sustainable practices include towel re-use programmes, water-efficient taps and showers, alternatives to single-use plastics, locally sourced food, and vegan menu options.

We will continue to monitor booking trends for hotels with the Rating.Bio seal of approval and promote those that perform best with sustainability-conscious consumers. However, we are mindful that many of our customers remain price-sensitive, with cost continuing to be the main driver behind holiday choices.

Operations

As an internet-based business operating from one UK office location, our direct environmental footprint is relatively small. Nonetheless, we are committed to reducing our environmental impact and contributing to climate change mitigation.

Waste reduction and recycling

We strive to minimise waste across the Group. Promoting a paperless office environment, we encourage employees, partners and suppliers to handle everything electronically, including invoicing and contracting. Nearly all bookings with customers are managed online. We implement mandatory recycling at our head office and, whenever possible, we re-use office furniture and equipment or donate it to charity. At our head office, from October 2024 to September 2025, we produced 13,082kg of waste (FY24: 14,358kg). 59% of the waste we produced was recycled (FY24: 62%), with 0% of waste sent to landfill. Our efforts to reduce waste include the use of compostable coffee cups and lids in our on-site coffee shop. In FY26, we aim to further reduce waste generation, increase our recycling rate and to maintain our target of 0% waste sent to landfill.

Energy efficiency

During FY25 there was a continued focus on energy efficiency and the conservation of natural resources. We have continued to implement initiatives to reduce our carbon footprint this year. This included the installation of low-power LED lighting with photocell controllers in our car park (60% energy saving), and the optimisation of our HVAC temperature set points and timings to reduce energy usage. When procuring, we have continued to specify the most efficient equipment and operation for our head office.

People

We believe that creating an environmentally responsible culture starts with our people. We have rolled out environmental awareness training across the Group and continue to encourage employee-led initiatives. Our employees have demonstrated strong engagement in sustainability efforts, particularly around protecting the environment.

Fruitful Office partnership

We partner with Fruitful Office, who provide fresh fruit to our head office weekly. This initiative not only promotes employee wellbeing, but also supports reforestation efforts. For every three baskets of fruit delivered, Fruitful Office, in collaboration with Ripple Africa, plant one fruit tree in Malawi, helping combat deforestation and offset carbon emissions. In FY25, this partnership resulted in the planting of 208 trees.

Oceans

As a travel company, we recognise the importance of oceans to both our business and the planet. Oceans generate most of the oxygen we breathe and are home to vital ecosystems that provide food, livelihoods, and climate regulation. However, they face severe threats, including plastic pollution. With the introduction of our Volunteering Scheme, we'll encourage colleagues to play their part in supporting marine and ocean preservation for future generations through beach cleans, and closer to home – street cleans – preventing rubbish from reaching the oceans.

Sustainability continued

Here for the planet continued



Greenhouse gas emissions

The Companies Act 2006 (Strategic Report and Directors' Report) Regulation 2018 requires us to disclose annual global energy consumption and GHG emissions from full Scope 1 and Scope 2 sources. Energy and GHG emissions have been independently calculated by Envantage Ltd for the 12-month period ending 30 September 2025.

Reported energy and GHG emissions data is compliant with SECR requirements and has been calculated in accordance with the GHG Protocol and SECR guidelines. Energy and GHG emissions are reported from buildings and transport where operational control is held – this includes electricity, gaseous fuels such as natural gas, fugitive emissions and business travel in Company-owned vehicles and grey fleet. The table below details the SECR-regulated energy and GHG emission sources from the current and previous reporting periods.

		FY24	FY25	% change
Energy (kWh)				
Natural gas	124,880	33,309	-73.3%	
Electricity	627,993	475,879	-24.2%	
Business travel	101,467	50,733	-50.0%	
Total energy	854,340	559,921	-34.5%	
Emissions (tCO₂e)				
Scope 1	Natural gas	22.8	6.1	-73.3%
Scope 1	Refrigerant gases	–	–	0%
Scope 2	Electricity	130.0	84.2	-35.2%
Scope 3	Grey fleet*	24.5	12.3	-49.6%
Total SECR emissions	177.3	102.7	-42.1%	
Emissions intensity (tCO₂e/£m Group revenue before exceptional cancellations)	1.38	0.85	-38.9%	
Emissions intensity (tCO₂e/Full Time Employees)	0.30	0.18	-39.4%	

* This represents an element of, not total, Scope 3 emissions.

We are committed to reducing our environmental impact and contribution to climate change through continuous improvement procedures. In March 2023, the Group switched to British Gas Zero Carbon Energy, securing low-carbon electricity across its operations. During FY25, several initiatives were undertaken to improve operational efficiency and support emissions reductions, including upgrading external car park lighting with more efficient lighting, as well as optimising air conditioning (AC) set points and operational timings, resolving inefficiencies caused by inconsistent settings and manual overrides.

From a strategic perspective, the Group's FY25 focus has included implementing plans to meet defined sustainability goals, continuing supplier engagement on climate and sustainability-related issues, improving waste management towards a zero-to-landfill target, and strengthening employee engagement on environmental matters.

Methodology

Activity data has been converted into equivalent energy and GHG emissions using emissions factors published by the UK Government in 2025. Electricity and natural gas disclosures have been calculated using metered kWh consumption taken from supplier fiscal invoices where available. GHG emissions associated with Scope 2 purchased electricity have been reported using location-based methodology.

Transport disclosures from grey fleet have been calculated using business mileage expense claim records. Mileage was converted into energy consumption and GHG emissions using the most recent emissions factors published by DESNZ in 2025. Where vehicle information such as engine size and fuel type was not available, an average fuel factor and average vehicle size has been assumed.

Fugitive emissions from HFCs have been calculated using air conditioning servicing reports provided by On the Beach Group Plc. Full service records were available for each unit at Aeroworks and Saxon House and were reported as being in good condition with no further work required.

Climate-related financial disclosures

The Board recognises the importance of understanding and managing the impact of potential climate-related risks and opportunities on the Group's business and strategy.

The following disclosures are consistent with the Task Force on Climate-related Financial Disclosures ('TCFD') recommendations. They summarise our approach and progress under each of the four pillars of the TCFD – governance, strategy, risk management, and metrics and targets.

We have considered our “comply or explain” obligations under the UK Financial Conduct Authority Listing Rules and we are fully compliant with all 11 recommendations.

In addition, the following disclosures are intended to satisfy the requirements of the Companies Act (Strategic Report) (Climate-related Financial Disclosure) Regulations 2021.

TCFD pillars	TCFD recommendation	Consistency status	Reference
Governance	TCFD disclosure 1: Describe the Board's oversight of climate-related risks and opportunities	●	 Read more on page 46
	TCFD disclosure 2: Describe management's role in assessing and managing climate-related risks and opportunities	●	 Read more on page 46
Strategy	TCFD disclosure 3: Describe the climate-related risks and opportunities the organisation has faced over the short, medium and long term	●	 Read more on page 46-47
	TCFD disclosure 4: Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	●	 Read more on page 46-47
	TCFD disclosure 5: Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	●	 Read more on page 46-47
Risk Management	TCFD disclosure 6: Describe the organisation's processes for identifying and assessing climate-related risks	●	 Read more on page 48
	TCFD disclosure 7: Describe the organisation's processes for managing climate-related risks	●	 Read more on page 48
	TCFD disclosure 8: Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management	●	 Read more on page 48
Metrics and Targets	TCFD disclosure 9: Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	●	 Read more on page 49
	TCFD disclosure 10: Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas ('GHG') emissions, and the related risks	●	 Read more on page 49
	TCFD disclosure 11: Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	●	 Read more on page 49

Key: ● Consistent

Sustainability continued

Here for the planet continued



Governance

On the Beach's governance structure for climate-related risks and opportunities is overseen at multiple levels. This multi-tiered approach ensures alignment and commitment to managing climate-related risks and opportunities:

Board	Executive team	Audit Committee	Executive Risk Committee	Climate Change Committee
The Board has overall responsibility for the strategic direction and risk appetite related to climate change. It monitors the implementation of the sustainability strategy and receives periodic updates on climate-related risks, opportunities, and mitigation methods. Shaun Morton, CEO, holds ultimate accountability for climate-related issues and participates in Board and Audit Committee meetings.	The Executive team, led by Shaun Morton, is responsible for the operational delivery of the sustainability strategy, integrating climate-related risks and opportunities into decision-making processes. The team facilitates ESG initiatives across the Group and receives biannual reports from the Executive Risk Committee ('ERC') on climate-related matters.	The Audit Committee reviews the effectiveness of climate-related risk management systems and approves reporting statements, including TCFD disclosures.	The ERC focuses on the governance of climate-related risks, overseeing their identification and management. It reports to the Audit Committee twice a year on the effectiveness of risk management processes. The ERC will also oversee the planned FY26 climate scenario analysis refresh and UK Sustainability Reporting Standards ('UK SRS') preparatory work.	In addition to the ERC, we have established a Climate Change Committee that meets quarterly. This committee reviews the impact of climate-related matters on operations, including financial implications, and develops plans to mitigate future risks, such as the impact of wildfires. It reports its findings and recommendations to the ERC twice a year.

Strategy

We have identified key climate-related risks and opportunities that could significantly impact our operations and strategy over the short (1–5 years), medium (5–10 years), and long term (10+ years). A summary of these risks is provided in the table on page 47.

Risks	Opportunities
<p>This year, the primary climate-related risk was extreme heat/weather due to wildfires, flooding or other extreme weather events in holiday destinations. While other risks have not materialised in the short term, we will continue to monitor them closely.</p> <p>Over the medium and longer term, we would expect to see an increase in customer sentiment risk, talent retention risk and extreme heat/weather risk (acute and chronic). It is difficult to predict the impact and likelihood of carbon pricing risk over the medium and long term but we continue to monitor this.</p>	<p>Our strategy includes several climate-related opportunities:</p> <ul style="list-style-type: none"> As consumer demand for sustainable travel or changing climate preferences evolve, we can use technology to enhance our offerings by showcasing sustainability information and adapting our destination mix (including expanding city break options). Our commitment to excellent customer service includes refining crisis response protocols to handle climate-related disruptions effectively, as demonstrated during wildfires. Future opportunities to introduce sustainability-related perks will be explored based on customer preferences. <p>While our consumer research shows sustainability is currently a lower priority compared to quality and price, we see potential for growth in this area over the medium to long term. As any risk increases as outlined above, so do our opportunities. Our agile business model enables us to adapt quickly to emerging risks, and adapt our range quickly, including city breaks, long-haul and alternative destinations; supporting our ability to respond to shifts in climate-related sentiment.</p>

Key: R Risk O Opportunity
● Low risk ● Medium risk ● High risk

Strategy continued

Impact on Business Strategy and Financial Planning

In the near term, climate-related risks and opportunities have minimal impact on the organisation's businesses, strategy, and financial planning. In the medium to long term, they could have more of an impact as the risk increases, which we will continue to monitor. In making the viability statement on page 59 we modelled a severe reduction in consumer demand caused by climate-related concerns. Shifting climate-related consumer sentiment may also present opportunities, such as adapting the destination mix or highlighting lower-temperature alternatives ('coolcations'), supported by OTB's flexible, asset-light model. The expansion into cities and long-haul markets supports this adaptability.

Risk and Opportunity Analysis

Carbon Pricing	Consumer Sentiment	Talent Retention	Extreme Heat/Weather (Acute)	Extreme Heat/Weather (Chronic)
R <p>Currently, there is no carbon pricing impacting our operations. No new taxes on flying have been introduced, despite commitments to net zero by 2050. The Labour Government has not included any such commitments in its manifesto pledges or Autumn budget. Therefore, we do not foresee immediate impacts on our business, strategy, or financial planning, but we will continue to monitor the situation.</p>	R O <p>Currently, consumer sentiment regarding climate issues does not impact our operations. However, we anticipate potential shifts in sentiment in the medium term, making it essential to monitor, at which point it may influence our business strategy and financial planning if it becomes either an opportunity or a risk.</p>	R <p>In the short to medium term, the impact on talent retention is expected to be minimal. While a small subset of potential candidates may be deterred by the nature of our business, we believe this will not significantly affect our overall talent acquisition or financial planning.</p>	R <p>We have experienced extreme heat, wildfires, and other severe weather events, such as flooding, in certain destinations. Our well-documented incident management plan effectively mitigated operational impacts. Consequently, no specific losses have been incorporated into future financial plans, nor has this affected strategic decisions regarding destinations. This matter is under close review by the Climate Change Committee and Executive Risk Committee.</p>	R O <p>Chronic extreme heat/weather risks have not yet affected the desirability of our destinations. Our agile business model allows us to adapt swiftly to shifts in consumer demand if this situation arises, which could also create opportunities to diversify our destination mix or extend travel seasons but with no current impact on our business, strategy, or financial planning.</p>

Climate Scenario Analysis

In 2022, we conducted climate scenario analysis to assess the potential impacts of climate change risks and opportunities on our business and to evaluate the resilience of our strategy under various climate outcomes. The scenarios were based on the Network for Greening the Financial System ('NGFS') framework and were selected to align with TCFD best practices. The following three scenarios were considered:

Net Zero 2050	Divergent Net Zero	Current Policies
<p>This ambitious scenario limits global warming to 1.5°C through stringent climate policies and innovation, achieving net zero CO₂ emissions around 2050. Physical risks are relatively low, but transition risks are high.</p>	<p>Similar to the Net Zero 2050 scenario, this scenario also reaches net zero by 2050 but assumes higher costs due to inconsistent policies across sectors and a quicker phase-out of fossil fuels. Transition risks are considerably higher compared to the Net Zero 2050 scenario.</p>	<p>This scenario represents a business-as-usual approach, preserving only currently implemented policies. It leads to high physical risks and is projected to result in approximately 3°C of warming by 2080.</p>

The analysis focused on the 30 years from 2022, aligning with governmental regulatory aspirations for net zero by 2050.

Exposure to climate-related risks varies significantly across scenarios. Physical risks are heightened in the Current Policies scenario, while transition risks are more pronounced in the Net Zero scenarios. Notably, carbon pricing could have substantial financial implications, particularly in Net Zero scenarios, though the potential impact of physical risks remains significant and difficult to quantify. We plan to update the climate scenario analysis during FY26. At present, we believe our strategy to be resilient in the three scenarios explored.

Sustainability continued

Here for the planet continued



Risk Management

Identifying Climate-related Risks

Our processes for identifying and managing climate-related risks are integrated into our overall risk management framework, overseen by the ERC.

Climate-related risks are assessed using the same approach as other risks within our risk management system. A broader review of the climate risk framework will take place in FY26 alongside refreshed scenario analysis.

Assessing Climate-related Risks

Climate change is evaluated during our principal risk assessment process. Currently, we do not view climate change as a principal risk that could fundamentally alter the demand for our holidays or our operational capacity. However, it is acknowledged as a relevant factor affecting several strategic risks, including operational disruptions, talent management, customer demand, brand perception, regulatory compliance, and financial liquidity.

Managing Climate-related Risks

To identify priority climate-related risks, we conducted workshops with key stakeholders to understand the operational implications of each risk. This led to the identification of five priority risks, which were assessed based on their potential impact and likelihood. The ERC reviews these risks biannually, ensuring they are incorporated into the existing departmental risk registers, each with assigned risk owners.

The ERC receives regular updates from risk owners, including detailed reports from the Climate Change Committee on issues such as extreme heat and weather risks. These reports cover operational and financial impacts and outline planning measures for future risk mitigation. Through this structured approach, we maintain oversight and ensure that climate-related risks are effectively managed within our overall risk management strategy.

Risk: Carbon Pricing	Risk: Consumer Sentiment	Risk: Talent Retention	Risk: Extreme Heat/Weather (Acute)	Risk: Extreme Heat/Weather (Chronic)
<p>Category: Transition</p> <p>Description: Carbon taxation may be directed either at the Group's direct operations, or in the form of increased taxation across the aviation sector. This could increase our cost base.</p> <p>Time horizon: Medium to Long</p> <p>Financial implications: Low</p> <p>Likelihood: Low</p> <p>Methodology: A range of potential costs were modelled based on assumed emissions growth and projected carbon price within the scenarios¹.</p>	<p>Category: Transition</p> <p>Description: Change in consumer sentiment may impact demand if aviation is seen as a "problem" sector. This could impact the Group's addressable market and revenues.</p> <p>Time horizon: Medium to Long</p> <p>Financial implications: Low</p> <p>Likelihood: Medium</p> <p>Methodology: Difficult to currently quantify as a broad range of outcomes are possible based on technological innovation and public opinion on air travel.</p>	<p>Category: Transition</p> <p>Description: Changing perception of current/prospective employees towards businesses with exposure to carbon intensive industries may create retention or attraction risks.</p> <p>Time horizon: Medium to Long</p> <p>Financial implications: Low</p> <p>Likelihood: Low</p> <p>Methodology: Cost based on assumed attrition rate increases due to broader sustainability concerns relative to baseline.</p>	<p>Category: Physical</p> <p>Description: Disruption from wildfires or floods close to either major transport hubs or holiday destinations could cause potential revenue loss. Wildfires or floods may change the relative desirability of certain destinations which potentially could impact revenues.</p> <p>Time horizon: Short to Long</p> <p>Financial implications: Low</p> <p>Likelihood: Medium</p> <p>Methodology: Difficult to quantify – broad range of outcomes based on impact of physical risk and customers' willingness to accept these.</p>	<p>Category: Physical</p> <p>Description: Prolonged periods of extreme heat or weather may change the relative desirability of certain locations and may cause a decrease in demand if "staycations" become more popular.</p> <p>Time horizon: Short to Long</p> <p>Financial implications: Low</p> <p>Likelihood: Medium</p> <p>Methodology: Difficult to quantify – broad range of outcomes based on localised temperature rises and customers' willingness to accept these.</p>

1. Carbon prices were derived from an average of the outputs of GCAM5.3, MESSAGEix-GLOBIOM 1.1 and REMIND-MAgPIE 2.1-4.2 models for the European Economic Area (or similar), sourced from the NGFS Scenario Explorer.

Key:  Risk  Opportunity
 Low risk  Medium risk  High risk

Metrics and Targets

Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process

The most relevant metrics, on which we report annually, are our GHG emissions and carbon intensity ratios. These are key metrics which are relevant to a number of climate-related risks and opportunities and provide a clear view of the Group's footprint.

On Extreme Heat (Acute) Risk, the ERC receives a report from the Climate Change Committee on the number of climate-related weather events during the relevant period and the financial impact of those events. This supports monitoring of potential operational disruption, although the impact to date has been minimal.

On Customer Sentiment Risk, the ERC reviews qualitative indicators that can act as a barometer of customer demand for the holidays we sell. These include licensed ATOL passenger data and external indicators such as Google trends. These sources help assess whether climate-related sentiment is affecting demand; no such impact has been observed to date.

On Talent Retention Risk, there are a number of metrics which are monitored more generally by the business including voluntary employee turnover, and the HIVE engagement score. There is currently no evidence that climate-related issues are affecting attraction or retention, and therefore no dedicated climate-specific talent metrics are required at this stage. We will keep this under review.

Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas ('GHG') emissions, and the related risks

The Group reports on its Scope 1 and 2 emissions and, to the extent required by SECR, Scope 3 emissions (in relation to grey fleet) as disclosed on page 44. The Group has also disclosed information about its total emissions inventory including Scope 3 on page 42. The Scope 3 analysis was last performed in FY24 in relation to FY23 data. This analysis will be repeated in FY26 in relation to FY25 data to assist the Company with its preparations for the UK Sustainability Reporting Standards.

The main risk surrounding our operational emissions is potential exposure to carbon pricing. A carbon tax imposed on our direct operations is unlikely to have a material impact on the business under all scenarios. However, a carbon tax applied to our full Scope 1–3 emissions would have a substantial impact, though is considered highly unlikely.

In FY25, Scope 1 and 2 emissions fell by 94% compared with the FY23 baseline, primarily due to the closure of our Worthing office and energy-efficiency improvements at our Manchester head office. Emissions intensity also reduced materially, falling to 0.85 tCO₂e per £m revenue and 0.18 tCO₂e per full-time employee. These changes mean that operational emissions are now extremely low, and associated climate-related risks remain minimal.

Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets

As noted on page 42, the Group set an internal target to reduce Scope 1 and Scope 2 emissions by 42% by 2030, aligned with the ambition of the Paris Agreement. In FY25, Scope 1 and 2 emissions fell by 94% from the FY23 baseline, significantly exceeding the level of reduction required to meet this target. The formal target date remains 2030, and we will continue to monitor and report performance against it. Performance against this target is shown on page 42.

Given the Group's very low operational emissions and the nature of our asset-light business model, we do not consider it necessary to set additional climate-related targets at this stage. As part of preparations for the forthcoming UK Sustainability Reporting Standards ('UK SRS'), we will undertake refreshed analysis in FY26, including an updated Scope 3 assessment and climate scenario analysis. This work will strengthen our understanding of our wider value chain emissions and support continued transparency in reporting progress against our existing 2030 target. Our rationale for not pursuing formal SBTi validation remains unchanged.

Sustainability continued

Governance

We are committed to doing business the right way. Strong governance underpins each of our ESG pillars, ensuring that decisions are made responsibly, risks are managed effectively and our people act with integrity in everything we do.



Anti-corruption and bribery

We are committed to operating ethically and employees do not actively seek gifts or favours from any of our suppliers, or from other persons or organisations that we associate with. We have top-level commitment to anti-bribery and corruption, and ensure all employees behave professionally, fairly and with integrity in all our business dealings and relationships wherever we operate, and implement and enforce effective systems to counter bribery. We are set up to fully support our employees, should they need to raise concerns about unethical, criminal or dangerous activities within the Group, and as such provide a confidential whistleblowing telephone line, through an independent and impartial organisation.

Human rights and modern slavery

We are committed to supporting human rights through our compliance with national laws and through our internal policies which adhere to internationally recognised human rights principles.

We have a zero-tolerance approach to any form of modern slavery. We are committed to acting with integrity and transparency to help eradicate any modern slavery in our business and supply chain. We maintain an Anti-Slavery and Human Trafficking policy and in accordance with the Modern Slavery Act, the Group has a modern slavery statement which can be found on our website www.onthebeachgroupplc.com/people/responsibility.

We safeguard our employees through a framework of policies and statements including anti-slavery, equality and diversity and data protection policies.

Supply chains

We expect all suppliers to uphold high ethical and legal standards and to implement a zero-tolerance approach to slavery, forced labour and human trafficking. Our Supplier Code of Conduct sets clear expectations for responsible business practices, including compliance with applicable laws, fair working conditions, and respect for human rights. All hotels are required to complete self-assessment audits covering compliance with legal, ethical and safety requirements, and we work collaboratively with suppliers to address any areas for improvement. Through these measures, we aim to promote integrity and sustainability throughout our supply chain.

Employee Code of Conduct

During FY26 we will launch a new Employee Code of Conduct, setting out the standards and behaviours expected of everyone at On the Beach. The Code will act as a practical guide to doing business the right way, summarising our commitments to legal compliance, integrity and respect and directing colleagues to the Group's key policies and procedures. It will help to embed a consistent understanding of what responsible behaviour looks like across the organisation and reinforce our culture of transparency and accountability.

Data security and cyber resilience

As an online travel retailer serving millions of customers, safeguarding data and maintaining resilient systems are central to our business. We continue to strengthen our cyber security capabilities through regular penetration testing, incident response planning and mandatory employee training. Our dedicated information security function monitors emerging threats and ensures compliance with data protection laws, including the UK GDPR. Cyber and data protection risks are monitored throughout the year by the Executive team and the Executive Risk Committee, with a formal update provided annually to the Audit Committee as part of the Group's risk governance framework.

Whistleblowing

Our whistleblowing policy encourages employees to raise any concerns about illegal or improper behaviour without fear of victimisation, discrimination or disadvantage. We have a whistleblowing telephone service run by an independent organisation, allowing employees to raise concerns on an entirely confidential basis. The Audit Committee receives regular reports on the use of the service and concerns raised, however no whistleblowing reports have been received in the year.

Non-financial and sustainability information statement

The table below sets out where the information required to be disclosed under sections 414CA and 414CB Companies Act 2006 can be found in this Annual Report.

Reporting requirement	Policies and standards	Where to read more in this report to understand the impact on the business, and the outcome of applying our policies
Environmental matters	The Company does not have a specific policy on environmental issues, however, more information on our business impact on the environment can be found in the Sustainability report, on page 28, which also contains the statutory carbon emission and energy data on page 44.	
Employees	<ul style="list-style-type: none"> Equality and diversity policy Board diversity policy Whistleblowing policy HR policies including adoption leave, parental leave, flexible working Health and safety policy Staff handbook 	<ul style="list-style-type: none"> Sustainability, page 28 Stakeholder engagement and s.172 statement, page 78 Principal risks and uncertainties, page 54 Gender Pay Gap report www.onthebeachgroupplc.com/people/responsibility
Social matters	<ul style="list-style-type: none"> Health and safety policy Staff handbook 	<ul style="list-style-type: none"> Sustainability, page 28 Stakeholder engagement and s.172 statement, page 78
Human rights	<ul style="list-style-type: none"> Modern slavery statement Anti-slavery and human trafficking policy Data retention and destruction policy Data handling and data quality policy Employee data privacy policy 	<ul style="list-style-type: none"> Sustainability, page 28
Anti-corruption and anti-bribery	<ul style="list-style-type: none"> Anti-bribery and anti-corruption policy Whistleblowing policy Staff handbook 	<ul style="list-style-type: none"> Sustainability, page 28 Audit Committee report, page 88
Business model		<ul style="list-style-type: none"> Business model, page 16
Non-financial KPIs		<ul style="list-style-type: none"> Non-financial key performance indicators, pages 22 to 23
Description of principal risks		<ul style="list-style-type: none"> Principal risks and uncertainties, page 54

Certain Group policies are not published externally.

The Company's Strategic Report, set out on pages 01 to 60, was approved by the Board on 1 December 2025 and signed on its behalf by:



Shaun Morton
Chief Executive Officer

1 December 2025

Risk report

Risk management

Approach to risk management

Risk is an inherent part of our activities and it is imperative that sound risk management is embraced across the whole Group. Effective risk management allows us to identify, monitor and mitigate risks in line with our risk appetite so that the Group can deliver on its strategic objectives and ensure long-term sustainable growth.

Risk appetite

The Group's risk appetite, set by the Board, sets out how we balance risk and opportunity in pursuit of our strategic objectives and establishes clear parameters in which departments and the Executive team can work and succeed.

Our risk appetite statements have been developed in relation to each category of risk and are aligned to our strategic objectives. The statements are used to guide decision-making as to whether a risk is within risk appetite or not and is recorded in the principal risk register for each risk.

Risk management process

The following risk management process is applied when identifying risks that could impact the business:



Readiness for Provision 29 (material controls)

Provision 29 of the 2024 UK Corporate Governance Code will apply to the Company from FY27. We are running a phased programme to identify and document the Group's material controls, with governance through a working group reporting to the Executive Risk Committee ('ERC') and Audit Committee. We will provide an update on progress in next year's Annual Report.

Emerging risks

In addition to the principal risks, the Executive Risk Committee and Board also consider emerging risks as part of their reviews. These are risks that, whilst not currently believed to be principal risks to the Group, are clearly important to us and could have a significant impact on the ability of the business to fulfil its strategic objectives in the future.

Link to strategy

For each risk highlighted, we have specified the strategic pillars to which these risks relate.

These are:

- 1 Stickiness
- 2 Choice
- 3 Peace of mind
- 4 Scale and automation

Risk Governance Framework

Board			
<ul style="list-style-type: none"> Overall responsibility for risk oversight and maintaining a risk management and internal control system 		<ul style="list-style-type: none"> Determines the extent of risk the Group is willing to take through the agreement of risk appetite statements having regard to the internal and external environments in which we operate 	
Audit Committee	Remuneration Committee	Nomination Committee	
<ul style="list-style-type: none"> Assists the Board in fulfilling their risk oversight and management duties Particular focus on escalated risk Monitors the adequacy and effectiveness of the internal controls and risk management systems 	<ul style="list-style-type: none"> Ensures remuneration structures support talent attraction and retention while aligning reward with strategy delivery and risk management 	<ul style="list-style-type: none"> Reviews Board composition, succession planning and executive talent pipeline to mitigate key person risk and ensure continuity of effective governance 	
Executive Team			
<ul style="list-style-type: none"> Led by the CEO and responsible for the day-to-day management of the business 	<ul style="list-style-type: none"> Owns and embeds risk management across the Group, reviewing the Strategic Risk Register twice a year 	<ul style="list-style-type: none"> Each Executive meets with the Risk function to assess functional risks for escalation 	<ul style="list-style-type: none"> Considers reports from the Executive Risk Committee and ensures actions are taken before matters are escalated to the Audit Committee and the Board
Executive Risk Committee			
<ul style="list-style-type: none"> Dedicated to the oversight and governance of risk 	<ul style="list-style-type: none"> Monitors the risk registers in place across the business 	<ul style="list-style-type: none"> Ensures identification and escalation of risk and provides updates to the Audit Committee 	
AI Risk Committee	Climate Risk Committee		
<ul style="list-style-type: none"> Oversees the Group's use of artificial intelligence Ensures that AI adoption is safe, ethical and aligned with the Group's values, whilst supporting innovation and efficiency 	<ul style="list-style-type: none"> Oversees the Group's approach to climate-related risks and opportunities Supports delivery of the Group's sustainability commitments and ensures alignment with the Group's long-term strategy 		
Employee Health & Safety Committee	Customer Health & Safety Committee	Treasury Committee	
<ul style="list-style-type: none"> Oversees the Group's approach to employee health, safety and wellbeing ensuring compliance with legislation 	<ul style="list-style-type: none"> Monitors health and safety standards in place with suppliers ensuring that risks are identified and mitigated 	<ul style="list-style-type: none"> Oversees the Group's compliance with the Treasury policy ensuring financial resilience and alignment with the Board's risk appetite 	

Risk report continued

Principal risks

Changes to our principal risks

The Group's principal risks have remained largely the same as those disclosed in the 2024 Annual Report and Accounts. Where the Board believes there is a change in the direction of travel of a principal risk, the rationale is disclosed below. While one risk is assessed as having increased and one decreased, the Board considers that the Group's overall risk profile remains stable, with strong mitigations and governance frameworks in place to manage any heightened areas.



Strategic pillars: ① Stickiness ② Choice ③ Peace of mind ④ Scale and automation

Customer Risks

1. Demand

Risk Owner: CMO

Link to strategy ① ② ③ ④

Risk and impact

- Reduced economic growth or a recession can lead to reduced job security and a reduction in consumer leisure spending.
- Environmental and sustainability concerns could affect demand with consumers choosing to travel less frequently.
- While booking patterns have shifted later as consumers show more caution, overall demand for holidays remains strong and resilient, so the risk profile is unchanged.

Mitigation

- Our flexible payment arrangements enable customers to spread the cost of their holiday.
- We offer financial protection through ATOL bonding and consumer trust account arrangements. ABTA membership strengthens customer trust and confidence.
- Our asset-light model allows us to be dynamic and responsive — we can adapt holiday locations quickly to mitigate climate risks and align with customer demand.
- Ongoing investment in brand, perks and customer experience helps maintain strong consumer demand for our holidays.

Direction of travel


2. Safety

Risk Owner: General Counsel

Link to strategy ① ② ③

Risk and impact

- A health and safety incident or security incident could cause significant injury/loss of life, litigation, reputational damage, fines/regulatory sanctions and reduction in future revenues.
- We can be held liable in damages for death/personal injury or illness suffered by customers that are the fault of any suppliers.
- The risk profile remains unchanged, with robust supplier monitoring and established health and safety processes in place.

Mitigation

- We have public liability insurance in place to cover our risks as a package organiser as well as thorough claims reporting, investigation and handling processes. We also have indemnities with most suppliers to enable recovery.
- We regularly review our health and safety management system; this is led by an experienced health and safety professional. We also work with suppliers to ensure that customers' health and safety is monitored throughout the supply chain.

Direction of travel


Customer Risks continued

3. Brand and Consumer Proposition

Risk Owner: CMO	Link to strategy 1 2 3 4	Direction of travel
<p>Risk and impact</p> <ul style="list-style-type: none"> The Group relies on the strength of its brand, reputation and customer proposition to differentiate itself and drive bookings. Adverse publicity or reputational damage could reduce goodwill and demand, impacting competitiveness and market position. Competitive intensity in the market has increased during the year, particularly with vertically integrated airlines expanding their holiday offerings, alongside rising customer expectations on value and digital experience. The Group already considers the potential impact of this risk to be considerable, therefore there is no change to its direction of travel despite the changes in the external risk landscape. 	<p>Mitigation</p> <ul style="list-style-type: none"> Continued investment in brand awareness and consideration through online and offline marketing and PR campaigns. Ongoing enhancements to customer experience including improvements to our app, self-serve capabilities, and perks proposition. Dedicated internal and external PR advisers to manage reputation and brand risk. Regular monitoring of customer satisfaction through NPS score, supported by further investment in this area. Expanded choice for our customers, including city breaks and the launch of our Ireland website and app. 	



Operational Risks

4. Operations

Risk Owner: CMO	Link to strategy 1 2 3 4	Direction of travel
<p>Risk and impact</p> <ul style="list-style-type: none"> The Group has legal obligations to address significant changes or disruptions to customers' holidays. Such events may be caused by unpredictable domestic or international incidents, which can also impact wider business continuity. While the external environment remains volatile, the Group's operational risk profile is unchanged due to enhanced crisis planning and resilience measures implemented during the year. 	<p>Mitigation</p> <ul style="list-style-type: none"> Customer incident management processes are in place to identify and respond to a wide range of incidents. A company-wide Crisis Management Playbook has been embedded, consolidating crisis, business continuity and disaster recovery plans, which will be regularly reviewed and tested. Incident response plans are updated on an ongoing basis to reflect lessons learned and emerging risks. 	

5. Talent

Risk Owner: CPO

Risk Owner: CPO	Link to strategy 1 2 3 4	Direction of travel
<p>Risk and impact</p> <ul style="list-style-type: none"> The Group's ability to deliver its strategy depends on attracting, developing and retaining talent in a highly competitive labour market, particularly for specialist digital and technology skills. While the talent market is becoming increasingly competitive, the overall risk profile is unchanged as the Group continues to benefit from a strong employee proposition. 	<p>Mitigation</p> <ul style="list-style-type: none"> A positive, informal and open culture provides a supportive environment for employees, with a strong focus on engagement (see "Here for people" section on pages 30 to 37). Remuneration tools are regularly reviewed, including salary, bonus, share schemes and enhanced policies, as described in more detail in the Directors' Remuneration Report. Investment in leadership development, succession planning and skills in critical areas such as digital and AI. 	

Risk report continued

Strategic pillars: ① Stickiness ② Choice ③ Peace of mind ④ Scale and automation

Operational Risks continued

6. Supply – Major Airline Failure			
Risk Owner: CFO	Link to strategy ① ② ③ ④	Mitigation	Direction of travel
Risk and impact <ul style="list-style-type: none"> If a major airline were to collapse, the Group would be required to replace customers' flight arrangements or provide full refunds within 14 days. This could lead to loss of margin on cancelled bookings, incremental costs for replacement flights, and higher than expected cash outflows. While airline failures remain a sector risk, the Group's experience and contingency arrangements mean the overall risk profile is unchanged. 	Mitigation <ul style="list-style-type: none"> Detailed and well-rehearsed plans are in place to respond to airline failures, drawing on experience from Monarch and Thomas Cook. Access to a (recently increased) revolving credit facility ensures sufficient funds are available to refund or rebook customer holidays. The majority of flights are paid for using cards that provide chargeback rights. The Treasury Committee conducts quarterly reviews of counterparty limits and credit ratings of major suppliers. 		

7. Flight Supply			
Risk Owner: CFO	Link to strategy ① ② ③ ④	Mitigation	Direction of travel
Risk and impact <ul style="list-style-type: none"> Limited flight supply or restricted access to airline capacity could affect the Group's ability to meet customer demand for holidays. Some airlines reserve capacity for their own packages or set higher prices for indirect channels, which can reduce choice, limit value, and constrain the Group's ability to compete fairly. The risk was reduced last year following the new Ryanair agreement, and while competitive dynamics remain a factor, overall airline capacity from UK departure points is currently strong, so the Group's risk profile is unchanged. 	Mitigation <ul style="list-style-type: none"> The Group has established strong partnerships with several airlines. Proprietary technology, including innovations such as self-book, supports resilience and flexibility in sourcing flights. Ongoing dialogue with regulators and industry bodies to support fair access to airline supply. 		

Technology Risks

8. Cyber Security			
Risk Owner: CPTO	Link to strategy ① ② ③ ④	Mitigation	Direction of travel
Risk and impact <ul style="list-style-type: none"> A major security incident arising from human error, malicious action, technology failure or vulnerabilities in AI could lead to unauthorised access to or misuse of customer, employee or commercially sensitive data, causing financial, operational and reputational harm, alongside regulatory sanctions and civil claims. During the year, the risk profile has increased due to a rise in sector-wide cyber incidents (including high-profile breaches at other UK retailers) and the evolving threat landscape created by rapid AI adoption. 	Mitigation <ul style="list-style-type: none"> Security standards & compliance: Security policies and technology align with recognised frameworks (e.g. NIST) and PCI DSS; the PCI DSS cardholder environment is kept secure. Threat detection & response: 24/7 Managed Security Service Provider in place for continuous monitoring and incident response. Information security & privacy: Dedicated Information Security team in place; DPO oversight with routine reporting; colleague training on information security and data protection. Crisis preparedness: Business continuity and disaster recovery are consolidated within the Crisis Management Playbook, which includes security-incident runbooks, testing protocols and simulation exercises; scenario exercises are scheduled to validate response and recovery. Risk transfer: Cyber insurance is maintained. Technology hosting: Core systems are hosted on AWS to support resilience, scalability and security. AI governance & controls: An AI policy is in place with audits and monitoring; the AI Governance Committee reviews and oversees new and existing AI tools to mitigate deployment risks. 		

Technology Risks continued

9. Innovation, Transformation and Scalability

Risk Owner: CPTO

Link to strategy 1 2 3 4

Risk and impact

- Failure to innovate at pace, modernise our platform or scale efficiently could limit growth, degrade customer experience and increase unit costs.
- External technology shifts (including changes in discovery/search) and fast-moving AI developments heighten execution risk if we do not adapt quickly enough.
- During the year, there has been volatility in the external risk landscape given the speed of external change and expanding use cases, which raise delivery and adoption challenges even as capability improves. However, as the Group already considers the potential impact of this risk to be high, there is no movement to its current direction of travel.
- While technology and search are evolving quickly, our scaled AI usage, continuous platform modernisation and delivery governance have kept execution risk stable, so the overall risk is unchanged.

Mitigation

- AI tool deployment at scale:** Widespread use of approved AI tools across the business is improving throughout and reducing manual effort, helping the platform and teams scale more efficiently; access and usage are governed under our AI policy and committee oversight.
- Business process automation:** Progressive AI-enabled automation programme to remove manual steps and reduce operational dependencies.
- AI product integration:** Live AI applications across multiple use cases (e.g. customer interactions and internal tooling), with lessons learned feeding future roll-outs.
- Infrastructure modernisation:** Ongoing investments in architecture, APIs, data pipelines and scalability foundations to support future AI workloads and growth.
- External validation & advisory:** Targeted third-party benchmarking and independent advice to test strategy and surface blind spots.
- Governance & oversight:** Monthly innovation KPIs reported to the CPTO; the AI Governance Committee and Executive Risk Committee provides structured oversight and accountability.

Direction of travel
↔



Risk report continued

Strategic pillars: ① Stickiness ② Choice ③ Peace of mind ④ Scale and automation

Other Risks

10. Laws and Regulations			
Risk Owner: General Counsel	Link to strategy ① ② ③ ④	Mitigation	Direction of travel
Risk and impact		Mitigation	
<ul style="list-style-type: none"> The Group operates within a complex and evolving regime covering travel and aviation, online commerce, consumer protection, data privacy and emerging ESG/AI requirements. Unfavourable changes to or interpretation of existing laws could adversely affect the Group's business and financial performance. Regulatory change and enforcement have intensified—including the DMCC Act, the EU Accessibility Act and ECCTA. As part of its increased scrutiny of drip pricing, the CMA issued advisory letters to a number of businesses across the sector. The Group is progressing work to ensure alignment with the CMA's guidance and evolving regulatory expectations. The overall risk rating remains high but well managed and effectively mitigated. 	<ul style="list-style-type: none"> Horizon scanning & advice: Ongoing monitoring by the in-house Legal team with support from external advisers; escalation through the ERC (which reports to the Audit Committee twice yearly). Compliance framework: Annual gap analysis and policy refreshes to keep core controls current. Focused workstreams to address any areas of risk. Training & guidance: Ongoing colleague training and guidance on key risk areas (including mandatory training). Policy advocacy & regulatory engagement: We take an open, transparent and collaborative approach with government, regulators and industry bodies to inform proportionate reform and constructive engagement with regulators on compliance. 		
11. Financial Risk and Liquidity			
Risk Owner: CFO	Link to strategy ① ② ③ ④	Mitigation	Direction of travel
Risk and impact		Mitigation	
		<ul style="list-style-type: none"> The risk that the Group has insufficient liquidity or access to funding, adverse FX/interest rate movements, or cannot meet obligations as they fall due. Seasonality and the Group's low-deposit proposition require disciplined working capital management; cash held in trust is ringfenced and not available for general corporate purposes. During the year, this risk decreased following a successful refinancing into a new four-year £120m facility (with £30m accordion), improved pricing and a stronger cash position at year-end, enhancing headroom and tenor. 	

Viability statement

Assessment of viability

The output of the Group's strategic and financial planning process reflects the Board's best estimate of the future prospects of the business. To make the assessment of viability, however, additional scenarios have been modelled over and above those in the ongoing plan, based upon a number of the Group's principal risks and uncertainties which are documented on pages 54 to 58.

These scenarios were overlaid into the plan to quantify the potential impact of one or more of these crystallising over the assessment period. Whilst each of the Group's principal risks has

a potential impact and has therefore been considered as part of the assessment, only those that represent severe but plausible scenarios have been modelled. As part of this review, the Directors also considered the Group's increased exposure to cyber threats and the potential operational and financial implications of a significant cyber incident. Although not modelled as a standalone scenario, the impacts of such an event (major one-off cost, fine or a temporary reduction in customer confidence) are captured within the severe but plausible scenarios presented below.

Scenario 1 – Airline failure

Link to risk 6 Major Airline Failure

Although the Group does not expect another airline failure in the immediate future, the possibility remains that another supplier could fail leading to a large exceptional cost to cover the necessary refunds to customers and any other related costs. This model was thoroughly tested in FY19 whilst dealing with the Thomas Cook failure and the Group remains confident that the short-term cash impact, before our chargeback claim is processed, can be covered by existing cash reserves.

The Group has reviewed the list of its airline suppliers and does not consider any major airlines to be notable failure risks. The Group has modelled the impact of one of its larger suppliers failing to consider the impact of refunding customers and reclaiming refunds on the cash balance in addition to the impact on profitability whilst the Group finds alternative supply. In any event the Group remains prepared for such a failure through the combination of this hypothetical planning process and its recent experience of dealing with actual airline failures.

Scenario 2 – GDPR fine or other major one-off cost

Link to risk 10 Non-compliance with Laws and Regulations

A serious GDPR breach can attract a fine of €20m or 4% of turnover, whichever is greater. For the Company, this would be €20m (£17m). The Group takes data protection very seriously and a series of controls and monitoring is in place to ensure compliance. The impact of such a fine has been considered. This scenario would also capture the potential financial consequences of a serious cyber incident, including incident response costs, regulatory penalties or compensation payments.

The Group has considered the cash headroom over the next five years, as well as the impact in customer confidence following a breach and is comfortable that such a fine would not jeopardise the viability of the Group.

Scenario 3 – Severe reduction in consumer demand caused by macro-economic factors or changing attitudes to flying due to environmental concerns

Link to risk 1 Demand

There is a risk there is a prolonged impact to consumer demand as a result of the ongoing cost-of-living crisis in the UK and weakened pound. This could be caused by a number of factors including affordability, changing attitudes to flying or a temporary loss of consumer confidence following a cyber incident. This would inhibit the Group's ability to generate revenue and cash in this regard.

There is also a risk that environmental concerns may result in a reduction in consumer demand as consumers may choose to travel less frequently or certain destinations may become less desirable due to extreme weather events such as heat waves and resulting wildfires.

The Group has considered the impact to cash and revenues of operating in an environment where bookings decrease by 20% year-on-year. Whilst profitability would be impacted, the Group would continue to generate both profits and cash throughout this period.

Scenario 4 – Limitations on innovation, transformation and scalability

Link to risk 9 Innovation, Transformation and Scalability

There is a risk that if the Group cannot keep up with growing demand or doesn't innovate to adapt to customers, this will impact the growth of the Group. The Group is continuously investing in technology along with focusing on recruiting and retaining talent to drive innovation and transformation.

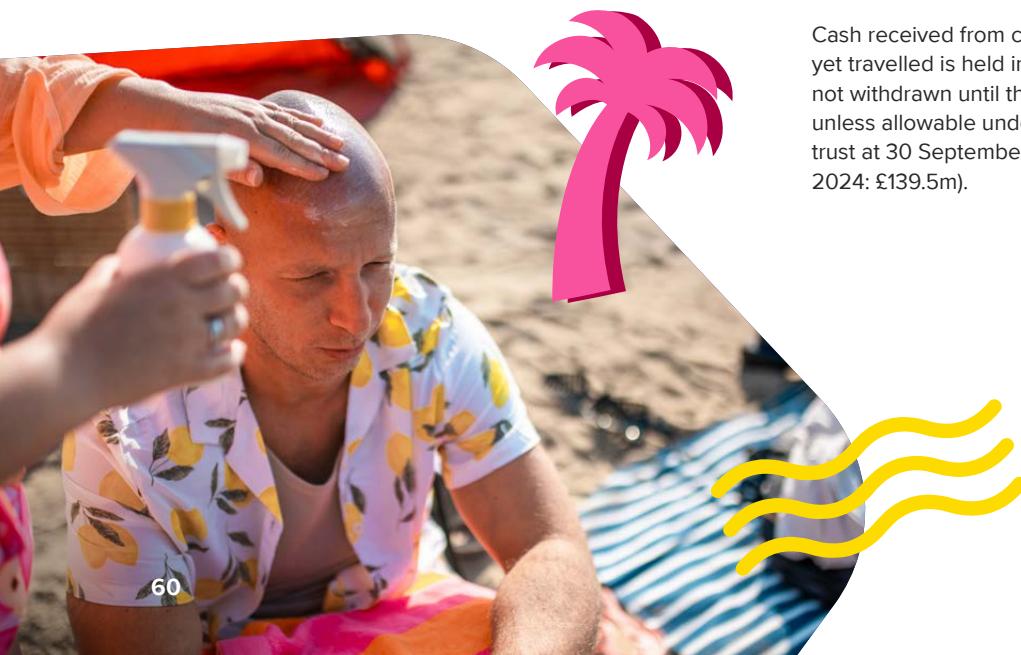
The Group has considered the impact to cash and revenues if the Group is unable to cope with peak customer demand experienced in January resulting in capped bookings in combination with restricted growth in bookings year-on-year. Whilst profitability would be impacted, the Group would continue to generate both profits and cash throughout this period.

Viability statement continued

The above scenarios are designed to allow the Group to review the maximum impact that such situations could have, for instance the maximum fine or the failure of a major supplier, in order to consider situations which could threaten its viability should they arise. However, as described above, there are controls and monitoring processes in place to allow us to observe the likelihood of these scenarios occurring and also to ensure we are best prepared to mitigate the impact on the business.

The planning process has indicated that through a mix of the available reserves, the Group's banking facility and real world experience of dealing with similar situations in the past, that it would be capable of absorbing the potential impact on the business and remain a viable going concern.

In forming this conclusion, the Directors also took into account the Group's strengthened cyber controls and monitoring processes, together with the potential impact of an extreme cyber incident being covered within the severe but plausible scenarios modelled.



Viability statement

Based on their assessment of prospects and viability above, the Directors confirm that they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the five-year period ending 30 September 2030.

Going concern

The Group covers its daily working capital requirements by means of cash and a Revolving Credit Facility ('RCF'). Previously, a facility was held for £85m that was due to expire in December 2027 following an extension. For the year ending 30 September 2025, the Group has completed a refinancing with Lloyds, NatWest and HSBC, entering a new four-year credit facility of £120m with an accordion of £30m, expiring September 2029. At the point of refinancing there was nothing drawn down. The RCF has financial covenants in place which are tested twice annually.

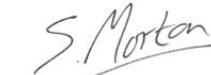
As at 30 September 2025 Group cash (excluding cash held in trust which is ringfenced and not factored into the going concern assessment) was £91.7m (30 September 2024: £96.2m).

Cash received from customers for bookings that have not yet travelled is held in a ringfenced trust account and is not withdrawn until the customer returns from their holiday unless allowable under trust scheme rules. Cash held in trust at 30 September 2025 was £142.9m (30 September 2024: £139.5m).

The Directors have assessed a going concern period through to 31 March 2027 and have modelled a number of scenarios considering factors such as airline resilience, cost of living, inflation, interest rates and customer behaviour/demand. The Group has performed an assessment of the impact of climate risk, as part of the Directors' assessment of the Group's ability to continue as a going concern. Detail of the Group's assessment of the impact of climate risk is provided within the "Here for the planet" section of this report.

The Directors have modelled a remote possibility scenario to sensitise the base case as a stress test. In this scenario the Directors have assessed the impact to cash and revenue in an environment where bookings are 99% lower than forecasted reduction for the remaining going concern period, although profitability would be affected, the Group would be able to continue operating.

In addition, the Directors have modelled sensitivity analysis on a reverse stress test that models a substantial increase in bookings, to assess the potential impact on working capital and bank facilities, as well as the considering the sensitivity to booking volumes. Although in this scenario headroom would be affected, the Group would be able to continue operating. Given the assumptions above, the mitigating actions available and within the Group's control, the Directors remain confident that the Group can continue to operate with sufficient resources for the foreseeable future. Therefore, it is considered appropriate to continue to adopt the going concern basis in preparing these financial statements.



Shaun Morton
Chief Executive Officer

1 December 2025



Governance

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Chair's introduction

I am pleased to present our Corporate Governance report for FY25.



Richard Pennycook
Chair of the Board

This report outlines the governance structures and practices that continue to support effective decision-making and accountability across the Group. It also summarises the work of the Board and its Committees over the year, demonstrating our ongoing commitment to strong governance.

Compliance with the UK Corporate Governance Code

The Board has continued to uphold high standards of corporate governance throughout the year. During FY25, we complied with all relevant principles and provisions of the 2018 UK Corporate Governance Code, with the exception of Provision 11 between 28 September 2024 and 10 January 2025, when David Kelly ceased to be considered independent under the Code. David retired from the Board on 10 January 2025 and was succeeded by Victoria Self, who was appointed as an independent Non-Executive Director on 3 February 2025. From that date, compliance with Provision 11 was restored. The Board was satisfied that its overall balance, skills and effective operation were maintained during this period.

Looking ahead, the 2024 version of the UK Corporate Governance Code will take effect for the Company from 1 October 2025 ('FY26'), with the exception of Provision 29, which will apply from 1 October 2026 ('FY27'). The Board is proactively preparing to ensure compliance with the updated Code, reaffirming our ongoing commitment to the highest standards of corporate governance.

“

Effective governance remains central to our success, enabling the delivery of our strategy and long-term value for stakeholders.”

Richard Pennycook
Chair of the Board

Shareholder engagement

The Board oversaw important shareholder engagement this year, particularly ahead of our General Meeting in September to approve the new Remuneration Policy and Growth Plan. We greatly value the time and insight of shareholders during that process, and I would like to acknowledge the extensive engagement led by our Remuneration Committee Chair, Rt Hon Justine Greening. We were pleased to receive strong support at the meeting, with over 80% of votes cast in favour.

Looking ahead, our next AGM is scheduled for 12 March 2026. We encourage shareholders to actively engage with us, both ahead of and during the AGM, to ensure we continue to address your priorities and deliver long-term value. Your feedback and insights are invaluable to the Board as we shape the future direction of the business.

Board effectiveness

This year, we conducted a comprehensive internal evaluation of the Board's performance, ensuring that both the Board and its Committees continue to operate effectively. The findings and the methodology used in the evaluation are detailed on page 76.

Stakeholders

Ensuring ongoing engagement with our key stakeholders, including customers, employees, and partners, remained a priority for the Board. Our Section 172 Statement on page 78 outlines how stakeholder interests have been considered in our decision-making throughout the year.

Sustainability

Sustainability and ESG factors continue to be integral to our decision-making process, reflecting the growing importance of these areas to our stakeholders. For further details, please see pages 28 to 50.

Risk management

We have made significant progress in embedding our enhanced risk management system, which bolsters our existing processes and provides greater assurance as we pursue our strategic goals. This has enabled us to better navigate potential risks and uncertainties.

Conclusion

In conclusion, I believe the Board remains highly effective. Our governance framework continues to provide a robust platform for the Group's sustainable growth, benefiting all our stakeholders.



Richard Pennycook

Chair of the Board of On the Beach Group plc

1 December 2025



Directors' biographies

Non-Executive Directors



Richard Pennycook, CBE
Chair of the Board

Appointed to Board: 1 April 2019
Independent: Yes



Listed Company Appointments: Boku Inc (Chairman)

Experience and contribution:

Richard Pennycook has served as Chair of the Board of On the Beach since 1 April 2019, bringing significant experience from both private and public companies, particularly in the retail and consumer sectors. His governance expertise, developed through senior roles across fast-growing online businesses and established PLCs, makes him an invaluable asset to the Board.

Richard was previously Non-Executive Chairman of Howden Joinery Group plc (2016-2022) and The Hut Group ('THG') (2012-2018), where he played a key role in its growth as a major online technology company. He also served as CEO of The Co-operative Group (2013-2017) and held executive roles at leading public companies, including Wm Morrison Supermarkets plc and RAC plc.

With decades of PLC boardroom experience, Richard brings a deep understanding of corporate governance, transformation, and stakeholder engagement. His strong track record in guiding businesses through transitions provides the Board with valuable strategic insight and leadership.



Elaine O'Donnell
Senior Independent Director

Appointed to Board: 3 July 2018
Independent: Yes



Listed Company Appointments: SThree plc* and The Gym Group plc (in each case, NED and Chair of the Audit and Risk Committee), and The Beauty Tech Group plc (Chair)

Experience and contribution:

Elaine O'Donnell is the Senior Independent Director and Chair of the Audit Committee. Having served on the Board since 2018, she is the Group's longest-serving independent Non-Executive Director, bringing continuity alongside deep governance expertise.

A Chartered Accountant, Elaine was previously a partner at Ernst & Young LLP, specialising in corporate finance and mergers and acquisitions. This provided her with a strong foundation in financial oversight and strategic governance, which she has since applied across listed and private companies.

She has held senior non-executive roles at Games Workshop Group plc, including Senior Independent Director and Chair, and currently serves on the boards of SThree plc*, The Gym Group plc and as Chair of The Beauty Tech Group plc, which recently listed.

Elaine's financial and governance expertise strengthens the Board's oversight of financial reporting and risk management, while her broad sector experience in online retail, consumer and regulated industries provides valuable insight to support the Group's long-term strategy.

* Elaine is stepping down from the Board of SThree plc on 31 December 2025.



Rt Hon Justine Greening
Non-Executive Director

Appointed to Board: 4 March 2021
Independent: Yes



Listed Company Appointments: None

Experience and contribution:

Justine Greening joined the Board in March 2021, bringing a unique combination of political, financial and business experience. She served as a Member of Parliament for Putney, Roehampton and Southfields from 2005 to 2019, including eight years as a Minister and six in Cabinet.

Since becoming Remuneration Committee Chair in 2023, Justine has engaged deeply with shareholders, leading the development of the Group's new Remuneration Policy and Growth Plan to support delivery of its strategy and Medium Term Ambition. She brings a strong focus on inclusive growth and social mobility, using her policy expertise to help the Board consider the broader impact of its decisions on stakeholders and society.

Alongside her Board role, Justine founded the Social Mobility Pledge, a campaign to drive grassroots change through business and higher education, reflecting her strong personal commitment to social mobility and opportunity. Earlier in her career, she trained and qualified as a Chartered Accountant with PriceWaterhouse before holding finance and strategy roles at SmithKline Beecham, GlaxoSmithKline and AA/Centrica.

Non-Executive Directors



Simon Cooper
Founder and Non-Executive Director

Appointed to Board: 17 August 2015
Independent: No

Listed Company Appointments: The Beauty Tech Group plc (Non-Executive Director and Senior Independent Director)

Experience and contribution:

Simon Cooper founded On the Beach in 2004 and transitioned to Non-Executive Director in June 2023 as part of the Group's CEO succession plan. As Chief Executive for almost two decades, he grew the Company from a start-up into one of the UK's largest online package holiday specialists, achieving rapid scale, strong brand recognition and a successful IPO in 2015.

His entrepreneurial career began at university with the ski holiday business On the Piste, which he sold to TUI before going on to establish On the Beach. Alongside his role on the Board, Simon is a Non-Executive Director of The Beauty Tech Group plc, which recently listed, and also works with other fast-growing, innovative businesses to help them scale.

As founder and entrepreneur, Simon brings deep sector knowledge, digital expertise and strategic vision to the Board, supporting the Group's continued focus on growth and innovation.



Victoria Self
Non-Executive Director

Appointed to Board: 3 February 2025
Independent: Yes

Listed Company Appointments: None

Experience and contribution:

Victoria Self joined the Board of On the Beach as an Independent Non-Executive Director in February 2025 and is a member of the Audit, Remuneration and Nomination Committees.

She has over 25 years' experience in senior roles across digital and consumer-facing businesses. Victoria is currently Managing Director of Player Experience at Entain plc, a global digital gaming group, where she leads a 350-strong team covering engineering, product and user experience. Prior to Entain, she was Chief Product Officer at comparethemarket.com, overseeing product strategy and innovation. Earlier in her career, she held leadership positions at Marks and Spencer, Currys, Carphone Warehouse, Urban Outfitters and Mothercare.

With deep expertise in digital transformation, customer engagement and product innovation, Victoria provides the Board with valuable insight on technology and consumer behaviour, strengthening its focus on sustainable growth and long-term strategy.



Veronica Sharma
Non-Executive Director

Appointed to Board: 1 September 2023
Independent: Yes

Listed Company Appointments: None

Experience and contribution:

Veronica Sharma joined the Board as a Non-Executive Director of On the Beach in September 2023 and also serves as the Designated Non-Executive Director for Employee Engagement. She brings extensive experience in people leadership and organisational development across high-growth, technology-enabled businesses.

Veronica is currently a Director of Org-Worx Ltd and an Operating Advisor at Warburg Pincus, where she supports portfolio companies on leadership, talent management, and organisational effectiveness. She is also an executive coach, working with senior leaders to unlock potential and drive performance.

Previously, Veronica was Group Chief People Officer at Cazoo, leading its people strategy during rapid expansion into five European markets. She also held senior HR and transformation roles at Photobox, Moonpig, and eBay.

Veronica's expertise in cultural change, talent strategy and business transformation strengthens the Board's focus on people and organisational development, supporting the Group's long-term growth and success.



Directors' biographies continued

Executive Directors



Shaun Morton
Chief Executive Officer

Appointed to Board: 17 July 2020
Independent: No

Listed Company Appointments: None

Experience and contribution:

Shaun Morton was appointed Chief Executive Officer of On the Beach in June 2023, having previously served as a Director of Finance from February 2018 and Chief Financial Officer from July 2020. Since becoming CEO, he has led the Group through a period of record performance and strategic expansion, including the launch of city breaks, entry into the Republic of Ireland, and the establishment of the Group's Medium Term Ambition.

He has also played a central role in resolving historic litigation with Ryanair and converting this into a transformational long-term partnership, while driving initiatives that have strengthened the brand, advanced technology and broadened the customer proposition, including growth in premium and long-haul travel.

Shaun is a qualified Chartered Accountant with expertise in financial planning, strategy, and risk management, combined with an in-depth understanding of the Group's operations and the wider travel sector. Before joining On the Beach, he held senior finance roles at Deloitte, Asda, and ghd hair.



Jon Wormald
Chief Financial Officer

Appointed to Board: 30 June 2023
Independent: No

Listed Company Appointments: None

Experience and contribution:

Jon Wormald became Chief Financial Officer of On the Beach in June 2023 and has since played a key role in strengthening the Group's financial position. He delivered a refinancing that provides flexibility to support delivery of the Group's strategy and Medium Term Ambition, introduced a disciplined capital allocation framework, and has overseen significant returns to shareholders. In addition to his finance responsibilities, Jon has recently taken on supply and commercial, reflecting his strong performance and broader contribution to the business.

He joined from THG PLC, where he was CFO of THG Nutrition, the world's largest online sports nutrition brand, overseeing financial performance and integrated manufacturing. Prior to THG, Jon spent 11 years at the Co-operative Group Limited in senior M&A and finance roles. A fellow of the Institute of Chartered Accountants of England and Wales, Jon brings financial discipline, strategic acumen and commercial oversight to the Board.

Committee memberships:  Audit  Remuneration  Nomination  Disclosure  Committee Chair



Zoe Harris
Chief Marketing Officer

Appointed to Board: 14 October 2022
Independent: No

Listed Company Appointments: None

Experience and contribution:

Zoe Harris joined On the Beach in January 2021 as Chief Marketing Officer and became a Board Director in October 2022. She has been instrumental in building a more customer-centric brand, leading initiatives such as Price Drop Protection, an industry-first guarantee that gives customers confidence they are getting the best deal, and significant investment in creative brand campaigns that have strengthened engagement and loyalty.

Before joining On the Beach, Zoe was CMO of GoCompare and later CEO of Look After My Bills at GoCo Group, and previously Group Marketing Director at Reach PLC, where she transformed marketing across digital and print. Earlier in her career, she held senior roles at MTV, Channel 5, WCRS and NBC.

With deep expertise in brand building, performance marketing and customer insight, Zoe ensures the Board's marketing strategy delivers both commercial impact and a differentiated customer experience.

Board composition as of 30 September 2025



- Chair of the Board
- Executive Directors
- Independent Non-Executive Directors
- Non-independent Non-Executive Directors

David Kelly served as a Non-Executive Director during the year, until he stepped down on 10 January 2025.

Tenure in years

Simon Cooper		21
Elaine O'Donnell		7
Richard Pennycook		6
Shaun Morton		5
Justine Greening		4
Zoe Harris		3
Veronica Sharma		2
Jon Wormald		2
Victoria Self		1

Corporate Governance statement

Compliance with the UK Corporate Governance Code

The principles of the 2018 UK Corporate Governance Code (the 'Code') emphasise the importance of strong governance in supporting the long-term sustainable success of listed companies. The Board is responsible for ensuring the Company has frameworks in place to comply with the Code's requirements.

This Corporate Governance section of the Annual Report sets out how we have applied the main principles of the Code and complied with its relevant provisions. A copy of the Code is available on the Financial Reporting Council's website at www.frc.org.uk.

During FY25, the Company complied with all relevant principles and provisions of the 2018 UK Corporate Governance Code, with the exception of Provision 11 between 28 September 2024 and 10 January 2025, when David Kelly ceased to be considered independent under the Code. David retired from the Board on 10 January 2025 and was succeeded by Victoria Self, appointed as an independent Non-Executive Director on 3 February 2025. From that date, compliance with Provision 11 was restored.

The Company is preparing for the transition to the 2024 UK Corporate Governance Code, which will apply to the Company from FY26 onwards. In addition, Provision 29 of the 2024 Code, which relates to reporting on the effectiveness of material controls, will apply to the Company from FY27. The Audit Committee report provides further detail on the Company's preparations for Provision 29 on page 90.

The table below sets out where further information on our compliance with the Code can be found:

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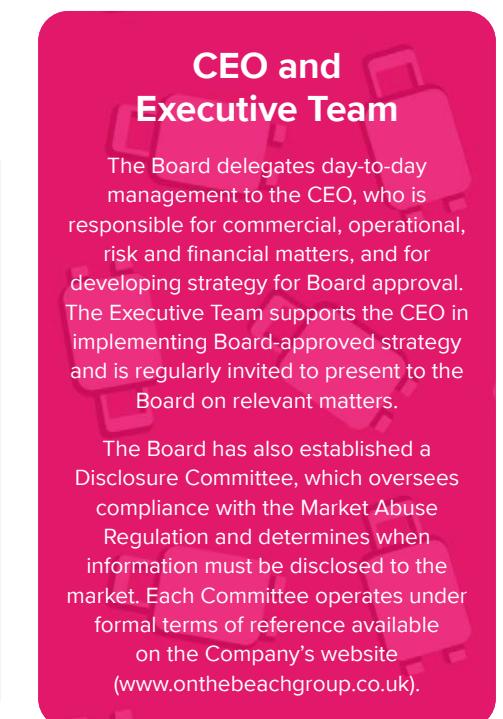
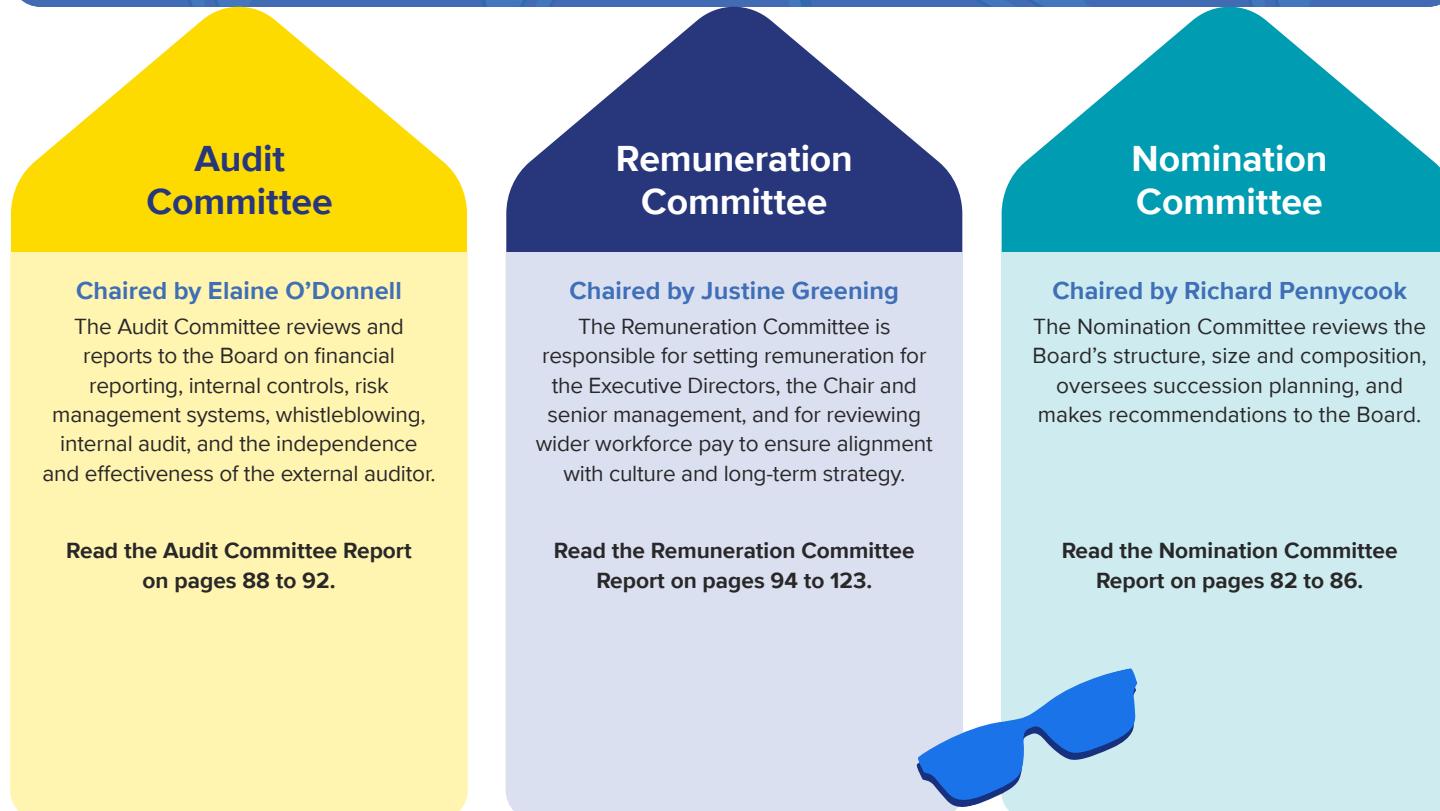
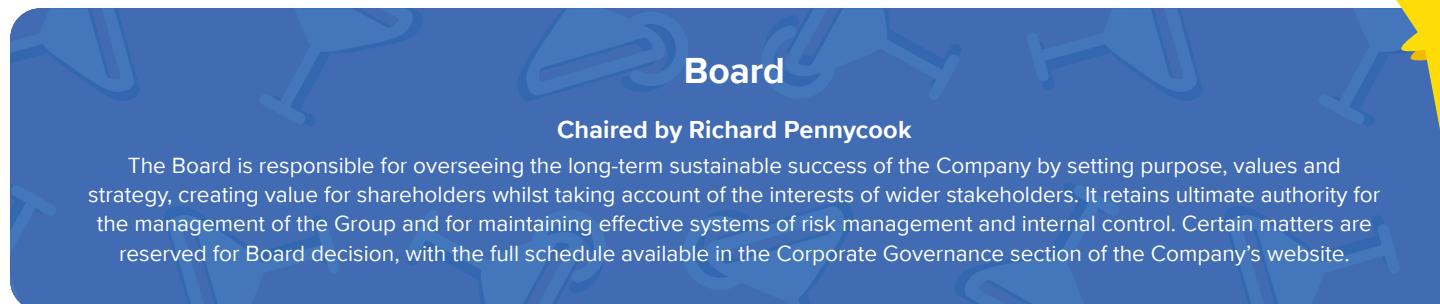
Code Section: Remuneration

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Governance structure

The Board has established an effective governance framework, as outlined below:



Corporate Governance statement continued

Board activities

Details of the main areas of focus for the Board and its Committees during the year are summarised opposite.

Link to strategy:

- 1 Stickiness
- 2 Choice
- 3 Peace of mind
- 4 Scale and automation

Strategy

Reviewing performance against the Group's strategy and considered opportunities to support long-term growth

Link to strategy:

- 1
- 2
- 3
- 4

Summary of key activities:

- Regularly reviewed performance against the Group's strategy, considering both progress and outcomes.
- Received presentations from management in relation to business strategy and performance.
- Reviewed strategic opportunities and the refreshed strategy to support long-term growth.
- Received regular customer updates with key customer metrics, linking insights to ongoing strategic priorities.
- Continued to have oversight of the Group's ESG strategy and how initiatives support broader strategic objectives.
- Reviewed capital allocation and dividend policy to ensure alignment with shareholder value creation.

Performance

Monitoring delivery of financial and operational performance

Link to strategy:

- 1
- 2
- 3
- 4

Summary of key activities:

- Received regular updates from Chief Executive Officer and Chief Financial Officer.
- Reviewed the Group's debt, capital and funding arrangements in the context of supporting operational resilience and growth.
- Approved the annual budget and business plan, reflecting the Board's strategic priorities.
- Approved the full year results, half year results and the Annual Report.
- Monitored the Group's financial performance and results against expectations.
- Received updates on technology-related developments and their implications for delivery of the strategy.

Risk management and internal controls

Overseeing risks, controls and IT systems to safeguard resilience

Link to strategy:

- 1
- 2
- 3
- 4

Summary of key activities:

- Regularly reviewed the implementation of the Group's risk management framework.
- Reviewed principal risks and uncertainties and emerging risks.
- Reviewed and confirmed the Group's viability statement and going concern status.
- Reviewed effectiveness of the Group's systems of internal controls and risk management.
- Continued to monitor the security and performance of the Company's IT systems and infrastructure, recognising their critical role in enabling strategic objectives.

Governance and legal

Ensuring high standards of governance and compliance with legal obligations

Link to strategy: [1](#) [2](#) [3](#) [4](#)

Summary of key activities:

- Received and reviewed regular reports in relation to material legal matters.
- Received and reviewed updates on regulatory and governance developments.
- Reviewed and updated the terms of reference of the Board Committees.
- Received annual refresher training on continuing obligations as a listed business and directors' duties.
- Discussed specific issues raised by shareholders and other stakeholders, ensuring decisions reflected stakeholder perspectives and long-term objectives.
- Approved the Company's insurance programme.

People, culture and Board effectiveness

Supporting culture, employee engagement and leadership effectiveness

Link to strategy: [1](#) [2](#) [3](#) [4](#)

Summary of key activities:

- Discussed the results of employee-wide engagement surveys.
- Received regular updates from the People team.
- Received regular updates on the Group's People Strategy including Diversity and Inclusion, and how these initiatives support long-term success.
- Received updates from Veronica Sharma, the designated Non-Executive Director for workforce engagement.
- Considered succession planning for the Board and Executive team.
- Undertook a performance review of the Board's effectiveness, the effectiveness of each committee and individual Directors.

Board activities timeline (FY25)

October 2024

- Approved new EBT settlement and provided £5m to fund share plans, reducing dilution.
- Approved FY25 budget and business plan.
- Reviewed FY24 performance and medium-term guidance.
- Received Board evaluation report.

November 2024

- Reviewed capital allocation and dividend policy; approved £25m buyback.
- Approved FY24 Annual Report & Accounts and investor materials.
- Approved Strategic Risk Register review and risk appetite statements.
- Received Technology & Product and Customer updates.

January 2025

- Reviewed shareholder feedback from FY24 roadshow.
- Undertook external defence and vulnerability training.

April 2025

- Reviewed half year investor materials.
- Update on B2B performance and priorities.

March 2025

- Update on investor relations and market review.
- Update on People strategy and engagement.
- Approved annual insurance renewals.

February 2025

- Received legal updates and horizon scanning.
- Annual director training on governance and PLC obligations.

May 2025

- Approved interim accounts and investor materials.

June 2025

- Board Strategy Day: management/internal updates on long-term priorities; external strategy presentation.

July 2025

- Interim review of Board Evaluation actions and plan for FY25 appraisal.
- Reviewed FY25 Remuneration Policy and called a General Meeting to approve.
- Legal update.

September 2025

- "Board Immersion" strategy day with live demonstrations and strategic initiatives.
- Approved full-year trading update.
- Approved £120m refinance.
- Approved launch of £25m buyback.
- Decision to close B2B business to focus on core B2C.



Corporate Governance statement continued

Board leadership and Company purpose

Role of the Board

The Board is responsible for defining and promoting the Company's purpose, values, and strategy to ensure long-term sustainable success and generate shareholder value whilst contributing positively to society. It recognises its accountability to stakeholders and the importance of fostering the right culture and behaviours within the Group.

Our governance structure, detailed on page 69, sets out clear lines of accountability and responsibility. The Board delegates certain responsibilities to its committees to ensure effective oversight, whilst retaining specific matters for its own decision-making. A full schedule of reserved matters is available on the Company's website. Key areas of Board focus and decisions during the year, and the outcomes of those decisions in the context of our strategy and objectives, are summarised on page 71.

Sustainability of business model

The Group's business model, set out on pages 16 to 17, is regularly reviewed by the Board to ensure its continuing relevance and sustainability. In doing so, the Board supports the Executive team in identifying opportunities and risks. This is achieved through:

- receiving reports and insights from the Executive team and senior management on industry trends and issues affecting the business;
- engaging with key stakeholders (see pages 78 to 81) to understand their perspectives;
- evaluating strategic opportunities and their potential to enhance the business model;
- overseeing the Group's risk management and internal control framework, including principal and emerging risks (see pages 54 to 58); and
- assessing the Group's prospects and long-term resilience through the viability statement (see pages 59 to 61), where the Board considers key factors influencing the Group's development and performance.

Our purpose, values, and culture

Purpose – why we do what we do

Our purpose is to challenge the status quo in the holiday sector to better meet the needs of tomorrow's holidaymaker. This purpose guides every decision we take, aligning our people and resources with a clear focus on creating better outcomes for our customers, our shareholders and society.

Values – what underpins who we are

We hold our core values at the heart of everything we do:



These values are embedded in the way we operate, fostering a culture that enables us to deliver our vision and long-term objectives.

Culture – how we work together

Culture defines our operational norms and influences behaviour. Linking purpose, strategy, values, and culture is vital for achieving long-term sustainability.

Leadership establishes culture, supported by clear policies to ensure obligations to shareholders and stakeholders are met. The Board assesses cultural alignment with the Group's purpose and values through various indicators:

- **Hive Surveys:** We review employee feedback to gauge engagement and cultural health.
- **Compliance:** Robust policies on anti-bribery, anti-corruption, and whistleblowing are overseen by the Audit Committee, with independent monitoring for whistleblowing.
- **Employee Policies:** Regular updates from the CEO and Chief People Officer provide insights into recruitment, retention, and cultural embedding. Fair policies ensure respect for employee rights, complemented by health and wellbeing initiatives.
- **Risk Management:** The Board assesses management's risk attitudes through direct engagement and updates from the Executive Risk Committee.
- **Customer Report:** Monthly reports on key customer metrics offer insights into our Company culture.

Our whistleblowing policy encourages employees to raise concerns about improper behaviour without fear of retaliation. We provide a confidential whistleblowing service, with regular reports to the Audit Committee on its usage.

For further information on our culture and workforce investment, see the "Here for people" section on pages 30 to 37.

Stakeholder engagement

The Board actively seeks to understand the views of our stakeholders and considers these perspectives in its discussions and decision-making. Engagement takes place in a variety of ways to ensure the Board has a rounded understanding of stakeholder priorities and expectations. The section 172 statement and stakeholder engagement section on pages 78 to 81 detail how the Board engages with, and encourages participation from, stakeholders, together with the outcomes of this engagement on Board decisions during the year. The "Here for people" section on pages 30 to 37 also outlines how we engage with our workforce and provides further insight into our culture and commitment to employees.

Shareholder engagement

The Company is committed to maintaining an open and constructive dialogue with all its shareholders. Our primary engagement methods include:

- **Investor meetings and presentations** – Our investor relations programme facilitates dialogue between Executive Directors, institutional investors, fund managers and analysts. These cover a range of topics, including strategy, performance, management and governance, within the bounds of publicly available information.
- **Annual General Meeting ('AGM')** – The AGM provides an opportunity for all shareholders to hear directly from the Board and ask questions. During FY25, we also held a General Meeting to approve the new Remuneration Policy and Growth Plan. We engaged extensively ahead of the General Meeting (please see page 100 for more details).
- **Senior Independent Director** – Our Senior Independent Director, Elaine O'Donnell, remains available to shareholders who have concerns that cannot be resolved through the usual channels (namely the CEO, CFO or Chair).
- **Reports and presentations** – All shareholders have access to announcements, investor presentations and the Annual Report via the Company's website (www.onthebeachgroupplc.com).

The Board is mindful that institutional shareholders may engage with the Company more frequently than other shareholders. To ensure fairness, any price-sensitive information is released to all shareholders simultaneously and in accordance with regulatory requirements.

Directors' conflicts of interests

Directors have a statutory duty to avoid situations where they have, or may have, interests that conflict with those of the Company unless such conflicts are authorised by the Board. This includes potential conflicts that could arise if a Director accepts a position with another company.

The Company's Articles of Association empower the Board to authorise potential conflicts and, where appropriate, to impose limits or conditions. Any decision to authorise a conflict is only valid if agreed without the conflicted Director(s) voting or having their vote(s) counted. In making such decisions, Directors must act in good faith and in a way they believe is most likely to promote the success of the Company.

The Company maintains a register of related parties and Directors' interests, which is reviewed regularly by the Board.

Corporate Governance statement continued

Board and Committee meetings

The Board held 11 scheduled meetings during the year, at which it considered both routine and strategic matters. Meetings were structured through clear agenda planning, supported by written reports and presentations from internal teams and, where relevant, external advisers. In addition to scheduled meetings, a number of ad hoc Board calls were convened during the year to address time-sensitive matters.

Director	Scheduled Board meetings	Audit Committee	Remuneration Committee	Nomination Committee
Richard Pennycook	11/11	–	9/9	3/3
Simon Cooper	9/11	–	–	–
Shaun Morton	11/11	–	–	–
Zoe Harris	10/11	–	–	–
Jon Wormald	11/11	–	–	–
Elaine O'Donnell	11/11	3/3	9/9	3/3
Justine Greening	11/11	3/3	9/9	3/3
Veronica Sharma	11/11	3/3	9/9	3/3
Victoria Self	9/9	2/2	7/7	2/2
David Kelly	3/3	–	–	1/1

Victoria Self was appointed to the Board on 3 February 2025 and has attended all scheduled meetings since that date.

David Kelly retired from the Board on 10 January 2025 and attended all scheduled meetings up until that date.

Information and support

All Directors have access to the Company Secretary, who advises on governance matters. Board papers are provided via a secure electronic portal. The Chair and Company Secretary work together to ensure that papers are clear, accurate and of sufficient quality to enable the Board to discharge its duties. Presentations from senior management are given as required, and Directors may access external professional advice where appropriate.

Division of responsibilities

Clear division of roles and responsibilities

The roles of Chair and Chief Executive Officer are held by different individuals, with responsibilities clearly defined and approved by the Board.

Chair

Richard Pennycook, as Chair, is responsible for:

- leading the Board and setting its agenda, ensuring adequate time for strategic discussions;
- providing all Directors with accurate and timely information on financial and corporate matters;
- facilitating effective contributions from Non-Executive Directors;

Chief Executive Officer

Shaun Morton, as CEO, manages the business, including:

- managing the Group's operations;
- developing objectives and strategy with regard to stakeholders;
- implementing approved strategies and objectives;

Chief Financial Officer

Jon Wormald, as CFO, is responsible for:

- supporting the CEO in strategy development and implementation;
- managing the Group's financial affairs;

- establishing financial processes and internal controls;
- representing the Group to external stakeholders; and
- commercial and trading delivery.

Senior Independent Director

Elaine O'Donnell, as Senior Independent Director, is responsible for:

- acting as a sounding board for the Chair;

- serving as an intermediary for Directors as needed; and
- being available to shareholders to address their issues and concerns.

Non-Executive Directors

Alongside the Chair, four independent Non-Executive Directors provide impartial judgement and constructive challenge, particularly on strategy and succession planning. Simon Cooper, as Founder Non-Executive Director, brings unique insight into the Company and the travel sector. Following Board meetings, the Chair and Non-Executive Directors meet without Executive Directors to assess performance, including that of the Chair. No unresolved concerns were raised during the year.

Designated Non-Executive Director for Employee Engagement

Veronica Sharma continues as the Designated NED for Employee Engagement. Her responsibilities include:

- ensuring effective methods for ongoing employee engagement;
- representing employee views in Board decision-making;
- providing feedback to employees on the Board's response;
- reviewing engagement surveys and key metrics;
- leading Board discussions on workforce engagement; and
- participating in employee forums and management engagement sessions.

Company Secretary

The Company Secretary acts as secretary to the Board and its Committees, with appointment and removal determined by the Board. All Directors have access to her advice, and independent professional advice is available at the Company's expense where appropriate.

Time commitments of Non-Executive Directors

All Directors are required to devote sufficient time to discharge their responsibilities effectively. On appointment, Non-Executive Directors confirm their ability to meet the expected time commitment for the role. Commitments are reviewed annually, and any additional external appointments or significant obligations require prior Board approval. When considering requests, the Board takes into account the demands of each role, including service as a Board member, Committee Chair or Committee member.

The Board and Nomination Committee are satisfied that no Non-Executive Director holds commitments that would prevent them from dedicating adequate time to the Company's activities. Details of other listed company directorships are set out in the Directors' biographies on pages 64 to 66. None of the Directors hold directorships in FTSE 100 companies.

Composition, succession, and evaluation

The Nomination Committee supports the Board in overseeing Board and senior management appointments, ensuring alignment with the Company's succession planning framework. Further detail on the Committee's activities is set out on pages 82 to 86.

Board composition

During the year, the Board reviewed the overall balance of skills, experience, independence, and knowledge of its members. Further detail, including actions taken, are set out in the Nomination Committee report on pages 82 to 86.

In accordance with Provision 11 of the Code, at least 50% of the Board, excluding the Chair, should be independent Non-Executive Directors. Following David Kelly's retirement from the Board on 10 January 2025, Victoria Self was appointed on 3 February 2025, as an independent Non-Executive Director. The Board now comprises nine members: the Chair of the Board, three Executive Directors, four independent Non-Executive Directors, and one non-independent Non-Executive Director.

The Board regularly reviews the independence of its Non-Executive Directors as part of the annual performance review process, and the Nomination Committee considers this on an ongoing basis. With the exception of the Founder Director NED, the Board has determined that all Non-Executive Directors serving during the year were independent. Richard Pennycook, upon appointment as Chair, met the independence criteria outlined in the Code.

The Board is confident that each independent Non-Executive Director has maintained their independence of character and judgement, without forming associations that might compromise their ability to act in the best interests of the Group.

Appointments to the Board

The Nomination Committee, chaired by the Chair of the Board and comprising all Non-Executive Directors, leads the appointment process based on merit against objective criteria, making recommendations to the Board. Directors' appointment by the Board hold office until the next AGM, at which point they stand for election by shareholders. Non-Executive Directors are typically expected to serve two three-year terms, with any extension beyond six years subject to rigorous review to ensure ongoing Board refreshment.

Corporate Governance statement continued

Development of Directors

The Company has a structured induction programme for all new Directors joining the Board. Each induction is tailored to the Director's background and experience, providing an overview of the Group's strategy, operations, culture, and governance framework. The programme also ensures new Directors gain an understanding of our stakeholders, including employees, customers, suppliers and advisers.

Directors are kept up to date on developments in legislation, regulation, and evolving risks. The Chair reviews training needs on an individual basis as part of the annual appraisal process, ensuring Directors continue to build knowledge relevant to their responsibilities. The Company Secretary organises training sessions and updates to support learning and to provide context for Board discussions, including external perspectives on economic conditions, consumer behaviour and market trends. Directors also spend time with senior leaders across the business to strengthen their insight into operations and culture. In addition, development days held during the year provide updates on strategic, operational and governance matters.

Board, Committee, Chair and Director Performance Review

In line with the UK Corporate Governance Code, the Board carried out an internal evaluation of its own performance, that of its Committees, the Chair and each individual Director. The process was facilitated by the Company Secretary and overseen by the Chair, with the Senior Independent Director leading the review of the Chair's performance.

The performance review comprised a structured questionnaire covering leadership, effectiveness, accountability, information quality, stakeholder considerations and overall Board dynamics. Committee Chairs also completed short reviews of their Committees' effectiveness. The Chair held one-to-one meetings with each Director to reflect on individual contribution, relationships, time commitment and development needs.

The performance review concluded that the Board and its Committees continue to operate effectively, that the Chair provides high-quality and constructive leadership, and that each Director contributes positively and remains fully committed to their role. The Nomination Committee reviewed the outcomes, and the Board agreed the resulting actions for 2026 (see right-hand side of this page).

Actions from the FY25 Board/Committee Performance Review

The FY25 performance review confirmed that the Board and its Committees continue to operate effectively, with strong dynamics, constructive challenge and a high level of engagement. A small number of development areas were identified to support continued effectiveness over the year ahead. These are summarised below:

Area of focus	Action
Board Composition & Skills The performance review recognised the strength of the Board's composition and the breadth of experience around the table. It also highlighted the importance of continuing to develop the Board's understanding of technology, data and emerging digital trends, and of maintaining a proactive approach to Board succession over the coming years.	The Nomination Committee will continue to review the Board's skills, experience and succession plans against the Group's strategic needs, and support ongoing Director development in relevant areas.
Strategy Oversight & Execution Directors valued the enhanced focus on strategy during the year, the quality of debate at the Strategy Day and the visibility of the wider team at the Immersion Day and were keen to continue that in 2026.	The Board will maintain dedicated time for strategic themes and receive regular updates on progress against the Group's Medium Term Ambition.
Board Information & Meeting Materials Board papers were considered high quality and well structured. The performance review noted that the Board would benefit from receiving materials slightly earlier to support preparation and facilitate discussion.	Management will continue to enhance forward planning and aim to provide Board papers further in advance of meetings wherever practicable.
Leadership Development & Succession Planning Directors acknowledged positive progress in leadership development and succession planning during the year, while recognising the importance of continued focus as the business grows.	The Nomination Committee will continue to oversee a structured review of senior leadership succession, ensuring visibility of future talent and readiness for critical roles.
Risk & Controls The Board noted improvements in the Group's risk management and internal control framework and emphasised the importance of continued focus on areas such as resilience, cyber security and technology-related risks.	The Board will receive enhanced updates on key risk themes and the development of the Group's control environment.
Board Development & Effectiveness The Board dynamic remains constructive and collaborative. Directors also recognised opportunities to continue strengthening their understanding of relevant governance and industry developments.	A programme of ongoing Board and Director development will be incorporated into the 2026 Board calendar.
Committee Effectiveness Committee Chairs confirmed that Committees continued to operate effectively, with good quality reporting and open discussion.	Committee Chairs will continue to keep their terms of reference, agendas and information flows under review to ensure continued effectiveness.



Stakeholder engagement

Section 172(1) statement

The Directors confirm that, throughout the year, they have acted in a way they consider would most likely promote the success of the Company for the benefit of its members as a whole. In doing so, the Board has had regard to the interests of a wide range of stakeholders affected by the business, as well as the matters set out in section 172(1) of the Companies Act 2006, namely:

- the likely consequences of any decisions in the long term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and the environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the Company.

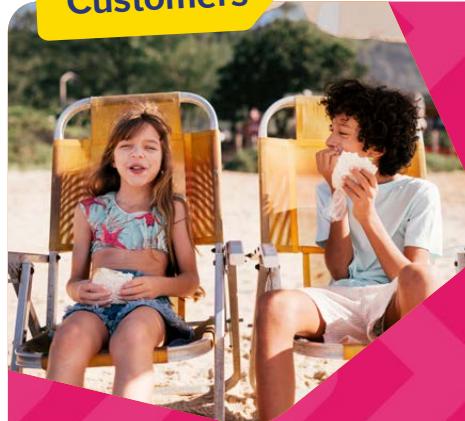
Further information about our key stakeholders, how we engage with them, and how the Board has regard to stakeholder matters in its decision-making is set out in the tables below. An example of how the Board applied section 172(1) in making a key decision during the year is provided on page 81.

Other broader factors considered by the Board, including the impact of operations on the community and environment, the importance of acting responsibly and ethically, and our commitment to employees are addressed in the Sustainability report (see pages 28 to 50).

How we engage with stakeholders

We seek to achieve our strategic objectives by recognising the needs of our stakeholders and the impact our business may have on them. The Board understands that its decisions can affect different stakeholder groups in different ways and that priorities may sometimes conflict. Effective engagement enables the Board to take these perspectives into account, ensuring that stakeholder interests are factored into discussions and decision-making.

Customers



How we engage:

- Customer feedback: Surveys, focus groups, resort visits, user testing, social media interactions and feedback such as Trustpilot.
- Social media interactions.
- Feedback from third-party travel agents.
- Data analysis from customer help tools, including chatbots and onsite analytical tools.
- Dedicated customer service team and 24/7 in-resort line.

Highlights in FY25:

- Introduced live chat functionality, enhanced IVR and chatbots to help customers more quickly.
- Invested in an app for easier holiday management.
- Simplified customer T&Cs for clarity, brevity and brand consistency, tested with VIBs (existing customers) pre-launch.
- Introduced cross function customer forum, reviewing the end-to-end customer experience so we can identify and resolve any issues.

Board engagement:

- Regular customer experience reports presented at Board meetings.
- Executive bonuses linked to Net Promoter Score to align leadership with customer satisfaction.



People



Our talented people are central to both our current success and future growth objectives, this is why we remain committed to discovering innovative ways to develop their skills, improve their workplace experience, and unlock their potential.

What matters to them:

- Opportunities to grow and advance their careers, competitive pay, being recognised for their work, an inclusive and diverse environment, a great workplace culture, and knowing their opinions matter. They also value their wellbeing and want to be part of a company that gives back to the community.

How we engage:

- **Beach Life:** Company-wide all-hands meetings with key updates and Q&A with executives.

- **Surveys:** Annual Hive survey and pulse checks to measure engagement and sentiment.
- **Ongoing communication:** Regular email updates, Slack, wellbeing, charity & community and diversity forums.
- **Peer to Peer recognition:** Quarterly Above and Beyond Awards.
- **Colleague recognition:** Performance reviews and rewards.

Highlights in FY25:

- Launched a bespoke development programme supporting continuous advancement of our senior leadership team.
- Established our Senior Leadership Forum to strengthen information flow and connectivity across all organisational levels.
- Continued to introduce and enhance our policies ensuring colleagues receive meaningful support both professionally and personally when they need it most.

Board engagement:

- The People function regularly reports to the Board including updates on the activities of employee forums and engagement surveys, ensuring employee sentiment is communicated to the Board.
- The designated Non-Executive Director for employee engagement, Veronica Sharma, ensures that employee views are integrated into Board decisions, including on remuneration matters.

Shareholders



Our shareholders provide the capital essential for investing in and growing the business.

What matters to them:

- Long-term growth, successful strategy execution, operational/financial performance, total shareholder return, confidence in Company leadership, risk management, talent succession, capital allocation, executive remuneration, high governance standards, and ESG/sustainability.

How we engage:

- Investor roadshows, ad hoc investor meetings, investor conferences, trading updates (including interim and final results), Annual Report and Accounts, website updates, dialogue with shareholders/proxy bodies, analyst engagement, and the AGM.

- Proactive shareholder engagement is carried out by the Non-Executive Directors whenever the Board or its Committees identify matters arising that merit discussion with shareholders.

Highlights in FY25:

- The Board, in particular our Chair (Richard Pennycook) and our Remuneration Committee Chair (Justine Greening), oversaw important shareholder engagement this year ahead of our General Meeting in September to approve the new Remuneration Policy and Growth Plan.
- We were pleased to receive strong support at the meeting, with over 80% of votes cast in favour. Full details are set out in the Directors' Remuneration Report on 101.

Board engagement:

- Directors engage regularly via roadshows, AGMs, and specific meetings. The Chief Executive provides regular updates, and Non-Executive Directors are available at the AGM. Investor feedback is shared with the Board after roadshows. Regular updates are provided to the Board on market sentiment, investor relations activity and equity research.

Stakeholder engagement continued

Suppliers and Partners



Strong relationships with suppliers and partners are essential for operational and commercial success, enabling us to offer a diverse range of quality travel products, at a competitive price. We rely on them to meet customer needs and ensure reliable service delivery.

What matters to them:

- Fair payment terms, collaboration, fair treatment, timely communication, the ability to fill capacity, sustainable partnerships, and support for innovation in travel products and services.

How we engage:

- Regular meetings, calls, visits and feedback. Conferences and events to maintain partnerships. Audits via our customer health and safety management system.

Highlights in FY25:

- Expanded our supply network to add more depth and breadth to our offering with 155 cities now live and our core beach proposition further developed, particularly in the Long-Haul market.
- Enhanced our partnership with Sun Express, continuing to provide our customers with more choice and value for holidays in Turkey.
- Managed disruptions (wildfires, floods, air traffic control failures) with regular communication to minimise impacts.

Board engagement:

- The Board receives updates from the supply and commercial function regularly. It monitors business continuity risks and annually reviews the Modern Slavery Act Statement.

Communities and Society



We care about the communities we operate in. Our commitment is to contribute positively to society through responsible business practices.

What matters to them:

- Ethical management, partnerships that create positive societal impacts, environmental sustainability, and opportunities to support social mobility.

How we engage:

- Forming partnerships with local charities and schools to break down barriers and support social inclusion.
- Providing opportunities for employees to engage with and support local communities.
- Developing and implementing our ESG strategy, which shapes our stakeholder engagement priorities.

Highlights in FY25:

- Continued our company-wide support for DKMS as Charity of the Year, with colleagues participating in major fundraising events including 10k runs, half marathons and a Manchester to London bike ride.
- Introduced a new volunteering policy enabling colleagues to give back to their local communities.
- Provided over £4,000 in fundraising boosts to colleagues raising money for charities close to their hearts.
- Continued our partnership with Hopwood College to promote social inclusion and support student development.

Board engagement:

- Progressed our ESG strategy with Board oversight, considering stakeholder feedback. Shaun Morton is the Board member responsible for climate change and ESG. See pages 28 to 50 for our Sustainability report.



Government and Regulators



Government policy and regulatory frameworks impact our business, industry, and consumers. Key Government departments include the Department for Transport ('DfT') and the Department for Business and Trade ('DBT').

Key regulators include:

- **Civil Aviation Authority ('CAA'):** Oversees the ATOL scheme for consumer protection.
- **Competition and Markets Authority ('CMA'):** Ensures fair competition and consumer protection.
- **Financial Conduct Authority ('FCA'):** Regulates travel insurance offered on our site and oversees the Listing Rules and other continuing obligations of public companies.
- **Information Commissioner's Office ('ICO'):** Enforces data protection laws.
- **Advertising Standards Authority ('ASA'):** Regulates advertising practices.

- **Financial Reporting Council ('FRC'):** Oversees corporate governance and financial reporting standards.

What matters to them:

- Legal compliance, fair treatment of customers and stakeholders, taxpayer interests, a fair and competitive market, responsible business practices, and open dialogue to understand industry dynamics and challenges.

How we engage:

- Engagement led by the General Counsel, with participation from the CEO, CFO, and other executives.
- Direct and proactive communication and collaboration with key government departments and regulators.
- Involvement in industry groups like Online Travel UK ('OTUK') for collective advocacy.
- Active participation in policy development, responding to consultations on industry reforms.

Highlights in FY25:

- Responding to multiple government consultations including on Package Travel Reform.
- Publication of Online Travel UK White Paper – see page 40.

Board engagement:

The Board reviews our engagement strategy and receives updates from the General Counsel. Regulatory considerations inform strategic planning and risk management.

Board decision-making in practice

Strategic decision to discontinue Classic Collection: balancing stakeholder interests and strategic focus

During the year, the Board made the strategic decision to commence an orderly wind down of Classic Collection, the Group's B2B business, to focus resources on higher growth B2C operations. This decision exemplifies how the Board considers its section 172 duties to promote the success of the Company while having regard to the interests of multiple stakeholders and the long-term consequences of strategic choices.

Stakeholders and Section 172 factors considered

The Board's decision-making process involved careful consideration of all key stakeholder groups. For employees, particularly the colleagues in Classic Collection, the Board recognised the significant personal impact and prioritised implementing a structured approach with comprehensive support. This included collective consultation processes, individual meetings with affected employees, nomination of employee representatives, and access to employee assistance programmes to support colleagues through the transition.

For customers and trade partners, the Board was committed to maintaining the Company's reputation for high standards of business conduct. The decision included provisions to honour all existing bookings, maintain pre-travel support services, and implement a detailed communications plan to provide clarity and reassurance about existing arrangements. This approach ensured continuity of service while managing the wind-down responsibly.

For shareholders, the Board determined that discontinuing the loss-making B2B operations would better support the Company's Medium Term Ambition and strategic priorities. Market analysis showed the B2C segment was larger, growing faster, and offered stronger profitability, making resource reallocation strategically sound for long-term value creation.

Balancing stakeholder interests in Board decision-making

Throughout the process, the Board was mindful of balancing potentially conflicting stakeholder interests. While the decision inevitably caused disruption for Classic Collection employees, the Board concluded that the long-term sustainability of the business and employment opportunities for the broader workforce were best served by focusing resources on areas with the strongest growth potential. The structured wind-down approach, with its emphasis on employee support, customer protection, and clear stakeholder communication, demonstrated the Board's commitment to managing competing interests responsibly.

The Board also ensured that suppliers and trade partners received timely communication about the transition, with commitments to honour existing commercial arrangements and provide adequate notice of changes. By taking this measured approach to the wind-down while maintaining operational continuity for existing commitments, the Board sought to minimise disruption across all stakeholder groups while positioning the Group for stronger long-term performance in line with its fiduciary duties.

This decision demonstrates how the Board integrates comprehensive stakeholder consideration into strategic decision-making, promoting the long-term success of the Company while maintaining fairness between different stakeholder groups and upholding high standards of business conduct throughout challenging transitions.

Report of the Nomination Committee

**I am pleased to introduce
the report of the Nomination
Committee for the year ended
30 September 2025.**



Richard Pennycook
Chair of the Nomination Committee

Chair's introduction

This year the Committee has overseen important changes to the Board, including the appointment of a new Independent Non-Executive Director, Victoria Self. Under the leadership of our Senior Independent Director, Elaine O'Donnell, the Committee also addressed the extension of my own term as Chair. Following these changes, female representation rose to a majority on both the Board and Executive Committee for the first time. Progress has been made, but broadening ethnic diversity remains a priority.

Role of the Committee

The Committee ensures a formal, rigorous and transparent process for Board appointments, reviews Board composition and succession, and oversees development of a diverse leadership pipeline. Its full responsibilities are set out in its Terms of Reference, last reviewed in November 2025 and are available on the Company's website at www.onthebeachgroupplc.com/investorcentre/corporate-governance.

Membership and meetings

The Committee is chaired by Richard Pennycook. Its other members are Elaine O'Donnell, Justine Greening, Veronica Sharma and Victoria Self (who was appointed to the Committee with effect from 3 February 2025). The Committee's composition meets the requirements of the Code.

The Committee meets at least twice a year, with other Directors and advisers attending by invitation as required. The Company Secretary acts as secretary to the Committee.

The Committee met three times during the year and member attendance is shown below:

Member	Status	Appointment	Attendance
Richard Pennycook (Chair*)	Independent	April 2019	3/3
Elaine O'Donnell*	Independent	July 2018	3/3
Justine Greening	Independent	March 2021	3/3
Veronica Sharma	Independent	September 2023	3/3
Victoria Self	Independent	February 2025	1/1

* Elaine O'Donnell was appointed as Chair of the March Committee meeting where the Chair's term extension was considered.

Key activities

- Oversight of Board, Committee and Director performance review.
- Consideration of Board composition and succession, including the retirement of David Kelly and the appointment of Victoria Self as a new Independent NED.
- Recommendation to the Board to extend the Chair's term into a third term to March 2028.
- Identification of the requirement for longer-term Board and Executive succession planning, with formal work to be undertaken in FY26.
- Consideration of leadership development initiatives across the Group.
- Review of the Board's skills and composition.
- Monitoring progress against the Board's diversity objectives.
- Annual review of the Committee's Terms of Reference.

Board performance review

The FY24 performance review was completed in early FY25 and reported last year. The FY25 performance review was conducted in October and November 2025 and confirmed that the Board and Committees remain effective, with constructive feedback for further improvement (see page 76). The Chair evaluation confirmed the effectiveness of his leadership and his ability to foster an inclusive, constructive Board culture.

The Committee considered its own effectiveness as part of the Board and Committee performance review process. The Committee was found to be operating effectively, with clear focus on Board composition, succession planning and governance.

Board composition and changes

David Kelly retired from the Board in January 2025 after nine years of service. Supported by Founders Keepers (an independent search firm with no connection to the Company or its Directors) the Committee led the search for a new Independent Non-Executive Director. Victoria Self was appointed in February 2025 and joined the Audit, Remuneration and Nomination Committees. Her extensive digital and consumer-facing experience strengthens the Board's technology and customer capability, ensuring continuity of these skills following David's retirement from the Board, and aligns closely with the Group's strategic priorities. Victoria also undertook a thorough induction programme, meeting senior leaders across the business and external advisers to support her integration into the Board.

Extension of Chair's term

In March 2025, the Committee, chaired by Elaine O'Donnell as Senior Independent Director, recommended to the Board the extension of Richard Pennycook's term as Chair through to March 2028. The Chair has already served two three-year terms, and this extension represents his third and final term in line with governance best practice. The Committee considered Richard's extensive PLC experience, steady leadership through strategic transition, and valuable external governance insight. Continuity of leadership was judged to be especially important, with both the Chair's and the Senior Independent Director's terms scheduled to conclude within the next three years. Extending Richard's term provides the necessary stability to plan for an orderly Chair and SID succession process and ensures that broader Board succession can be managed in a measured way.

Succession planning

During the year the Committee identified the need to consider Board succession planning, particularly in light of the current terms of the Chair and Senior Independent Director and the importance of managing broader Board succession in an orderly way. The chart of director tenure and terms included in this report illustrates the timing of existing appointments and when terms are scheduled to conclude. The Chair, SID and Company Secretary initiated this work, which will be a key focus in FY26.

In respect of executive succession planning, significant work was undertaken in FY24, particularly in connection with the planned retirement of the Chief Supply Officer. During FY25, the Committee noted the need to revisit executive succession planning but agreed that a substantive review would be undertaken in early 2026. As a result, the Committee will report formally on executive succession planning in the FY26 Annual Report.

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This year the Committee oversaw key Board changes that strengthen expertise and ensure continuity of leadership. Succession planning will be a focus in the year ahead.”

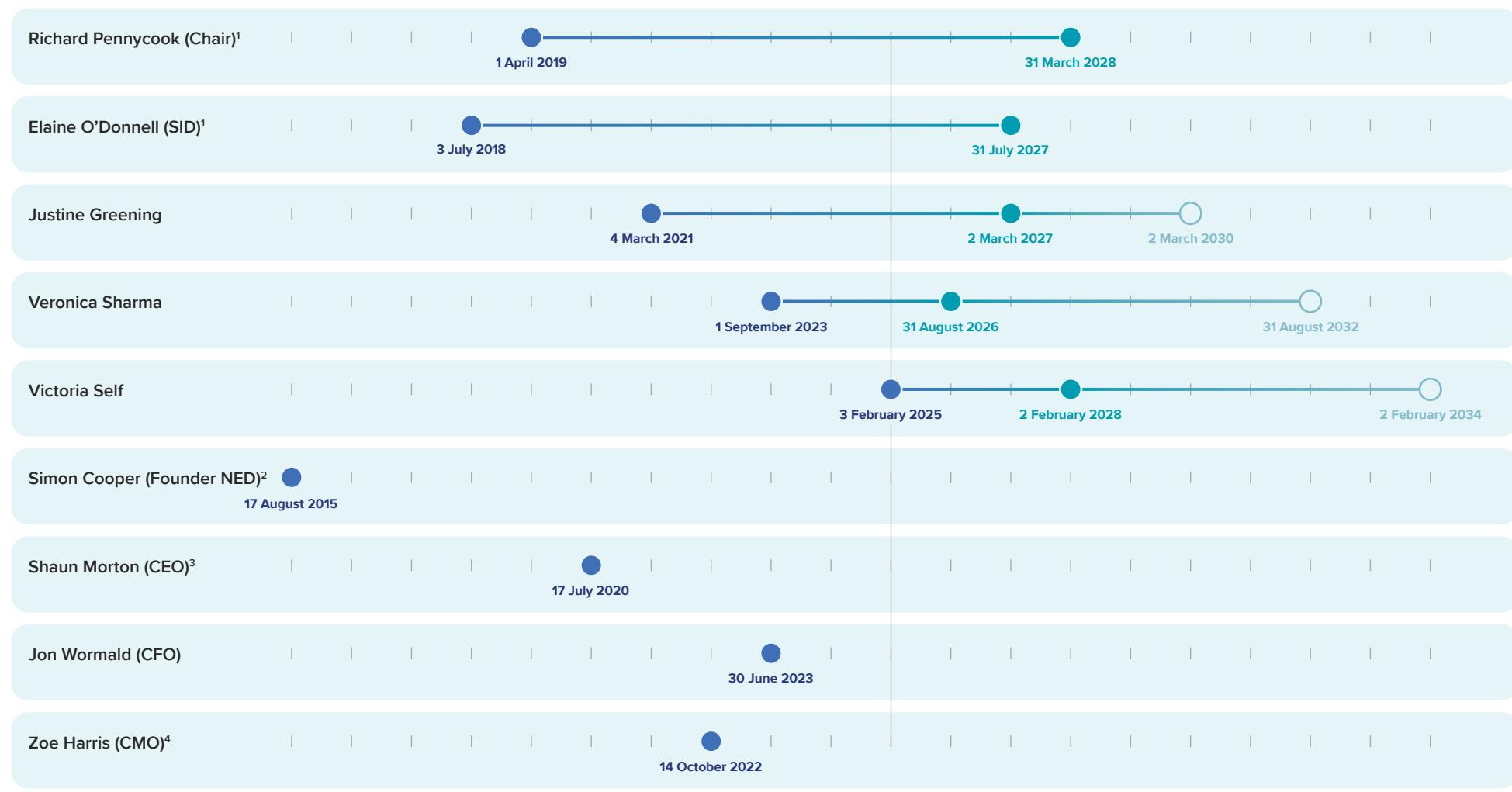
Richard Pennycook

Chair of the Nomination Committee



Report of the Nomination Committee continued

Director Tenure



1. Not applicable for future term as already in third term.

2. Simon founded On the Beach in 2004 and joined the Board in August 2015 ahead of the Company's IPO.

3. Shaun commenced employment with the Group in February 2018 and joined the Board in July 2020.

4. Zoe commenced employment with the Group in January 2021 and joined the Board in October 2022.

Note: Executives and the Founder NED are not subject to the same nine-year independence guideline.

Leadership development

The Board received updates on progress against the Group's People Strategy, including the launch of the Leadership Development Programme and the establishment of a Senior Leadership Forum. These initiatives strengthen leadership capability, support engagement, and build a pipeline of future leaders. See page 31 for more details.

Composition of the Board and its Committees

The Committee uses a skills matrix to review the balance of skills and experience on the Board, covering industry, geography, governance and technical areas such as strategy, finance, marketing, operations, technology, product and legal. Directors are scored on varying degrees of experience in each category, resulting in an aggregate score per category, which provides an objective and quantifiable way to measure skills and experience on the Board.

As part of the wider review of Board composition, the Committee also considered:

- the independence of Non-Executive Directors and the balance on the Board between Executive and Non-Executive Directors;
- diversity of the Board, including age, gender and ethnicity;
- the business strategy and how the Board skills and capability mix aligns with the current composition;
- length and tenure; and
- the effectiveness review of the Board, its principal Committees, the Chair and individual Directors.

Having carried out the review, overall the Committee is satisfied that the Board has the necessary mix of skills and experience to fulfil its role effectively. With the appointment of Victoria Self, the Board has strengthened its technology and customer-facing expertise, providing continuity in these areas following David Kelly's retirement.

The Committee noted that the appointment of Victoria also restored compliance with Provision 11 of the UK Corporate Governance Code. The Committee will continue to keep the composition of the Board and its Committees under review.

All Directors are subject to annual re-election. Further details about the particular skills, knowledge and experience each Director brings to the Board can be found in the Directors' biographies on pages 64 to 66.

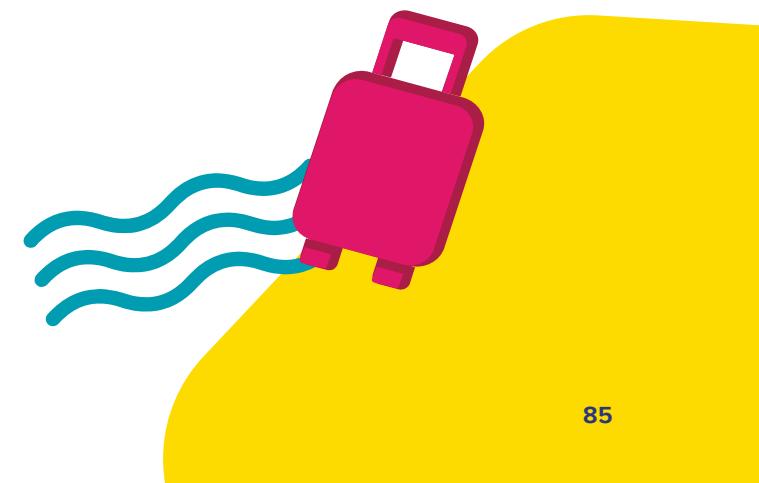
Diversity and inclusion

The Board remains committed to increasing diversity in all its forms. Following David Kelly's retirement and the appointment of Victoria Self, female representation on the Board is now 56% (five women and four men). At Executive Committee level, and in line with the requirement to report composition as at 30 September 2025, female representation was 50% (four women and four men), as Bill Allen, Chief Supply Officer, remained in role until the last day of the reporting period, so is included in the composition. This is the first time that both the Board and Executive Committee have had gender-balanced or majority-female membership at the reporting date.

While these milestones are important, the Committee acknowledges slower progress in ethnic diversity and remains committed to addressing this.

The Board composition remains compliant with our Diversity Policy as outlined below. The reference date for these disclosures is 30 September 2025. Bill Allen retired on 30 September 2025 and following his retirement, the Executive Committee is comprised of four women and three men, resulting in female representation of 57%. There have been no other changes to the Board or Executive Management between that date and the approval of this Annual Report.

Objective	Objective met	Comment
40% female representation at Board level	Yes	Female representation at Board level is 56%
At least one of the senior Board positions (Chair, CEO, CFO, or Senior Independent Director) being held by a female Director	Yes	Elaine O'Donnell is the SID
At least one member of the Board shall be from a minority ethnic background	Yes	Veronica Sharma is from a minority ethnic background



Report of the Nomination Committee continued

The table below sets out data on gender identity and ethnicity representation across the Board and Executive Management. The Company Secretariat collates data on gender identity and ethnicity directly from our Board and Executive Management using a Diversity and Inclusion Monitoring Form, which is circulated annually. The below tables directly reflect the questions asked of the Board and Executive Management. All data is held securely in line with our data protection and retention guidelines.

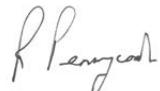
a) Gender identity as at 30 September 2025

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID, and Chair)	Number in Executive Management	Percentage of Executive Management
Men	4	44	3	4	50
Women	5	56	1	4	50
Not specified/prefer not to say	–	–	–	–	–

b) Ethnicity representation as at 30 September 2025

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID, and Chair)	Number in Executive Management	Percentage of Executive Management
White British or other White (including minority-white groups)	8	89	4	8	100
Mixed/Multiple ethnic groups	–	–	–	–	–
Asian/Asian British	1	11	–	–	–
Other ethnic group, including Arab	–	–	–	–	–
Not specified/prefer not to say	–	–	–	–	–
Black/African/Caribbean/Black British	–	–	–	–	–

The Committee looks forward to continuing its work in FY26.



Richard Pennycook

Chair of the Nomination Committee

1 December 2025



Report of the Audit Committee

I am pleased to present the Audit Committee report for the year ended 30 September 2025.



This report is intended to provide shareholders with an insight into how key topics were considered during the year, the activities of the Committee and how the Committee discharged its responsibilities in FY25.

The Committee fulfils a vital role in the Company's governance framework, providing valuable independent challenge and oversight across the Company's financial reporting, risk management and internal control procedures.

Despite the challenging macro-economic environment, the Group has continued to make significant progress with record TTV growth in the year, enabled by the strategic investments made into our proprietary technology platform, and increased liquidity following the successful refinancing. During the year the Board made the difficult decision to commence the wind down of Classic Collection. The Committee has considered the appropriate accounting treatment for this at the year-end as well as the associated treatment of any remaining intangible assets.

With the assistance of management and our external auditor, EY, the Committee has considered the main financial reporting issues, estimates and judgements, and we believe that the information in the Annual Report is fair, balanced, and understandable and clearly explains progress against our strategic and operating objectives.

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The Committee has applied rigorous oversight to areas requiring significant judgement this year, ensuring the financial statements reflect a prudent and transparent approach.”

Elaine O'Donnell
Chair of the Audit Committee



Committee governance

Responsibilities

The main roles and responsibilities of the Committee are set out in its terms of reference.

The terms of reference are reviewed annually by the Committee and any proposed changes are recommended to the Board. The current terms of reference can be found at the Company's website at: www.onthebeachgroupplc.com. These were last reviewed on 26 November 2025. The Committee's main responsibilities are:

- reviewing the Group's annual and half year financial statements and accounting policies;
- monitoring the integrity of the Group's financial statements, including the application of key judgements in determining reported outcomes to ensure that they are fair, balanced and understandable;
- reviewing the Group's risk management framework and advising on the Group's risk appetite;
- reviewing the Group's system of internal controls and risk management and making recommendations for improvements;
- overseeing the Company's preparations for, and ongoing compliance with, Provision 29 of the UK Corporate Governance Code 2024;
- agreeing the external auditor's engagement terms, scope and fees;
- reviewing the effectiveness and objectivity of the external audit process, assessing the independence and objectivity of the external auditor and ensuring appropriate policies and procedures are in place to protect such independence;
- developing and implementing the Group's policy on the provision of non-audit services by the external auditor;
- reviewing regularly the need for an internal audit function;
- reviewing the Group's procedures for raising concerns and the effectiveness of the Group's anti bribery and fraud prevention processes; and
- reviewing the output of the Group's Treasury Committee to ensure compliance with policy.

Committee composition

The Committee currently comprises four independent Non-Executive Directors. During the year and following appointment to the Board, Victoria Self joined the Committee. The Committee members bring a wide range of financial and commercial expertise necessary to fulfil the Committee's duties. Summary biographies of each member of the Committee are included on pages 64 to 65. The Board is satisfied that the Committee's Chair, Elaine O'Donnell, has extensive recent and relevant financial experience and that the Committee as a whole has competence relevant to the sector in which the Group operates.

The Committee met three times during the year and member attendance is shown below.

Member	Status	Appointment	Attendance
Elaine O'Donnell (Chair)	Independent	July 2018	3/3
Justine Greening	Independent	March 2021	3/3
Veronica Sharma	Independent	September 2023	3/3
Victoria Self	Independent	January 2025	2/2

Whilst the management team and Chair of the Board are not members of the Committee, standing invitations are extended to the Chief Financial Officer, Chief Executive Officer, Chief Marketing Officer, Chair of the Board and external auditors.

Jon Wormald, as Chief Financial Officer, has responsibility for all aspects of financial reporting and financial control. Kirsteen Vickerstaff, as General Counsel and Company Secretary, has responsibility for governance, compliance and risk management, and acts as Secretary to the Committee.

Jon and Kirsteen have attended all Committee meetings and have updated the Committee on all key matters.

Effectiveness

The Committee has reviewed and considered the effectiveness of its performance during the year. The review confirmed that the Committee continues to operate effectively, with strong engagement, constructive challenge and good quality reporting from management. Members highlighted the Committee's increased focus on key judgmental areas, risk management and the control environment, including preparations for Provision 29.

Report of the Audit Committee continued

Key activities of the Committee during the year

- Reviewed the proposed scope, materiality, focus areas and planning for the external audit.
- Reviewed and recommended to the Board the full and half year financial results for publication and the financial results presentations.
- Reviewed the activity of the Executive Risk Committee throughout the year.
- Focused on financial reporting to ensure the Annual Report and Accounts is fair, balanced and understandable.
- Considered significant accounting matters and judgements in respect of the wind down of the B2B activities of the Group.
- Considered the appropriate treatment of costs associated with the refinancing carried out during the year.
- Reviewed the Group's going concern and viability statements.
- Reviewed management's approach to key judgmental areas of reporting and the related comments of the external auditor, specifically in respect of changes made to accounting estimates in respect of the useful economic lives of development capital expenditure (see below for further details).
- Reviewed the Group's approach to meeting its reporting responsibilities against the requirements of the TCFD framework.
- Received reports on internal controls and risk management.
- Reviewed the papers outlining the distributable reserves in place in relation to the payment of dividends and share buybacks.
- Reviewed the whistleblowing report (see below for further details).
- Considered the potential impact of forthcoming regulatory reforms in relation to audit and corporate governance.
- Reviewed the resolutions to be put to shareholders at the 2025 AGM, including in respect of the recommendation of a final dividend.
- Received a third-party assessment of the Group's information security maturity.
- Reviewed and approved a revised Group policy in relation to tax.
- Reviewed the Group's procedures for preventing and detecting fraud, along with its systems and controls for the prevention of bribery.
- Assessed the effectiveness of the external audit process and the Committee's effectiveness.

Significant matters relating to the financial statements considered by the Committee

As part of the process of monitoring the integrity of the financial information presented in the half year results and the Annual Report and Accounts, the Committee reviewed the key accounting policies and judgements adopted by management to ensure that they were appropriate. The Committee also considered a paper on this matter presented by the external auditor.

The most significant areas of judgement considered by the Committee were as follows:

Discontinued operations

Following the Board's decision to begin an orderly wind down of the B2B operations (Classic Collection) in order to focus on the higher growth potential of the B2C operations, management have given consideration as to whether this meets the requirements to be disclosed as discontinued operations. There were also separately identifiable intangible assets relating to the discontinued operations which have been assessed as to whether they should be written off in the year.

The Committee has considered management's judgements as well as discussing this with the external auditor, and considers management's approach to be reasonable.

Refinancing treatment of costs

During September 2025, the Group completed a refinancing exercise, increasing its available facilities to £120m from its two incumbent lenders plus a new third lender. The Group was able to take advantage of favourable market conditions in respect of pricing and significant interest from existing and new potential lenders in order to put in place a facility that will enable delivery of the Medium Term Ambition and significant organic growth.

The Committee considered a paper from management as to whether, under IFRS 9, this was a new facility or an extension of the existing facility given the different treatment of costs under each. The Committee has reviewed the recommendations and is satisfied with the conclusions reached.

Capitalised website development costs

The Group incurs significant internal costs in respect of the development of the Group's website. The accounting for these costs, as either development costs, which are capitalised as intangible assets (for enhancement of the website) or expensed as incurred (in respect of maintenance), involves judgement.

During the year management have proposed changes to the accounting estimates used to more accurately reflect the nature of current projects, which are designed to support the delivery of the Medium Term Ambition of the Group.

The Committee, along with the external auditor, have considered the changes proposed and believe the approach and application of the relevant accounting standards to be appropriate.

Valuation of goodwill, intangibles and investments

The estimated recoverable value of the Group's intangible assets is subjective due to inherent uncertainty involved in forecasting and discounting future cash flows.

The principal uncertainty is the extent to which these intangible assets will continue to generate cash flows for the Group and whether this is sufficient to support the asset value.

Following the Board decision to wind down the B2B operations, this has resulted in the write off of intangible assets in respect of Classic Collection.

Management has also considered the extent to which the carrying value of investments in the Parent Company may be impaired by reference to the current market capitalisation of the Group.

The Committee has reviewed the accounting and is satisfied with the key assumptions used in the forecasts.

Fair, balanced and understandable

The Committee considered whether the half year results and the Annual Report and Accounts were fair, balanced and understandable and whether the information provided was sufficient for a reader of the statements to understand the Group's position and performance, business model, risks and strategy.

In arriving at its assessment, the Committee has placed reliance upon:

- the process by which the Annual Report was prepared, including detailed planning and a comprehensive review process;
- reports prepared by senior management regarding critical accounting judgements and significant accounting policies;
- discussions with, and reports prepared by, the external auditors; and
- regular information received throughout the year, including monthly KPIs.

Following the year end, the Committee received correspondence from the Financial Reporting Council ('FRC') arising from its thematic review of share-based remuneration disclosures across listed companies. The letter contained no questions or requests for further information, but included two suggested minor disclosure clarifications, which the Committee confirmed had been reflected in the FY25 Annual Report and Accounts. The FRC letter does not provide confirmation that the annual report and accounts are correct in all material respects.

The Directors' statement on a fair, balanced and understandable Annual Report and Accounts is set out on page 135 of this Report.

External audit

External auditor effectiveness and appointment

The Committee oversees the Group's relationship with the external auditor and reviews and makes recommendations regarding their reappointment. As part of this process the Committee considered the effectiveness of EY as part of the FY25 year end process. The Committee took a number of factors into account when considering the effectiveness of the external audit including:

- the quality of the audit planning covering the approach, scope and levels of fees for the audit;
- delivery and execution of the agreed external audit process for FY25;
- the extent of EY's resources and technical capability to deliver a robust and timely audit, including the experience, industry knowledge and expertise of the EY audit engagement team;
- the quality of EY's explanation of and response to significant risks identified;
- the competence with which EY handled and communicated the key accounting and audit judgements;
- the communication and engagement between management, EY and the Committee; and
- the steps taken by EY to ensure their objectivity and independence.

The Committee also meets with the external auditor at least once each year without management being present, which provides additional opportunity for open dialogue and feedback.

The Committee has concluded that overall, EY has carried out its audit for FY25 effectively and efficiently and that EY continues to provide constructive and independent challenge to management and consistently demonstrates a realistic and commercial view of the business.

External auditor fees

During 2025, management agreed an increase in the audit fees for the Group and subsidiary companies to £494,500 (2024: £475,000). The increase of 4% reflects a marginal increase due to inflation as well as additional procedures required in respect of the change in finance systems in the year and migration of historic financial records.



Report of the Audit Committee continued

External audit continued

Non-audit services

The fees paid to EY in respect of non audit services during the year related to the ATOL returns and totalled £60k, representing 12% of the total audit fee (2024: £52k, representing 10% of the total audit fee). These non-audit services are considered to be closely related to the work performed by EY as auditor of the Group and, therefore, the auditor is the appropriate firm to carry out the services.

External auditor rotation

EY was appointed auditor to the Group in March 2019 following a competitive audit tender process.

The Committee recommended, and the Board intends to propose, the reappointment of EY as the Company's auditor for FY26. It believes the independence and objectivity of the external auditor and the effectiveness of the audit process are safeguarded and remain strong.

It is expected that the external audit will be put out to tender at least every ten years.

Internal audit

The Committee has again considered the requirement for the setting up of an internal audit function. As part of this review, as suggested by the Corporate Governance Code Guidance, the Committee considered whether there were any significant trends or current factors, both externally and internally, which were felt to have increased the risks faced by the Group. In addition the Committee considered reports received from management during the year in respect of the internal control environment.

Having undertaken the review, the Committee again determined that it was not currently necessary to establish an internal audit function, however given the changes arising as a result of the 2024 UK Corporate Governance Code this will be kept under close review.

Risk management and internal control

A description of the process for managing risk together with a description of the principal risks and strategies to manage those risks is provided on pages 52 to 58.

The Board is responsible for establishing, maintaining and monitoring the Group's system of risk management and internal control and reviewing its effectiveness. The Committee monitors the performance of management in this area.

We have an ongoing process for identifying, evaluating and managing the principal risks faced by the Group. The Group's risks are monitored by the Audit Committee on behalf of the Board, which sets aside time for an in-depth discussion of notable or changing risks to the business and receives regular updates from the ERC on risk developments.

The Committee reviewed the updated strategic risk assessments and discussed the two proposed directional changes for the year. The Committee agreed with the upward movement in the Data & Security risk, reflecting the rise in cyber incidents and the growing sophistication of AI-enabled threats, and the downward movement in the Financial Risk & Liquidity risk following the successful refinancing which has strengthened the Group's funding position.

In addition, the Audit Committee receives detailed reports from the external auditor in relation to the financial statements. The Chair of the Audit Committee also has regular interaction with the external auditor and senior members of the Group's finance department in order to monitor and assess the effectiveness of the Group's system of internal controls.

The Board, through the Audit Committee, has reviewed the effectiveness of the Group's system of internal controls in operation across the Group. This review covered the material controls, including financial, operational and compliance, as well as risk management arrangements. No significant control failings or weaknesses were identified during the period under review.

The Committee has spent an increasing amount of its time considering the requirements of the 2024 UK Corporate Governance Code and in particular Provision 29 relating to the requirements for disclosure in respect of the effectiveness of material controls. The Committee is comfortable with the progress made ahead of the statutory deadlines in order to be able to comply with the requirements of the Code. The Committee expects to recommend to the Board a dry run of its attestation at the end of FY26 ahead its implementation for the FY27 year-end.

Whistleblowing

The Group has a formal whistleblowing policy in place, which provides details of how employees can raise concerns in relation to the Group's activities or the actions of any employee of the Group on a confidential basis. This policy is reviewed annually by the Audit Committee. The Group provides a whistleblowing telephone service run by an independent organisation, allowing employees who do not wish to use normal internal line management channels, to raise concerns on an entirely confidential basis. The Group has continued to reinforce the policy in place and to clarify the available contact points. No reports have been received in the year.



Elaine O'Donnell

Chair of the Audit Committee

1 December 2025



Directors' Remuneration report

I'm delighted shareholders strongly supported our new Remuneration Policy ensuring it directly aligns with the Company's Medium Term Ambition and strategy.



Rt Hon Justine Greening
Chair of the Remuneration Committee

Letter from the Remuneration Committee Chair

As Chair of the Remuneration Committee (the 'Committee'), I am pleased to present the Company's Directors' Remuneration report for the year to 30 September 2025.

It is crucial to ensure that our remuneration strategy remains both effective and directly aligned to the delivery of Company strategy. As a customer-focused, tech-driven business, we are committed to ensuring that our remuneration approach motivates our talent alongside driving the results and performance that sits at the heart of business success. This has been a key priority for the Committee over the year as we have updated our new Directors' Remuneration Policy, the details of which are set out below.

Contents

[Stakeholders, strategy and link to remuneration – page 98](#)

[Overview of the FY25 Remuneration Policy – pages 99 to 101](#)

[FY25 Remuneration Policy and Workforce Remuneration – pages 102 to 113](#)

[Other Statutory Remuneration Disclosures – pages 114 to 123](#)

Strategic alignment

During FY25, the Company set out a stretching Medium Term Ambition ('MTA') of the strategic outcomes it wants to achieve by the end of FY29 (see page 14). The MTA represents a strategic step-change for the business, both in expectations and in the level of performance required to deliver the growth ambition set out in the plan. The Committee decided it was essential to update the remuneration framework and its incentives, introducing a Growth Plan to directly align it to the MTA. We therefore brought forward the policy review, which would ordinarily have been presented for approval at the FY26 AGM.

We have set out our approach to shareholder engagement on pages 99 to 101. This includes details on the key areas of feedback and the refinements made to our new Directors' Remuneration Policy.

As we carried out the policy review with its objective to align remuneration with the MTA, we engaged widely with shareholders and proxy bodies through two rounds of detailed and constructive consultation. We refined the draft policy proposals in direct response to feedback from shareholders, including updating the MTA Growth Plan target metric. We were delighted shareholders gave strong support to the new Directors' Remuneration Policy at the General Meeting in September.

How the remuneration framework supports delivery of Company strategy

Our policy approach balances incentivisation of the delivery of annual results and talent retention, alongside the introduction of a Growth Plan award incentive to achieve the exceptional stretch performance required to deliver the MTA.

Bonus: rewards performance each year against clear financial and strategic priorities. Targets are stretching and the Committee retains discretion to ensure outcomes reflect underlying performance.

LTIP: a time-based LTIP that drives talent retention in a highly competitive tech talent market which is vital for a tech-based business in an often unpredictable and volatile travel sector. Following the policy review and shareholder feedback, there is now an enhanced underpin and Committee discretion in the new policy.

Growth Plan: a one-off, market-value award designed to incentivise delivery of the exceptional stretch results required under the MTA. It uses an adjusted EPS target that directly aligns with shareholder outcomes, while providing clear internal focus to drive performance. Vesting is conditional on achieving adjusted basic EPS of 38.7p by FY29. The market value option approach also ensures alignment with shareholder interests as it means that achievement of the target must also be accompanied by the creation of incremental shareholder value. This is an all-or-nothing award, designed both to motivate management to achieve a stretching target and align and complement the time-based LTIP which drives talent retention, crucial in delivering the MTA. The policy enables early delivery of the MTA by allowing vesting before FY29 if the EPS target is hit in advance of that date. This is an exceptional target and the Committee's expectation is that any early achievement must be maintained and built upon. Awards are therefore subject to a five-year holding period from grant and additionally malus and clawback provisions for seven years, ensuring sustained performance and long-term alignment with shareholder value.

Shareholding requirement: In line with shareholder feedback during the consultation process, we have also increased the Executive Director shareholding requirements from 200% to 300% of salary, further strengthening alignment.

As set out on page 113, our wider workforce remuneration is designed to motivate and reward the employee talent that powers the business strategy.

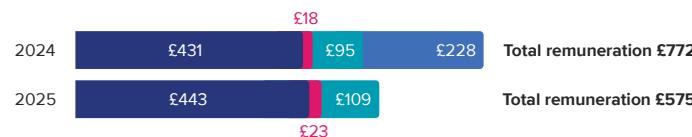
The pages that follow set out FY25 remuneration outcomes, our approach to implementation in FY26, and our position on dilution and settlement, together with further detail on how we have considered shareholder and stakeholder expectations in reaching our decisions.

Performance and remuneration in FY25

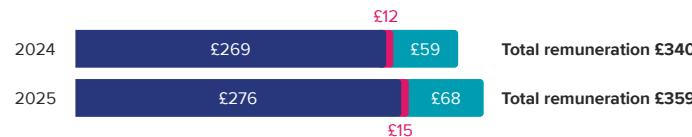
Executive Director total remuneration

Total remuneration for the Executive Directors in FY25 reflects salary, benefits and pension and the FY25 annual bonus outcome. There is no LTIP component included within the FY25 single total figure (see LTIP outcomes on page 96).

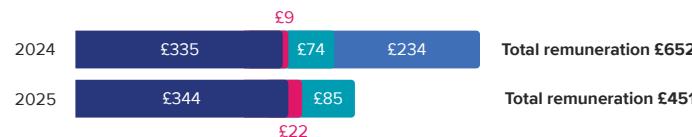
CEO Shaun Morton £'000



CFO Jon Wormald £'000



CMO Zoe Harris £'000



- Base salary
- Benefits & pension
- Annual bonus
- LTIP

“

As a tech-led, asset-light business, attracting, retaining and rewarding outstanding talent is critical; our new policy aligns reward with delivering our strategy and Medium Term Ambition.”

Rt Hon Justine Greening

Chair of the Remuneration Committee

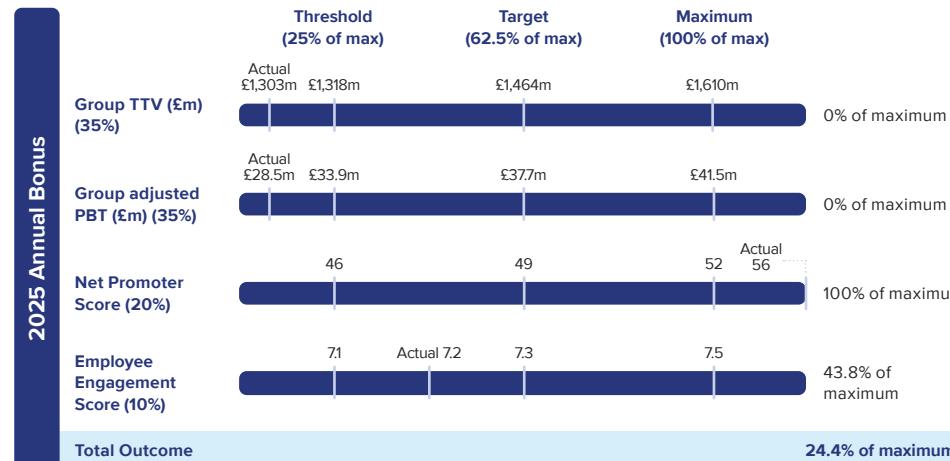
Directors' Remuneration report continued

Letter from the Remuneration Committee Chair continued

FY25 annual bonus – outcome and drivers

The FY25 annual bonus outcome is 24.4% of maximum, principally due to the impact of the later booking trend in the final weeks of FY25 and the recorded loss in the discontinued Classic Collection business which led to neither of the financial metrics being achieved. However these headwinds were partly offset by strong performance on the non-financial measures, with a record NPS of 56 as a result of customer advocacy strongly improving and employee engagement at 7.2, between threshold and target level. Further detail on the initiatives supporting these outcomes is provided in the "Here for holidaymakers" and "Here for people" sections of the Strategic Report.

For bonus purposes, the Committee assesses TTV and adjusted PBT on the same basis used when targets were set, which includes the performance of the discontinued operations. The Committee considers this consistent approach appropriate to ensure a fair assessment of performance against the targets originally communicated to participants. This differs from the reported adjusted PBT and booked TTV figures (£35.0m and £1,249.0m respectively) which exclude those operations.



LTIP outcome for FY25

The FY25 single total figure of remuneration includes no LTIP value because, in line with the requirements of the reporting regulations, the FY22 LTIP that vested during FY25 was performance based and therefore previously included in the FY24 figure due to its performance period being materially complete at the end of FY24.

The vesting outcome previously disclosed, at 37.5% of maximum, was based on a combination of known performance, in respect of three TTV targets measured over the period to 30 September 2024, and estimated performance, in respect of two TSR targets measured to the vesting date in February 2025. Following the end of the TSR performance period, the FY22 LTIP award vested at 44.365% of maximum (as shown below), higher than the original estimate due to relative TSR performance exceeding expectations. Accordingly, the FY24 single figure has been restated to represent the final outcome.

The vesting outcome for the FY23 LTIP, which is the first time-based award under the 2023 Directors' Remuneration Policy, is due to vest in February 2026, subject to the Committee's assessment of a discretionary underpin and, in line with the reporting regulations, will be disclosed in the FY26 remuneration report.



Approach to performance and reward for FY26

The Committee keeps the remuneration framework under regular review to ensure it remains aligned with strategy, market practice and wider workforce pay and benefits. For FY26, the Committee will implement the new policy approved by shareholders in September 2025, reflecting the outcome of the policy review. This refreshed approach ensures remuneration policy continues to support delivery of strategic objectives.

Base salary

Effective from 1 October 2025, the Committee increased Jon Wormald's base salary to £345,000. This reflects (i) the expanded scope and accountability of his role following the transition of Chief Supply Officer responsibilities into the CFO remit, (ii) Jon's sustained performance and leadership through a period of growth and organisational change, and (iii) independent market benchmarking for roles of comparable scale and complexity to Jon's expanded remit, which indicated an uplift was appropriate. The change was consulted on as part of the FY25 policy engagement and shareholders were supportive.

For the other Executive Directors, base salary adjustments for FY26 will be set in line with average wider workforce movements of 3%, maintaining proportionate pay progression and alignment with market practice.

Pension

Executive Director pension contributions will be maintained at 5% of eligible earnings, aligned with the wider workforce.

Annual bonus

We are maintaining the current annual bonus structure for FY26, as it continues to support the strategy by focusing on financial delivery and key customer and people outcomes which underpin its delivery. Targets will be stretching and will support progressive delivery against the MTA strategy. The Committee will retain discretion to ensure outcomes remain aligned with underlying business performance. The forward-looking targets are deemed to be commercially sensitive, and full details will be disclosed on a retrospective basis in next year's Annual Report and Accounts. The current deferral of up to 50% of any bonus into shares for two years remains unchanged.

FY26 LTIP

In line with the new remuneration policy, LTIP awards of 100% of salary were granted to the Executive Directors on 3 October 2025. Awards are subject to continued employment and an enhanced underpin to ensure outcomes remain aligned with underlying performance over the vesting period. Further details of the LTIP operation and safeguards are set out on page 106.

Growth Plan options

In line with the Policy approved by shareholders, Growth Plan awards were granted to the Executive Directors on 3 October 2025 at the quantum and on the terms set out in the Notice of General Meeting.

Awards were made in the form of market-value options with an exercise price of 252.0p and will vest only on delivery of adjusted basic EPS of 38.7p between FY25 to FY29. Regardless of when the awards vest, they are subject to a five-year holding period from the date of grant and malus and clawback to year seven.

Non-Executive Directors' fees

Following comprehensive market analysis, Non-Executive Director fees (last reviewed in 2022 in line with the previous 2023 remuneration policy) have been updated in line with our new remuneration policy under which fees will now be reviewed on an annual basis. All Non-Executive Director fee increases are at or below wider workforce levels for the equivalent period. See page 122 for the detailed schedule.

Dilution and share hedging strategy

The Group remains committed to disciplined management of dilution. Early in FY25, the EBT completed the previously announced £5m market purchase of On the Beach shares. The Committee has undertaken a further assessment of potential vestings over the next 12 months and has provided a further £5m to the EBT to ensure settlement capacity while minimising dilution.

As approved by shareholders at the EGM, the inner 5% limit under the 2023 LTIP has been removed, while the overall 10% dilution cap remains in place. This change reflected updated guidance from the Investment Association, aligning the Company's approach with prevailing market practice. Our practice continues to be to satisfy awards from market purchases and the EBT wherever practicable. In due course, for the Growth Plan the Committee will consider whether to continue with market purchases and/or to make additional EBT funding.

Conclusion

The Committee's priority is a remuneration framework that is strategy-led, simple and, proportionate: a bonus that rewards strong annual delivery, a time-based LTIP that provides stability and supports retention and talent pipeline, and a one-off Growth Plan that only rewards exceptional long-term performance. We will continue to engage with shareholders and stakeholders, apply judgement where needed, and operate the Policy in a way that supports delivery of the MTA and long-term shareholder value creation.



The Rt Hon Justine Greening

Chair of the Remuneration Committee

1 December 2025

Directors' Remuneration report continued

Our stakeholders, our strategy and the link to remuneration

The Committee designs remuneration with our stakeholders in mind, aligning reward to the Group's strategy and to long-term value creation.

Stakeholder – Investors

Link to remuneration

- Two-phase consultation informed the 2025 Remuneration Policy, which shareholders approved in September 2025; see pages 92 to 101.
- The annual bonus focuses on investor outcomes via financial delivery and customer/people measures (currently 35% Group adjusted PBT, 35% Group TTV, 20% NPS, 10% employee engagement).
- The LTIP (time-based) supports stability and talent retention with a strengthened underpin (following the 2025 policy review) and a two-year post-vesting holding period.
- The Growth Plan aligns reward with exceptional share value creation through a single adjusted basic EPS test (38.7p in any one year FY25–FY29); awards are market value options, subject to a five-year holding period and malus and clawback to year seven, and are made from a one-off 5% of issued share capital pool.
- Executive Director shareholding requirements increased from 200% to 300% of salary, strengthening alignment to shareholders.
- We continue to minimise dilution: overall cap remains 10%; while the former inner 5% limit has been removed, our practice is to satisfy awards from market purchases/EBT wherever practicable.

Stakeholder – Employees

Link to remuneration

- Our ability to deliver our strategy depends on attracting, retaining and rewarding great people through base salary and benefits, annual bonus (for more senior staff), LTIP (for senior staff) and Growth Plan (for Executives).
- Remuneration for our wider workforce is supported by market-benchmarked pay, a strong benefits package, pension provision and access to our Share Incentive Plan (SIP), ensuring everyone is appropriately incentivised and aligned to delivery of the MTA.
- Employee engagement forms 10% of annual bonus measures.

Stakeholder – Customers

Link to remuneration

- As a customer-centric business, customer satisfaction is embedded in reward: NPS is 20% of the Executive bonus.
- Investment in the tech platform continues to enhance the customer experience, improving choice, ease and personalisation, which directly informs performance measures on satisfaction and loyalty.
- Reward measures are aligned to our customer-focused pillars – stickiness, choice, peace of mind, and scale and automation – reinforcing that performance and results begin and end with the customer.
- The Growth Plan's five-year holding period and malus/clawback provisions deter short-term trade-offs that could undermine service quality or customer trust.

Stakeholder – Communities & society

Link to remuneration

- Our people strategy supports a diverse pipeline of talent, with a focus on Manchester's tech talent pipeline and social mobility.
- Investment in schools outreach and early career programmes helps build skills in our local communities and helps drive social mobility. The remuneration framework complements this by promoting fair pay, development and progression for all employees, helping to attract and retain the talent needed to deliver on strategy.
- Broader workforce metrics, including engagement and inclusion, are monitored by the Committee to ensure remuneration supports a sustainable, high-performing culture.

Stakeholder – Regulators & government

Link to remuneration

- We report clearly and transparently and comply with the UK Corporate Governance Code and other applicable reporting requirements.
- We publish our Gender Pay Gap report annually and are building the data and processes needed to meet potential future requirements on ethnicity pay gap reporting.
- We maintain open dialogue with regulators and policymakers and operate our share plans in line with prevailing rules, guidance and best practice.

Overview of the FY25 Remuneration Policy

What the Policy is, and why

Stability to attract and retain talent. Stretch to deliver our exceptional Medium Term Ambition.

What:

The previous 2023 Remuneration Policy (comprising a stretching annual bonus and a time-based LTIP) has been effective in motivating senior management, delivering financial results, shareholder value and driving talent retention, so we have retained what works. Additionally, to reflect our exceptional MTA strategy, the new policy introduced a one-off Growth Plan award. The award has a single adjusted EPS test representing a near three-fold increase of the target from FY24. Awards are market-value options, so value only arises for Executives both if the EPS target is met and where there is share price growth. This incentivises leadership to deliver on the MTA and aligns their interests with those of shareholders.

Why:

In FY25 we used our Remuneration Policy review to align the remuneration framework to our Medium Term Ambition strategy to FY29. The new Policy structure is simple and purposeful: a bonus that rewards strong in-year performance, a time-based LTIP that provides stability and talent retention, and a one-off Growth Plan that rewards only exceptional, long-term performance, without adding complexity or permanent increased quantum.

Approved New Policy at a glance

Annual bonus

Rewards strong in-year performance against financial and strategic priorities; targets are demanding; up to 50% deferred into shares for two years; Committee discretion applies.

Time-based LTIP

Normal 100% of salary; three-year vesting with a two-year post-vesting holding; strengthened discretionary underpin to ensure outcomes reflect underlying performance and stakeholder expectations.

Growth Plan (one-off)

Market-value options from a single 5% of issued share capital pool (CEO 20% of pool, CFO/CMO 15% each of pool); vests only on achievement of adjusted EPS of 38.7p in any one year FY25–FY29 (uplift c. 3x FY24); five-year holding from grant; malus and clawback to year seven.

Why now?

The Committee is clear that remuneration strategy, including remuneration policy, must align to the Company strategy, providing clear incentives and rewards to drive business success. Once the MTA was set out in December 2024 it was clear that the Remuneration Policy should be updated at the earliest opportunity to align with that MTA strategy.

Consultation journey

- **Phase 1 (Spring FY25):** Initial proposals shared with investors (c. 59% of the register) and all major proxy bodies.
- **Refinements agreed:** Metric changed from PBT to EPS; strengthened LTIP underpin; increase shareholding requirement from 200% to 300% of salary.
- **Phase 2 (Summer FY25):** Updated proposals and re-engaged; broad investor and proxy support.
- **General Meeting (12 Sept 2025):** New Policy and Growth Plan approved.

ISS recommended voting FOR on the Policy and Growth Plan following engagement refinements.

By the numbers

>80%
votes in favour of the policy
at the General Meeting



2
rounds of consultation

c.59%
of the register engaged

300%
shareholding requirement

5-year
holding (Growth Plan)



7-year
malus/clawback
(Growth Plan)

Directors' Remuneration report continued

Overview of the FY25 Remuneration Policy continued

Two consultations: key themes and our response

Theme/What we heard	Our response
Performance measure Strong preference for a “per share” measure to reflect value creation for investors.	The performance metric was changed from PBT to EPS following feedback to ensure stronger alignment with shareholder value (see Changes following consultation).
All-or-nothing structure and single target Some questioned a cliff-edge outcome and single target.	The Committee concluded that an all-or-nothing design was right given it sits alongside the time-based LTIP. This structure is stretching and focuses management squarely on delivering the MTA. The single target provides clarity within the business on delivery objectives.
Interaction with the LTIP Challenge on whether the Growth Plan and LTIP were both needed.	The Growth Plan rewards exceptional performance, while the LTIP supports retention and stability in a tech-led business in a volatile sector. One covers talent stability, the other performance stretch.
Early vesting Concern that awards could vest before three years.	Enabling early vesting (which requires a near tripling of EPS) is in shareholders’ interests. However, awards remain subject to a five-year holding period and seven-year malus and clawback. Because they are market-value options, value is only realised if the share price accretion accompanies achievement of the target.
Shareholding alignment Support for stronger alignment through higher share ownership.	Executive Director shareholding requirements were increased from 200% to 300% of salary (see Changes following consultation).
Transparency and discretion Requests for more clarity on the LTIP underpin.	The Policy now sets out an enhanced underpin and Committee discretion with consideration of financial, strategic and governance performance (see Changes following consultation).
Safeguards and proportionality Questions on dilution, proportionality and the absence of a monetary cap.	The Growth Plan is a one-off award within existing share scheme limits. All awards will be satisfied within the 10% dilution cap, with safeguards detailed in the Safeguards checklist.

Changes following consultation

Following feedback received through two consultation rounds, the Committee made three key changes to the Policy.

Growth Plan Metric

The performance measure for the Growth Plan was changed from adjusted PBT to adjusted EPS, following shareholder feedback that an EPS target provides a clearer and more transparent link to shareholder value. The new measure maintains the same level of stretch as the original target and continues to align directly with delivery of the Medium Term Ambition.

LTIP Underpin

Specific disclosure was added to the Policy setting out how the Committee will apply discretion at vesting of the time-based LTIP. The updated wording explains the factors the Committee may consider, including financial, strategic and governance performance, to ensure vesting outcomes fairly reflect overall business performance.

Increased Shareholding Requirement

The shareholding requirement for Executive Directors was increased from 200% to 300% of base salary, strengthening long-term alignment between Executive Directors and shareholders.

Safeguards checklist

- Market value options
- Single stretching test (EPS)
- 5-year holding
- 7-year malus/clawback
- Discretion/underpin
- 300% shareholding requirement
- Dilution discipline ($\leq 10\%$; preference for market purchase/EBT)

General Meeting Outcome

Policy

80.9%

votes in favour

Growth Plan

81.7%

votes in favour

LTIP amendment

99.5%

votes in favour

Strong support following an open, two-stage consultation and targeted refinements.

How wider workforce reward supports delivery of the MTA



Q & A with Jennie Cronin, Chief People Officer

Q How is the wider workforce incentivised and rewarded to deliver the MTA?

A Our reward strategy ensures every colleague is appropriately incentivised to deliver our Medium Term Ambition. We align the entire workforce to strategic priorities through our Objectives and Key Results (OKRs) framework, which cascades directly from the MTA, ensuring everyone understands how their work contributes to our ambitious growth targets. All colleagues benefit from market-benchmarked pay, a 5% pension contribution, and a comprehensive benefits package alongside access to our Share Incentive Plan (SIP), enabling monthly share purchases of £5 to £150. This provides everyone with a direct stake in our success. Our senior leaders participate in annual bonus arrangements and the Long Term Incentive Plan (LTIP), mirroring the Executive Director structure and creating strong alignment across the leadership population. This tiered approach ensures reward is appropriately scaled across the organisation – from business-wide participation in our success through the SIP, to reward packages for senior leaders that are proportionate to their role and level of accountability.

Directors' Remuneration report continued

FY25 Remuneration Policy and Workforce Remuneration

This section sets out the Directors' Remuneration Policy approved by shareholders at the General Meeting on 12 September 2025 (the 'GM'). Unless shareholder approval is sought for earlier changes, the Policy applies for three years from 12 September 2025 and the Committee would expect to bring the Policy back to shareholders at the 2028 AGM in the normal cycle. The following pages set out the full Policy and a summary of workforce remuneration (not part of the shareholder-approved Policy) is also included in this section on page 113.

Our framework retains what works: a stretching annual bonus for strong in-year performance; a time-based LTIP to support stability and retention, and adds exceptional stretch: a one-off Growth Plan with a single adjusted EPS test that requires nearly three-fold growth from FY24 to FY29. Growth Plan awards are market-value options drawn from a fixed 5% of issued share capital pool – so value only arises if both the EPS target is achieved and the share price grows. Safeguards include a five-year holding period from grant, malus and clawback to year seven, and a 300% of salary shareholding requirement for Executive Directors.

Our Policy is based on three pillars

Simplicity and transparency

A bonus driving in-year performance, a simple, time-based LTIP with clear line of sight and straightforward operation and a single, transparent EPS test for the Growth Plan.

Consistency with strategy

Measures map directly to our MTA: the annual bonus targets financial and strategic priorities in-year; the time-based LTIP provides stability and retention for critical talent; the Growth Plan rewards exceptional achievement of the MTA.

Direct link to shareholder value

Growth Plan awards are market-value options from a fixed 5% pool; value arises only if EPS reaches 38.7p (c.3x FY24) and the share price has materially grown. Any vested shares are held for five years, with strong safeguards including malus and clawback to year seven, ensuring proportionate quantum and long-term alignment.



Where to find more

- The story of how the Policy was developed, the consultation and the changes made is set out on pages 99 to 101.
- Detailed Policy tables, participation limits and operation appear on pages 105 to 108.
- FY26 Implementation of the Policy is covered on pages 121 to 123.
- The workforce remuneration summary appears on page 113.

Implementing our Policy

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Fixed pay	Salary, benefits and pension						
Annual bonus Max: 100% of salary	50% in cash	50% in shares Two-year deferral period (no further performance conditions)					
LTIP Max: 100% of salary	Three-year vesting period (subject to continued employment and performance underpin)	Two-year post-vesting holding period					
Growth Plan One-off award	Award vests in any year where EPS target is met*. Holding period applies 5 years post grant, malus and clawback to Year 7						
Shareholding requirement 300% of salary	Minimum shareholding requirement						

* The award could vest at end of FY26/27/28/29 but regardless there is a holding period to end of Y5 and clawback to Y7.

At the GM, we also sought and received shareholder approval to remove the 5% dilution limit from the 2023 LTIP, reflecting the Investment Association's updated guidance, which no longer recommends maintaining a separate 5% limit for discretionary schemes. This change will provide the necessary flexibility to operate the proposed incentive arrangements effectively, while remaining within the Company's overall 10% dilution cap for all share schemes. It also brings our approach in line with common market practice amongst listed peers.

Changes to the remuneration policy that was approved by shareholders in 2023

The proposed changes to the Policy are set out in the table below.

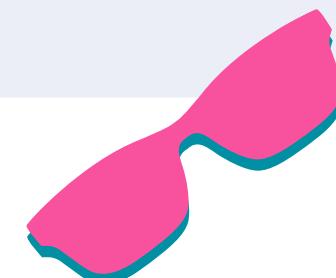
Element of remuneration	Current Policy	Amendment to Policy	Reason for change
Base salary and benefits	Salaries are reviewed annually, and any changes are normally effective from 1 January in the financial year. A competitive level of benefits is provided.	No change to policy. FY26 implementation: reflecting Jon Wormald's expanded role to include the remit of the Chief Supply Officer, Bill Allen, following his previously announced retirement, as well as significant progression in role since his appointment and relative positioning to the external market, we will be increasing the Chief Financial Officer's salary from 1 October 2025 to £345,000.	N/A
Pension	Pension provision for all Executive Directors is aligned with the wider workforce (currently 5% of salary).	No change	N/A
Annual bonus	Maximum opportunity of 100% of base salary, with up to 50% of any award deferred into shares for a period of two years. The majority of the annual bonus will be based on performance against stretching financial targets, with the balance based on non-financial metrics, which are aligned to the business strategy.	No change	N/A
Long Term Incentive Plan ('LTIP')	Maximum opportunity of 100% of base salary. Three-year vesting period, plus a two-year post-vesting holding period. Awards will not be subject to any formulaic performance conditions.	In line with shareholder and proxy agency feedback during consultation, an enhanced underpin and Committee discretion has been provided to clarify the Committee's approach.	N/A

Directors' Remuneration report continued

FY25 Remuneration Policy and Workforce Remuneration continued

Changes to the remuneration policy that was approved by shareholders in 2023 continued

Element of remuneration	Current Policy	Amendment to Policy	Reason for change												
The Growth Plan	N/A	<p>One-off award of market value options over, in aggregate, 5% of the Company's share capital. The Executive Directors will receive the following portions of the aggregate Growth Plan awards:</p> <p>CEO: 20%</p> <p>CFO: 15%</p> <p>CMO: 15%</p> <p>Awards will be subject to the achievement of a stretching adjusted basic earnings per share ('EPS') target of 38.7p between FY25 and FY29. The EPS target has been calibrated on the same growth trajectory from the FY24 baseline as the MTA, as set out in the table below:</p> <table border="1" data-bbox="774 674 1538 801"> <thead> <tr> <th></th> <th>FY24</th> <th>MTA</th> <th>Uplift (x FY24)</th> </tr> </thead> <tbody> <tr> <td>Adjusted PBT (£m)</td> <td>31.0</td> <td>85.0</td> <td>2.74x</td> </tr> <tr> <td>Adjusted basic EPS (p)</td> <td>14.1</td> <td>38.7</td> <td>2.74x</td> </tr> </tbody> </table> <p>Awards will vest on achievement of the performance condition, with a post-vesting holding period applying until the fifth anniversary of the date of grant.</p> <p>Malus will apply for duration of the five-year vesting period, with clawback applying for a further two-year period post vesting until the seventh anniversary of grant.</p>		FY24	MTA	Uplift (x FY24)	Adjusted PBT (£m)	31.0	85.0	2.74x	Adjusted basic EPS (p)	14.1	38.7	2.74x	<p>Directly aligned to MTA through the adjusted basic EPS performance condition.</p> <p>Use of market value options means management will be incentivised to deliver shareholder returns, alongside core achievement of the Growth Plan EPS target in order to receive value.</p> <p>Use of EPS target also directly aligns management incentives with shareholders.</p> <p>Delivered entirely in shares to ensure alignment with shareholders.</p> <p>The one-off Growth Plan award alongside the existing time-based LTIP motivates management towards achieving exceptional MTA growth targets whilst providing visibility over future reward.</p>
	FY24	MTA	Uplift (x FY24)												
Adjusted PBT (£m)	31.0	85.0	2.74x												
Adjusted basic EPS (p)	14.1	38.7	2.74x												
Shareholding requirement	<p>200% of base salary to be built up over five-year period from appointment and then subsequently held.</p> <p>Executive Directors are required to retain 100% of their shareholding requirement for two years post cessation (or full actual holding if lower).</p>	<p>Increase of the shareholding requirement to 300% of base salary for current Executive Directors, with the additional 100% in excess of the current Policy to be built up over the five-year performance period of the Growth Plan.</p> <p>No change to the post-cessation shareholding requirement, such that Executive Directors are required to retain 100% of their shareholding requirement for two years post cessation (or full actual holding if lower).</p>	Reflects feedback received from shareholders through the consultation on the Policy and further enhances alignment between management and shareholders.												



Changes to the remuneration policy that was approved by shareholders in 2023 continued

Element of remuneration	Current Policy	Amendment to Policy	Reason for change
Non-Executive Director fees	<p>Non-Executive Directors are paid a base fee and may be paid additional fees for acting as chair of committees. The Chair of the Board does not receive any additional fees for membership of committees.</p> <p>Fees are typically reviewed every three years based on equivalent roles in an appropriate comparator group used to review salaries paid to the Executive Directors. Fees may be reviewed more regularly than this in exceptional circumstances, such as a significant increase in the size or complexity of the business.</p> <p>The base fees for Non-Executive Directors are set at a market rate. In general, the level of fee increase for the Non-Executive Directors will be set taking account of any change in responsibility and will take into account the general rise in salaries across the UK workforce.</p> <p>Non-Executive Directors do not participate in any variable remuneration or benefits arrangements.</p>	From FY26 onwards, Non-Executive Director fees will be reviewed annually.	Reflects more typical market practice.

Policy table

The following table summarises each element of remuneration and how it supports the Company's short and long-term strategic objectives.

Element of remuneration	Operation	Maximum opportunity	Performance measures
Base Salary Provides a base level of remuneration to support recruitment and retention of Executive Directors with the necessary experience and expertise to deliver the Company's strategy.	<p>Salaries are reviewed annually, and any changes are normally effective from 1 January in the financial year. When determining an appropriate level of salary, the Committee considers:</p> <ul style="list-style-type: none"> • remuneration practices within the Company; • the performance of the individual Executive Director; • the individual Executive Director's experience and responsibilities; • the general performance of the Company; • salaries within the ranges paid by the companies in the comparator group used for remuneration benchmarking; and • the economic environment. 	<p>Base salaries will be set at an appropriate level within a comparator group of UK listed companies of comparable size and will normally increase in line with increases made to the wider employee workforce.</p> <p>Individuals who are recruited or promoted may, on occasion, have their salaries set below the targeted policy level until they become established in their role. In such cases, subsequent increases in salary may be higher than the average until the target positioning is achieved.</p>	None
Benefits Provides a competitive level of benefits.	<p>The Executive Directors receive benefits, which include family private health cover.</p> <p>The Committee recognises the need to maintain suitable flexibility in the determination of benefits that ensure it is able to support the objective of attracting and retaining talent. Accordingly, the Committee expects to be able to adopt benefits such as relocation expenses, car allowance benefit, death-in-service life assurance, travel expenses (including tax if any), tax equalisation and support in meeting specific costs.</p>	The maximum will be set at the cost of providing the benefits described.	None

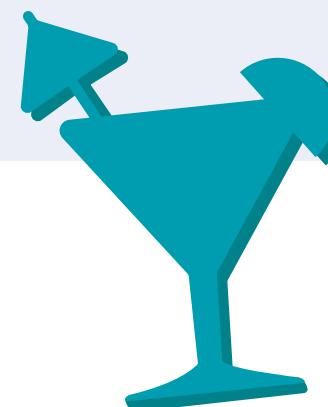
Directors' Remuneration report continued

FY25 Remuneration Policy and Workforce Remuneration continued

Policy table continued

Element of remuneration	Operation	Maximum opportunity	Performance measures
Pension Provides market competitive retirement benefits.	The Committee maintains the ability to provide pension funding in the form of a salary supplement, which would not form part of the salary for the purposes of determining the extent of participation in the Company's incentive arrangements.	Pension provision for all Executive Directors is aligned with the wider workforce (currently 5% of salary).	None
Annual Bonus Plan The Annual Bonus Plan provides a significant incentive to the Executive Directors linked to achievement in delivering goals that are closely aligned with the Company's strategy and the creation of value for shareholders.	Annual bonuses are paid part in cash and part in shares. Up to 50% of any award will be deferred into shares for two years. Malus will apply up to the date of the bonus determination and clawback will apply for three years from the date of bonus determination.	The maximum bonus opportunity is 100% of base salary.	Performance is measured over the financial year. The annual bonus will be based on a scorecard of financial and non-financial performance targets, which are aligned to the business strategy. At least half of the bonus will be based on financial performance. The Committee is of the opinion that given the commercial sensitivity arising in relation to the targets used for the annual bonus, disclosing precise targets for the bonus plan in advance would not be in shareholder interests. Actual targets, performance achieved, and awards made will be published at the end of the performance periods so shareholders can fully assess the basis for any pay-outs under the annual bonus. The Committee retains discretion in exceptional circumstances to change performance measures and targets and the weightings attached to performance measures part-way through a performance year if there is a significant and material event that causes the Committee to believe the original measures, weightings and targets are no longer appropriate. Discretion may also be exercised in cases where the Committee believes that the bonus outcome is not a fair and accurate reflection of business performance.
Long Term Incentive Plan ('LTIP') Awards are designed to incentivise the Executive Directors to maximise total shareholder returns.	Awards are granted annually to Executive Directors in the form of nil cost options. These will vest at the end of a three-year period subject to the Executive Director's continued employment at the date of vesting. The Committee may award dividend equivalents on awards to the extent that these vest. A further two-year holding period post vesting will apply. Malus will apply for the three-year period from grant to vesting with clawback applying for the two-year period post vesting.	Maximum annual award of up to 100% of base salary.	Awards will not be subject to any formulaic performance conditions. A discretionary underpin will apply during the vesting period such that the Committee may reduce the vesting outcome in cases where the Committee believes that the vesting outcome is not a fair and accurate reflection of business performance. Following feedback during consultation, the new policy provides additional clarity that the factors the Committee may consider when assessing the underpin include (but are not limited to): <ul style="list-style-type: none">• financial performance outcomes, such as PBT and TTV performance in the year of vesting relative to the year of grant;• share price movement since grant;• environmental, social and governance performance insofar as it is relevant to strategy; and• major strategic or investment decisions and the returns on that investment.

Element of remuneration	Operation	Maximum opportunity	Performance measures
The Growth Plan The Growth Plan provides a one-off incentive to motivate Executive Directors to deliver on the Company's Medium Term Ambition and maximise total shareholder returns.	<p>Awards will be granted to Executive Directors in the form of a one-off market value option, with the exercise price set equal to the Company's average share price over the 30-day period prior to the date of grant.</p> <p>The award will vest and become exercisable on the achievement of the performance target and continued employment to that date and become immediately exercisable. Awards will thereafter be subject to a post-vesting holding period until the fifth anniversary of grant, excluding any sale to cover tax arising on vesting or exercise.</p> <p>The Committee may award dividend equivalents on awards in respect of the vesting period and on unexercised options post-vesting.</p> <p>Malus will apply for the duration of the vesting period, with clawback applying for the period post vesting until the seventh anniversary of grant.</p>	<p>The award will be made over a total pool of options over 5% of the Company's share capital.</p> <p>For the Executive Directors, this will be distributed as follows:</p> <p>CEO: 20% of the pool; and</p> <p>CFO and CMO: 15% of the pool per individual.</p> <p>The remaining proportion of the pool will be distributed amongst the other participants.</p>	<p>The Growth Plan will vest subject to the achievement of an adjusted basic EPS target of 38.7p in any financial year between FY25 and FY29. Vesting is also subject to continued employment to the date that the performance target is deemed to have been achieved. In the event that the EPS target is not achieved in any of the five financial years within the performance period, the award will lapse in full.</p> <p>The Committee retains the discretion to adjust the formulaic outcome if the underlying performance of the business is not consistent with the formulaic outcome. This discretion may also be exercised if there are instances of severe reputational damage, poor shareholder experience, or windfall gains.</p> <p>Following any material M&A activity, the Committee may adjust the EPS target to ensure it is not materially more or less difficult to satisfy than was originally intended. Any such changes would be explained in the subsequent annual remuneration report and, if appropriate, be the subject of consultation with the Company's major shareholders.</p>
HMRC Share Incentive Plan To encourage wide employee share ownership and thereby align employees' interests with shareholders.	The Company has a share incentive plan in which the Executive Directors are eligible to participate (which is HMRC registered and is open to all eligible staff).	UK scheme in line with HMRC limits as amended from time to time (currently £1,800 per tax year).	None



Directors' Remuneration report continued

FY25 Remuneration Policy and Workforce Remuneration continued

Element of remuneration	Operation	Maximum opportunity	Performance measures
Shareholding requirement To support long-term commitment to the Company and the alignment of Executive Director interests with those of shareholders.	<p>For current Executive Directors and any future incoming Executive Directors who are participants in the Growth Plan, 300% of salary to be built up over the five-year performance period of the Growth Plan and subsequently held. For all other future incoming Executive Directors, 200% of salary to be built up over the five-year period from appointment and then subsequently held.</p> <p>Executive Directors must retain a shareholding on cessation of employment for two years equal to the lower of:</p> <ul style="list-style-type: none"> For participants of the Growth Plan, 300% of salary. For any future incoming Executive Directors who do not participate in the Growth Plan, 200% of salary. For all Executive Directors, their actual shareholding on cessation. <p>Shares bought by Executive Directors and share options granted prior to the 2023 Policy coming into force are not subject to this holding requirement.</p>	N/A	None
Non-Executive Director fees Provides a level of fees to support recruitment and retention of Non-Executive Directors with the necessary experience to advise and assist with establishing and monitoring the Company's strategic objectives.	<p>The Board as a whole is responsible for setting the remuneration of the Non-Executive Directors, other than the Chair, whose remuneration is considered by the Committee and recommended to the Board.</p> <p>Non-Executive Directors are paid a base fee and may be paid additional fees for acting as chair of committees. The Chair of the Board does not receive any additional fees for membership of committees.</p> <p>Fees are typically reviewed annually based on equivalent roles in an appropriate comparator group used to review salaries paid to the Executive Directors. Fees may be reviewed more regularly than this in exceptional circumstances, such as a significant increase in the size or complexity of the business. Non-Executive Directors do not participate in any variable remuneration or benefits arrangements.</p>	<p>The base fees for Non-Executive Directors are set at a market rate.</p> <p>In general, the level of fee increase for the Non-Executive Directors will be set taking account of any change in responsibility and will take into account the general rise in salaries across the UK workforce.</p> <p>The Company will pay reasonable expenses incurred by the Chair and Non-Executive Directors.</p>	None



Discretion

The Committee has discretion in several areas of policy as set out in this report. This discretion includes, but is not limited to:

- Timing of awards and payments.
- Size of awards, within the overall limits disclosed in the policy table.
- Determination of vesting.
- Ability to override formulaic outcomes.
- Treatment of awards in the case of change of control or restructuring.
- Treatment of leavers within the rules of the plan and the policy on 'Payments for loss of office' as set out in this policy.
- Adjustments needed in certain circumstances, for example a rights issue or corporate restructuring.

While performance conditions will generally remain unchanged once set, the Committee has the usual discretions to amend the measures, weightings and targets where the original conditions would cease to operate as intended. This includes an assessment of the ongoing relevance of the performance conditions in the event of any material M&A activity. In relation to the Growth Plan, the adjusted basic EPS target will be assessed to ensure it remains consistently stretching.

Any such changes would be explained in the subsequent annual remuneration report and, if appropriate, be the subject of consultation with the Company's major shareholders. Consistent with best practice, all of the incentive plan rules also provide that any such amendment must not make, in the view of the Committee, the amended condition materially more or less difficult to satisfy than the original condition was intended to be before such event occurred.

The Committee may also exercise operational and administrative discretions under relevant plan rules approved by shareholders as set out in those rules. In addition, the Committee has the discretion to amend the Policy with regard to minor or administrative matters where it would be, in the opinion of the Committee, disproportionate to seek or await shareholder approval.

Differences in policy from the wider employee population

The Group aims to provide a remuneration package for all employees that is market competitive and operates the same reward and performance philosophy throughout the business. As with many companies, the Group operates variable pay plans primarily focused on mid to senior management level.

Recruitment policy

The recruitment policy is unchanged from the previous Policy, with the exception of the inclusion of the Growth Plan. The Company's approach when setting the remuneration of any newly recruited Executive Director will be assessed in line with the same principles for the Executive Directors, as set out in the Policy table. The Committee's approach to recruitment remuneration is to pay no more than is necessary to attract candidates of the appropriate calibre and experience needed for the role from the market in which the Company competes. The Committee will have regard to guidelines and shareholder sentiment regarding one-off or enhanced short or long-term incentive payments made on recruitment and the appropriateness of any performance measures associated with an award.

The remuneration package for a new Executive Director would be set in accordance with the terms of the Company's approved Policy. In the year of recruitment, the maximum variable pay under the annual bonus and LTIP would normally be 200% of salary (other than in exceptional circumstances where up to 300% of salary may be made if sign-on compensation is provided). This maximum excludes any participation in the Growth Plan. A new Executive Director may be invited to join the Growth Plan at the discretion of the Committee, provided that they join within the first two years of the normal vesting period for other participants.

The Committee's policy is not to provide sign-on compensation. However, in exceptional circumstances, where the Committee decides to provide this type of compensation, it will endeavour to provide the compensation in equity, subject to a holding period during which cessation of employment will generally result in forfeiture and subject to the satisfaction of performance targets. The maximum value of this one-off compensation will be proportionate to the overall remuneration offered by the Company and in all circumstances is limited to 100% of salary.

The Committee will carefully consider this matter to ensure consistency with the principles outlined earlier, particularly in relation to shareholder alignment, and will take appropriate external advice before finalising a decision in this regard and where practical will consult with the Company's key shareholders.

The Committee's policy is not to provide buyouts as a matter of course. However, should the Committee determine that the individual circumstances of recruitment justified the provision of a buyout, the equivalent value of any incentives that will be forfeited on cessation of a director's previous employment will be calculated taking into account the following:

- the proportion of the performance period completed on the date of the director's cessation of employment;
- the performance conditions attached to the vesting of these incentives and the likelihood of them being satisfied; and
- any other terms and conditions having a material effect on their value ('lapsed value').

Directors' Remuneration report continued

FY25 Remuneration Policy and Workforce Remuneration continued

The Committee may then grant up to the same value as the lapsed value, where possible, under the Company's incentive plans. To the extent that it was not possible or practical to provide the buyout within the terms of the Company's existing incentive plans, a bespoke arrangement would be used.

Where an existing employee is promoted to the Board, the Policy would apply from the date of promotion but there would be no retrospective application of the Policy in relation to subsisting incentive awards or remuneration arrangements. Accordingly, prevailing elements of the remuneration package for an existing employee would be honoured and form part of the ongoing remuneration of the person concerned. These would be disclosed to shareholders in the Remuneration report for the relevant financial year.

The Company's policy when setting fees for the appointment of new Non-Executive Directors is to apply the Policy which applies to current Non-Executive Directors.

Service agreements and letters of appointment

Each of the Executive Directors' service agreements is for a rolling term and may be terminated by the Company or the Executive Director by giving six months' notice. The Committee's policy for setting notice periods is that a six-month period will apply for Executive Directors. The Committee may in exceptional circumstances arising on recruitment, allow a longer period of up to 12 months, which would in any event reduce to six months following the first year of employment.

The Non-Executive Directors of the Company (including the Chair) do not have service agreements. The Non-Executive Directors are appointed by letters of appointment, which set out the terms and conditions of their appointment.

The dates of appointment of the Non-Executive Directors and their notice periods are as stated in the table below.

Non-Executive Director	Date of appointment	Notice period
Elaine O'Donnell	3 July 2018	3 months
Richard Pennycook	1 April 2019	3 months
Rt Hon Justine Greening	4 March 2021	3 months
Simon Cooper	30 June 2023	3 months
Veronica Sharma	1 September 2023	3 months
Victoria Self	3 February 2025	3 months

The terms of the Non-Executive Directors' positions are subject to their re-election by the Company's shareholders at the 2026 AGM and to re-election at any subsequent AGM at which the Non-Executive Directors stand for re-election.

Payment for loss of office

The Committee will honour Executive Directors' contractual entitlements. Service agreements do not contain liquidated damages clauses. If a contract is to be terminated, the Committee will determine such mitigation as it considers fair and reasonable in each case. There are no contractual arrangements that would guarantee a pension with limited or no abatement on severance or early retirement. There is no agreement between the Company and its Executive Directors or employees providing for compensation for loss of office or employment that occurs because of a takeover bid.

The Committee reserves the right to make additional payments where such payments are made in good faith in discharge of an existing legal obligation (or by way of damages for breach of such an obligation); or by way of settlement or compromise of any claim arising in connection with the termination of an Executive Director's office or employment.

When determining any loss of office payment for a departing individual, the Committee will always seek to minimise cost to the Company, whilst seeking to address the circumstances at the time.

Remuneration element	Treatment on exit
Salary, benefits and pension	Salary, benefits and pension will normally be paid over the notice period. The Company has discretion to make a lump sum payment on termination equal to the salary, value of benefits and value of Company pension contributions payable during the notice period. In all cases, the Company will seek to mitigate any payments due.
Annual bonus	If the Executive Director is a good leaver, the bonus will be pro-rated to time and performance for the year of cessation. Otherwise, no bonus is payable for the year of cessation.
LTIP	If an Executive Director is a good leaver, unless the Committee determines otherwise, unvested LTIP awards will be pro-rated to time and performance and vest on the normal vesting date. In exceptional circumstances, as determined by the Committee, for example, in the case of the participant's death, awards may vest immediately. For bad leavers, all unvested LTIP awards will lapse. The post-vesting holding period will continue to apply irrespective of employment status unless the Committee, in exceptional circumstances, determines otherwise.

Remuneration element	Treatment on exit
The Growth Plan	If the Executive Director is a good leaver, unless the Committee determines otherwise, awards under the Growth Plan will be pro-rated for time and vest on the normal vesting date. For the Growth Plan, good leavers are participants who cease to be in employment by reason of injury, ill-health, disability, death and any other reason which the Committee decides, and participants will normally only be eligible to be treated as a good leaver if they have served as an active employee of the Company for at least three years out of the five year plan vesting period. For bad leavers, Growth Plan awards will lapse.
Post-cessation shareholding requirement	Upon departure, Executive Directors will be required to retain 100% of their shareholding requirement (or full actual holding if lower) for a period of two years post-cessation.

Change of control

The Committee's policy on the vesting of incentives on a change of control is summarised below:

Name of incentive plan	Change of control	Discretion
Annual bonus plan	Pro-rated to time and performance to the date of the change of control.	The Committee has discretion to continue the operation of the Plan to the end of the bonus year.
LTIP	The number of shares subject to subsisting LTIP awards vesting on a change of control will be pro-rated to time and performance to the date of the change of control.	The Committee retains absolute discretion regarding the proportion vesting taking into account time and performance. There is a presumption that the Committee will pro-rate to time. The Committee will only waive pro-rating in exceptional circumstances where it views the change of control as an event that has provided a material enhanced value to shareholders, which will be fully explained to shareholders. In all cases any applicable performance conditions must be satisfied.



Name of incentive plan	Change of control	Discretion
The Growth Plan	The number of shares subject to unvested Growth Plan awards vesting on a change of control will be subject to a pro-rata assessment of performance against the performance target as at the date of change of control. The exercise price will still apply in all circumstances.	In the event of a change of control, the award vests on the date of change of control and performance will be assessed on a pro-rata basis. The Committee has discretion to override the default position (i.e. time and performance pro-ration) and be more generous. For Growth Plan awards, the exercise price will still apply in all circumstances.

Consideration of shareholder views

The Committee considers shareholder feedback received in relation to the AGM each year and guidance from shareholder representative bodies more generally.

In formulating the 2025 Policy, the Committee consulted directly with shareholders representing over 59% of the register as well as major proxy agencies, through two rounds of written correspondence, virtual meetings and follow-up calls.

The feedback received from both rounds of consultation was instrumental in shaping the final proposals. As a result of the constructive consultation process, amendments were made to the original proposal to reflect shareholder and proxy feedback. The three key amendments were:

- 1) a shift from a PBT target to an EPS target;
- 2) enhanced clarity on the time-based LTIP discretionary underpin; and
- 3) increased shareholding requirements of Executive Directors.

Directors' Remuneration report continued

FY25 Remuneration Policy and Workforce Remuneration continued

Consideration of conditions elsewhere in the Company

The Committee considers pay and employment conditions across the Company when reviewing the remuneration of the Executive Directors and other senior employees. In particular, the Committee considers the range of base pay increases across the Group when reviewing base salaries for Executive Directors in addition to a range of applicable pay ratios.

The Committee supports the Board's initiative to ensure employee views and concerns are taken into account in its decision making and has a clear understanding of pay and benefits at all team member levels in the Group. This includes decisions relating to the remuneration arrangements for senior management and the Executive Directors.

Our employees are critical to our success, and we aim to provide market competitive remuneration and benefit packages in order to continue to be seen as an employer of choice. The remuneration structure for our wider workforce is similar to that of our Executive Directors (with the exception of the Growth Plan) and contains both fixed and performance-based elements. Generally, the more senior the individual, the greater the variable pay as a proportion of overall pay due to the ability of senior managers to impact more directly upon Company performance.

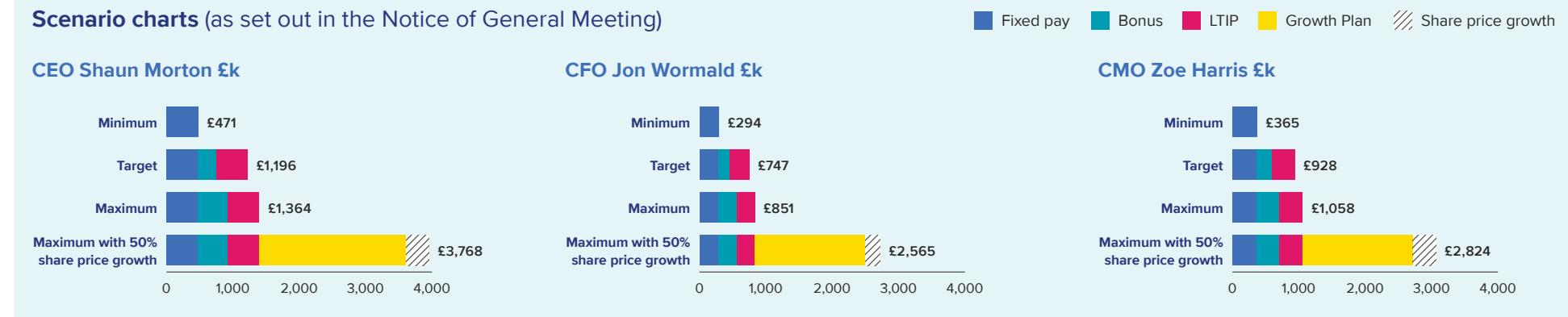
Whilst the Committee does not consult directly with colleagues when determining the policy for Executive Directors, awards under the LTIP scheme are operated for other colleagues to ensure alignment of objectives across the Group and pension entitlement for the current Executive Directors is in line with the rest of the workforce. Whilst the Growth Plan is limited to the Executive team and any other individuals at the discretion of the Remuneration Committee, the continuation of the LTIP provides alignment between the incentives operated for our Executive Directors and the senior management team. We also have an open, collaborative and inclusive management structure and engage regularly with our employees on a range of issues including the Group's approach to remuneration.

Illustrations of application of remuneration policy

The following charts illustrate how the potential future remuneration of the Executive Directors may vary at different levels of performance and the percentage each element may form together with the possible total value. For the purpose of these charts, the following assumptions have been made:

- The base salary levels are those in effect as at the date of the General Meeting.
- Fixed elements comprise base salary, pension and other benefits.
- Benefits levels are assumed to be the same as in the 2024 financial year for each Executive Director.
- Bonus opportunity and LTIP award levels are the maximum levels set out in the Policy table, while Growth Plan awards are as set out in the Policy table for each Executive Director.
- The LTIP vesting is assumed to be 100% of the maximum under each performance scenario due to the lack of any performance conditions.
- The Growth Plan is assumed to give a nil payout for the on-target and maximum scenarios (excluding the share price growth scenario) due to the exercise price of the awards.
- The market capitalisation used to illustrate the Growth Plan is as at 28 July 2025.
- No share price increase has been assumed, save for in the scenario which illustrates the impact of 50% share price appreciation on the potential value of future remuneration.
- Dividend equivalents have not been added to LTIP or Growth Plan share awards.

Scenario charts (as set out in the Notice of General Meeting)



Workforce remuneration

Our people are central to the delivery of our strategy and MTA. The Committee takes account of wider workforce pay, policies and practices when setting executive remuneration. We seek to ensure that reward across the business is fair, competitive and aligned to both Company performance and individual contribution. A Q&A with Jennie Cronin on page 101 explores in more detail how wider workforce remuneration aligns with the delivery of the MTA.

Remuneration element	Eligibility	Details	Implementation at OTB
Salary	All employees	We regularly assess salaries against local markets to ensure that we are able to attract and retain top talent.	<ul style="list-style-type: none"> Annual pay reviews take place in January for all employees. The Group is proud that it continues to be a Real Living Wage employer, voluntarily paying its lowest-paid employees a salary in excess of the National Minimum Wage.
Benefits	All employees	All employees are able to access benefits from day one of their employment.	<ul style="list-style-type: none"> We aim to offer a benefits programme that has something for everyone, rather than one size fits all. This year we've further improved our family-friendly policy with the addition of enhanced neo-natal care leave. And introduced our Transitioning in the workplace policy. You can read more about these in our "Here for people" section on page 32. We regularly review our benefits offering to ensure that it is relevant and competitive, using internal feedback and data insights.
Pension	All employees	To support employees in saving for the future, they're enrolled into the Group pension scheme within three months of their start date.	<ul style="list-style-type: none"> Pension contributions are 5% of salary for all colleagues, including Executive Directors, ensuring alignment across the workforce.
Share Incentive Plan ('SIP')	All employees	After six months' employment, all colleagues can participate in our Share Incentive Plan ('SIP'), enabling monthly share purchases of £5 to £150. This provides everyone with a direct stake in our success.	Available to all employees with over six months' service.
Annual bonus	Senior management	<p>Our senior leadership team participates in a bonus plan which is based on performance against four business and financial metrics which underpin our business strategy.</p> <p>The plan is designed to reward collective contribution towards the delivery of our strategy.</p>	As per Directors' Remuneration Policy except there is no deferral into shares for senior leaders.
Long Term Incentive Plan ('LTIP')	Senior management	The LTIP scheme is designed to retain and reward our senior leaders.	As per Directors' Remuneration Policy except there is no holding period applicable to the awards.
Growth Plan	Executive team	One-off plan designed to align exceptional performance with shareholder value.	As per Directors' Remuneration Policy except there is no holding period applicable to the awards beyond Executive Directors.

Directors' Remuneration report continued

Other Statutory Remuneration Disclosures

Single total figure of remuneration (audited)

The table below sets out the single total figure of remuneration and breakdown for each Executive and Non-Executive Director in respect of the 2025 financial year. Comparative figures for the 2024 financial year have also been provided.

£'000	Base salary/fees		Benefits ²		Pension		Total Fixed Pay		Bonus		LTIP ^{5,6}		Total Variable Pay		Total		
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	
Executive Directors																	
Shaun Morton	443	431	2	2	21	16	466	449	109	95	—	228	109	323	575	772	
Jon Wormald	276	269	2	2	13	10	291	281	68	59	—	—	68	59	359	340	
Zoe Harris	344	335	1	1	21³	8	366	344	85	74	—	234 ⁴	85	308	451	652	
Non-Executive Directors																	
Simon Cooper	53	53	—	—	—	—	53	53	—	—	—	40	—	40	53	93	
Richard Pennycook	179	179	—	—	—	—	179	179	—	—	—	—	—	—	179	179	
David Kelly ¹	15	53	—	—	—	—	15	53	—	—	—	—	—	—	15	53	
Elaine O'Donnell	68	68	—	—	—	—	68	68	—	—	—	—	—	—	68	68	
Justine Greening	62	62	—	—	—	—	62	62	—	—	—	—	—	—	62	62	
Veronica Sharma	53	53	—	—	—	—	53	53	—	—	—	—	—	—	53	53	
Victoria Self ¹	36	—	—	—	—	—	36	—	—	—	—	—	—	—	36	—	

1. David Kelly stepped down from the Board on 10 January 2025. Victoria Self joined the Board on 3 February 2025.

2. Taxable benefits received were family medical insurance.

3. The pension stated for Zoe Harris in FY25 includes £16,000 in respect of FY25 and a backdated payment of £5,000 in respect of FY24.

4. The value of Zoe Harris' LTIP includes an award that was granted prior to her appointment to the Board. Her FY22 Executive RSA award vested in two tranches; 50% vested on 31 December 2022 (which was included in 2023 remuneration previously reported) and the remaining 50% vested on 31 December 2023 (included above for 2024). The award was subject to continued employment (no performance conditions).

5. The value of the LTIP for 2024 for each of Shaun Morton, Zoe Harris and Simon Cooper relates to the 2022 FY22 LTIP award (and in the case of Zoe Harris, includes the value of her FY22 Executive RSA – see footnote 4 above). The 2024 Directors' Remuneration Report included assumed values, and these values have been restated above based on the actual vesting outcome of 44.365% of the maximum and using a share price of 239.5 pence, being the share price on the vesting date. This is equivalent to 95,378 nil-cost options in the case of Shaun Morton, 52,405 nil-cost options in the case of Zoe Harris, and 16,731 nil-cost options in the case of Simon Cooper. The value of the FY22 LTIP award included above is therefore £228,430 in the case of Shaun Morton, £125,510 in the case of Zoe Harris, and £40,071 in the case of Simon Cooper. The share price on vesting was lower than the original share price of 256.0 pence used to determine the original number of awards on grant, therefore none of the value stated is attributable to share price depreciation over the period to the vesting.

6. The value of the LTIP for 2025 is zero because the FY22 LTIP that vested during FY25 was already included in the FY24 figure (see footnote 5). Further explanation is provided on pages 96 and 115.



Bonus awards (audited)

2025 annual bonus awards and performance targets

For the year ended 30 September 2025, the maximum bonus opportunity for Executive Directors was equal to 100% of salary. The table below sets out the targets and performance and ultimate payout level.

Performance metric	Weighting	Performance level			Actual bonus paid		
		Threshold (25%)	Target (62.5%)	Maximum (100%)	Actual	% of maximum	% of salary
Group booked TTV (£m) ¹	35%	1,318	1,464	1,610	1,303	0	0
Group adjusted PBT (£m) ²	35%	33.9	37.7	41.5	28.5	0	0
Net Promoter Score	20%	46	49	52	56	100	20
Employee Engagement Score	10%	7.1	7.3	7.5	7.2	43.8	4.4
Total		100%				24.4%	

1. The annual bonus outcome for 2025 has been determined using a Group booked TTV of £1,303m, which includes adjustments to the audited Group booked TTV of £53.5m in respect of elements of discontinued operations.

2. The annual bonus outcome for 2025 has been determined using a Group adjusted PBT of £28.5m, which includes adjustments to the audited Group adjusted PBT of £6.5m in respect of elements of discontinued operations.

In accordance with the Policy, 50% of the bonus will be deferred in shares, vesting after two years subject to continued employment. No discretion was applied in determining the annual bonus outcome.

Vesting of FY22 LTIP award (audited)

Shaun Morton, Simon Cooper (when he was an Executive Director) and Zoe Harris (prior to her appointment to the Board) were granted LTIP awards on 25 February 2022. Vesting was subject to performance over the three years to February 2025 against a mix of TSR and TTV measures.

The FY24 Directors' Remuneration Report included an estimated vesting outcome in the FY24 single total figure of remuneration because the TTV financial year performance targets related to FY24 performance. Performance against the TSR metrics were measured on 25 February 2025 (the third anniversary of grant) and the final outcomes are as set out in the table below. Group TTV and Long Haul TTV exceeded maximum performance and vested in full. Classic TTV and Absolute TSR lapsed in full. Relative TSR delivered partial vesting. The overall payout was 44.365% of maximum, and this has been reflected in the restated FY24 number in the single total figure of remuneration table in this report.

The tables below outline the final performance against targets and vesting outcomes, as well as the number of shares granted and vesting for each Executive Director.

Metric	Weighting	Performance level			Performance	Vesting (% of element)
		Threshold (25% vesting)	Maximum (100% vesting)			
Absolute TSR (annualised)	25%	5%	15%	-4.1%		0%
Relative TSR	25%	Median/-13.8%	Upper quartile/31.38%	-11.71%		27.46%
Group TTV	25%	£798.9m	£958.3m	£1,200m		100%
Classic TTV	12.5%	£101.4m	£133.7m	£69.4m		0%
Long Haul TTV	12.5%	£48.5m	£72.5m	£96.6m		100%
Overall vesting					44.365%	

Directors' Remuneration report continued

Other Statutory Remuneration Disclosures continued

Based on the performance outcomes on the previous page, 44.365% of the awards vested on 25 February 2025 as detailed in the table below:

Executive	Maximum number of shares under award	Number of shares vested	Value on vesting date ²	Face value of awards vesting ³	Impact of share price on vesting ⁴
Simon Cooper ¹	37,709 ¹	16,731	£40,071	£42,831	-£2,761
Shaun Morton	214,961	95,378	£228,430	£244,168	-£15,737
Zoe Harris	118,111	52,405	£125,510	£134,157	-£8,647

1. Simon Cooper's award was initially made over 84,343 shares. He became a Good Leaver when he stepped down as CEO on 30 June 2023 and his FY22 award was adjusted pro rata to 37,709 shares to reflect the reduced time served in the performance period.
2. Based on closing share price of 239.5 pence on the vesting date.
3. Based on the number of shares vesting multiplied by the share price at the date of grant (256.0 pence).
4. Based on the value at vesting less the face value of awards on vesting.

No discretion was applied to the final vesting outcome shown above.

LTIP awards granted in FY25 (audited)

The table below sets out the details of the LTIP awards granted in the 2025 financial year in the form of nil-cost options.

Director	LTIP	Value of award	Number of shares awarded	Exercise Price (£)
Shaun Morton	100% of salary	£433,499	321,587	Nil
Jon Wormald	100% of salary	£270,300	200,519	Nil
Zoe Harris	100% of salary	£336,600	249,703	Nil

The awards were granted on 2 October 2024. The number of shares awarded was calculated using the closing share price on 1 October 2024, which was 134.8p.

The awards will vest subject to continued employment and a discretionary performance underpin assessed by the Committee prior to vesting. There is no threshold vesting level for the award.

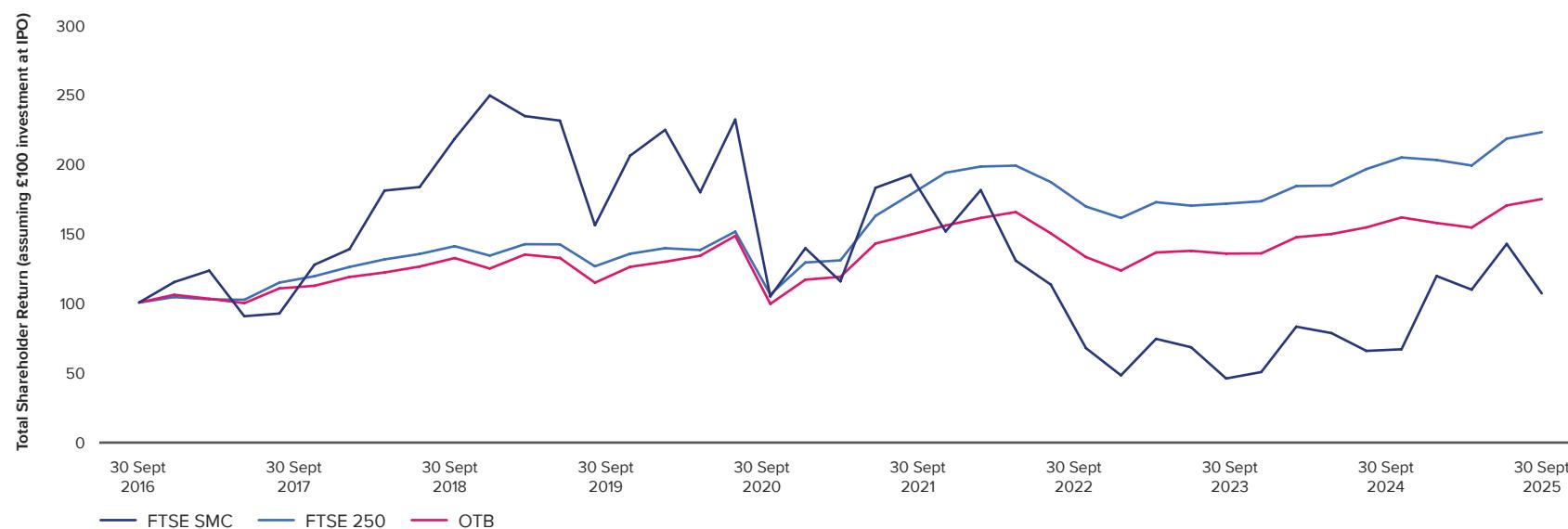


Payments to past Directors

There were no payments made to past Directors during FY25.

Comparison of overall performance and pay (TSR graph)

The graph below shows the value of £100 invested in the Company's shares since listing compared to both the FTSE 250 and FTSE Small Cap indices. These indices were chosen as they each reflect an index to which the Group has been a constituent since the IPO in 2015. The graph shows the Total Shareholder Return generated by both the movement in share value and the reinvestment over the same period of dividend income. This graph has been calculated in accordance with the Regulations. It should be noted that the Company listed on 28 September 2015 and, therefore, only has a listed share price for the period from 28 September 2015 to 30 September 2025.



Chief Executive Officer historical remuneration

The table below sets out the total remuneration delivered to the Chief Executive Officer since the IPO in 2015:

Chief Executive Officer ¹	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Total Single Figure (£000s)	131	239	201	316	305	89	210	392	527	772	575
Annual bonus payment level achieved (% of maximum opportunity)	–	27.8%	–	–	–	–	–	79.7%	61.1%	22.0%	24.4%
LTIP vesting level achieved (% of maximum opportunity)	N/A	N/A	N/A	30%	22.9%	–	–	–	–	37.5%	44.365%

1. Figures for 2015-2022 reflect Simon Cooper's remuneration, while figures for 2024 reflect Shaun Morton's remuneration. The 2023 figure is combined, as Simon Cooper stepped down as CEO on 30 June 2023, transitioning to a Non-Executive Founder Director role, and Shaun Morton being appointed CEO from that date.

It should be noted that the Company only introduced the LTIP on admission to the London Stock Exchange, with the first grant made in May 2016.

Directors' Remuneration report continued

Other Statutory Remuneration Disclosures continued

Change in Directors' remuneration compared with employees

The following table sets out the percentage change in the salary/fees, benefits and bonus for each Director from FY23 to FY25 compared with the average percentage change for employees.

	FY23 ⁶			FY24			FY25		
	Salary/fees	Benefits	Bonus	Salary/fees	Benefits	Bonus	Salary/fees	Benefits	Bonus
Executive Directors									
Shaun Morton ¹	19%	–	2%	35%	–	(52%)	3%	–	15%
Jon Wormald ²	n/a	n/a	n/a	n/a	n/a	n/a	3%	–	15%
Zoe Harris ²	n/a	n/a	n/a	n/a	n/a	n/a	3%	–	15%
Non-Executive Directors									
Simon Cooper ¹	(17%)	–	(33%)	n/a	n/a	n/a	–	–	–
Richard Pennycook	8%	–	–	3%	–	–	–	–	–
David Kelly ³	(10%)	–	–	(7%)	–	–	(72%)	–	–
Elaine O'Donnell	14%	–	–	5%	–	–	–	–	–
Justine Greening	21%	–	–	7%	–	–	–	–	–
Veronica Sharma ²	n/a	n/a	n/a	n/a	n/a	n/a	–	–	–
Victoria Self ⁴	–	–	–	–	–	–	n/a	n/a	n/a
Wider workforce									
Average employee – Group-wide ⁵	6%	–	98%	6%	–	91%	8%	–	38%

1. Simon Cooper stepped down as CEO on 30 June 2023 and transitioned to a Non-Executive Founder Director role and Shaun Morton was appointed as CEO from this date. This is reflected in the FY23 figures above.

2. Jon Wormald, Zoe Harris and Veronica Sharma were appointed to the Board during FY23 and therefore there is no % change prior to FY25.

3. David Kelly stepped down from the Board on 10 January 2025.

4. Victoria Self was appointed to the Board during FY25 and therefore there is no % change.

5. Average employee percentage change is based on earnings of full-time employees that were employed throughout the current and comparison period.

6. NED fees rose in FY23 as a result of the three-yearly review cycle. Rises were in line with wider workforce pay increases over the equivalent period.

CEO pay ratio

In accordance with the Companies (Miscellaneous Reporting) Regulations 2018, we have set out below the ratio of CEO pay (based on single total figure of remuneration) to that of UK employees for FY20 to FY25. The calculation has been performed in line with "Option A" and is based on the total single figure of remuneration methodology.

Year	Methodology	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2024/25	Option A	22:1	17:1	9:1
2023/24	Option A	27:1	22:1	11:1
2022/23	Option A	22:1	17:1	10:1
2021/22	Option A	18:1	10:1	7:1
2020/21	Option A	11:1	8:1	4:1
2019/20	Option A	5:1	3:1	2:1

We used “Option A” as we believe this is the most statistically robust method and is in line with the general preference of institutional shareholders. All figures are calculated using pay and benefits data for the financial year to 30 September 2025 for individuals employed as at the financial year end. The pay ratio has been calculated using the actual pay and benefits received in FY25. No elements of pay were omitted. Full-time equivalent figures were determined by up-rating relevant pay elements based on the average proportion of full-time hours the employee worked during the year and (for joiners during the year) the proportion of the year they were employed. Employees who left during the year were not included in the calculation.

The table below sets out the salary, and total pay and benefits, for each of the three quartile employees (P25, P50 and P75) for FY25.

	25th percentile (P25) ¹	Median (P50)	75th percentile (P75)
Salary	£24,282	£32,012	£62,383
Total pay and benefits	£25,991	£33,746	£65,275

1. The Group is a Real Living Wage (RLW) employer. The 25th percentile salary figure reflects colleagues who were paid the RLW throughout the year but whose annual salary includes three months at the prior RLW rate and nine months at the increased 2025 rate. This timing effect results in a pro-rated annual salary below the headline RLW figure, although all colleagues were paid at or above the applicable RLW each month.

The CEO pay ratio decreased in FY25 due to Shaun’s single total figure of remuneration in FY24 including the value of the vested FY22 LTIP award, whereas no LTIP vesting is included in the FY25 single figure.

The Committee believes that the median ratio is consistent with the pay, reward and progression policies for the Group’s employees. Base salaries of all employees, including our Executive Directors, are set with reference to a range of factors including market practice, experience and performance in role. In reviewing the ratios the Committee also noted that the CEO’s remuneration package is weighted more heavily towards variable pay (including the bonus and LTIP) than the wider workforce due to the nature of the role, and this means the ratio is likely to fluctuate depending on the performance of the business and associated outcomes of incentive plans in each year.

Relative importance of the spend on pay

The table below sets out the relative importance of spend on pay in the 2024 and 2025 financial years compared with other disbursements. All figures provided are taken from the relevant Company accounts.

Director	Disbursements from profit in 2024 financial year (£m)	Disbursements from profit in 2025 financial year (£m)	% change
Profit distributed by way of dividend	1.5	4.9	227%
Overall spend on pay including Executive Directors	30.2	30.7	2%

Directors' Remuneration report continued

Other Statutory Remuneration Disclosures continued

Statement of Directors' shareholdings and share interests (audited)

Director	Share plan awards subject to performance conditions ²	Share plan awards subject to continued employment ³	Share plan interests vested but unexercised	Shares held outright ¹	Share plan awards exercised during FY25 ⁴
Executive Directors					
Shaun Morton	1,544,222	1,109,138	0	201,518	95,378
Jon Wormald	1,158,166	611,222	73,274	14,896	0
Zoe Harris	1,158,166	928,001	219,752	53,130	0
Non-Executive Directors					
Simon Cooper (former Executive Director)	0	15,967	67,029	9,521,226	0
Richard Pennycook	0	0	0	48,267	0
Elaine O'Donnell	0	0	0	11,447	0
Justine Greening	0	0	0	11,119	0
Veronica Sharma	0	0	0	0	0
Victoria Self	0	0	0	3,500	0

1. This information includes holdings of any connected persons.

2. These figures represent the FY26 Growth Plan awards which will vest subject to the achievement of an adjusted EPS target in any one of the financial years FY25 to FY29, and thereafter will be subject to a post-vesting holding period to 3 October 2030.

3. These figures include the FY26 LTIP awards which were granted on 3 October 2025 and will vest on 3 October 2028 subject to continued employment.

4. Shaun Morton exercised 95,378 nil cost options (the vested shares from his FY22 LTIP award) on 10 March 2025 and sold 45,054 of the resulting shares to cover the tax liability arising on exercise, at a price per share of 227.59 pence.

Between 30 September 2025 and the date of this report, there were no changes in the Directors' shareholdings or share interests as shown above.

The table below sets out the current shareholding and includes the shareholding requirement for the Executive Directors:

Director	Shares held for purpose of shareholding requirement ¹			
	Shareholding requirement ⁴	Number of shares ¹	% of salary ²	Shareholding requirement met ^{3,4}
Shaun Morton	300% of salary	789,361	391	Yes
Jon Wormald	300% of salary	412,118	264	No ⁵
Zoe Harris	300% of salary	764,723	487	Yes

1. Shares included for the purposes of measuring the shareholding requirement include shares owned outright (including those by connected persons), vested but unexercised share options and unvested shares subject to continued employment only (on a net of tax basis), including those granted on 2 October 2025.

2. The closing share price of 221.50p as at 30 September 2025 has been taken for the purpose of calculating the current shareholding as a percentage of salary.

3. Zoe Harris was appointed to the Board on 14 October 2022, while Jon Wormald joined the Board on 30 June 2023. They each had five years from these dates to build up their shareholding requirement to 200% which has been met.

4. The shareholding requirement applicable to the Executive Directors has been increased to 300% of salary following approval of the new Directors' Remuneration Policy, to be built up by the end of the Growth Plan performance period (30 September 2029).

5. This represents Jon Wormald's shareholding as a percentage of his uplifted salary of £345k from 1 October 2025. Based on his salary as at 30 September 2025 (£278,409), his shareholding was equivalent to 327% of salary and therefore the requirement would have been met.

Shareholder voting at Annual General Meeting

The following table shows the results of the advisory vote on the 2025 Directors' Remuneration report (at the 2025 AGM) and the binding vote on the Directors' Remuneration Policy at the 2025 General Meeting on 12 September 2025.

Resolution	For	Against	Withheld
Ordinary resolution to approve the Directors' Remuneration report (2025 AGM)	103,368,951 (96.83%)	3,386,986 (3.17%)	1,024,594
Ordinary resolution to approve the Directors' Remuneration Policy (2025 General Meeting)	92,430,621 (80.90%)	21,817,207 (19.10%)	58,677

Composition and terms of reference of the Remuneration Committee

The Board has delegated to the Remuneration Committee, under agreed terms of reference, responsibility for the Remuneration Policy and for determining specific packages for the Chair, Executive Directors and such other senior employees of the Group as the Board may determine from time to time. The terms of reference for the Remuneration Committee are in line with the Code and are available on the Company's website, www.onthebeachgroupplc.com. All members of the Remuneration Committee are independent Non-Executive Directors. The Remuneration Committee receives assistance from the CEO, CFO, Chief People Officer and Company Secretary, who attend meetings by invitation, except when issues relating to their own remuneration are being discussed. The Remuneration Committee met nine times during FY25 and member attendance is set out below:

	Member from	Meetings attended
Justine Greening (Chair)	March 2021	9/9
Elaine O'Donnell	July 2018	9/9
Richard Pennycook	April 2019	9/9
Veronica Sharma	September 2023	9/9
Victoria Self	February 2025	7/7

Implementation of Remuneration Policy in FY26

The Remuneration Committee proposes to implement the Policy for FY26 as set out below. In implementing the Policy, the Committee will continue to take into account factors such as remuneration packages available with comparable companies, the Company's overall performance, internal relativities, achievement of corporate objectives, individual performance and experience, general market and wider economic trends.

Salary

For FY26, the Committee determined that Jon Wormald's base salary should increase to £345,000 with effect from 1 October 2025. This reflects the expanded scope and accountability of his role following the transition of Chief Supply Officer responsibilities into the CFO remit, Jon's sustained performance and leadership, and independent benchmarking of comparable roles. This change was consulted on with shareholders as part of the FY25 policy engagement and was supported.

The base salaries of the other Executive Directors will be reviewed in line with the wider workforce and the increases will take effect from 1 January 2026.

Name	2026 (£)	2025 (£)	Percentage change
Shaun Morton	459,900	446,505	3%
Jon Wormald	345,000	278,409	24%
Zoe Harris	357,099	346,698	3%

Directors' Remuneration report continued

Other Statutory Remuneration Disclosures continued

NED fees

NED fees were last reviewed in 2022, and the current fees have been in place since 1 January 2023. This year's review represents the final review under the previous three-year cycle. In line with the new Remuneration Policy approved in 2025, Non-Executive Director fees will transition to an annual review cycle from 2026 onwards, reflecting market positioning, company size and complexity, and avoiding the need for large 'catch-up' adjustments in future years. As part of this final three-year review, all fees have been increased by 8.2% in line with Executive Director increases over the equivalent period and below the levels awarded to the wider workforce over the equivalent period (which is 10.3%). The new fees will take effect from 1 January 2026.

Position	Fee 2026 (£)	Fee 2025 (£)
Chair	£194,543	£179,800
Base NED	£57,670	£53,300
Senior Independent Director (additional)	£6,492	£6,000
Chair of Audit Committee (additional)	£9,738	£9,000
Chair of Remuneration Committee (additional)	£9,738	£9,000

Benefits and pension

No changes are proposed to benefits or pension. Executive Director pensions remain at 5% of salary, aligned to the wider workforce.

Annual bonus plan

The maximum annual bonus opportunity for Executive Directors will remain at 100% of salary, with performance measures unchanged (35% adjusted PBT, 35% Group TTV, 20% NPS, 10% employee engagement). Targets will be disclosed retrospectively in next year's report. Up to 50% of any bonus earned will continue to be deferred into shares for two years. Malus and clawback provisions remain in place.

LTIP awards granted in FY26

The table below sets out the details of the LTIP awards granted in the 2026 financial year in the form of nil-cost options. No further LTIP awards will be granted in the 2026 financial year.

Director	Quantum	Face value of award	Number of shares awarded	Exercise price (£)
Shaun Morton	100% of salary	£446,505	201,130	Nil
Jon Wormald	100% of salary	£345,000	155,405	Nil
Zoe Harris	100% of salary	£346,698	156,171	Nil

The awards were granted on 3 October 2025. The number of shares awarded was calculated using the closing share price on 2 October 2025, which was 222.0p.

The awards will vest subject to continued employment over a period of three years and a discretionary performance underpin assessed by the Committee prior to vesting.

Growth Plan awards granted in FY26

Following approval by shareholders in September 2025, Growth Plan awards were granted in October 2025. The awards give the Executive Directors and other members of the senior management team the opportunity to share collectively in 5% of the total value created for shareholders from the date of grant, if and only if, a stretching adjusted basic EPS target of 38.7p is achieved in any one year between FY25 and FY29.

The table below sets out the details of the Growth Plan awards granted to the Executive Directors.

Director	Share of Growth Plan pool	Number of options awarded	Exercise price (£)	Performance period
Shaun Morton	20%	1,544,222	2.52	Up to FY29
Jon Wormald	15%	1,158,166	2.52	Up to FY29
Zoe Harris	15%	1,158,166	2.52	Up to FY29

The awards were granted on 3 October 2025. The exercise price was calculated using the average closing share price over the 30 days prior to grant, which was 252.0p. The 5% pool comprising 7,721,113 shares was calculated based on a total issued share capital of 154,422,277 on the date of grant (based on shares bought back (whether or not cancelled) as at close of business the day prior to grant).

Awards will vest only if adjusted basic EPS reaches 38.7p in any one year between FY25 and FY29 and as market value options they will only have value if the share price is in excess of the exercise price of 252.0p per share. Any options that do vest are subject to a five-year holding period from grant, and remain under malus and clawback provisions until the seventh anniversary of grant in line with the Policy.

Advisers to the Remuneration Committee

During the financial year, the Committee took advice from PricewaterhouseCoopers LLP ('PwC'), who were retained as external independent remuneration advisers to the Committee. During FY25, PwC advised the Company primarily in relation to the development of the new Directors' Remuneration Policy, including advice on market practice, corporate governance and performance target-setting, and on the design and implementation of the Growth Plan and other share schemes considered as part of that Policy. PwC also provided advice on related matters considered by the Committee.

The Remuneration Committee is satisfied that the advice received was objective and independent, and that all individuals who provided remuneration advice to the Committee have no connections with the Company or its Directors that may impair their independence. PwC is a member of the Remuneration Consultants Group and adheres to the voluntary Code of Conduct, which is designed to ensure objective and independent advice is given to remuneration committees.

PwC received fees of £112,250 for their advice during the year to 30 September 2025, based on a fixed retainer plus additional fees charged on a time and expenses basis.



The Rt Hon Justine Greening

Chair of the Remuneration Committee

1 December 2025





Directors' report

Statutory information

Information required to be part of the Directors' report can be found elsewhere in this document, as indicated in the table below and is incorporated into this report by reference:

Section of report	Page reference
Employee engagement	Pages 22, 29 to 36, 75 and 79
Employment of disabled persons	Page 36
Future developments of the business	Pages 08-14
Stakeholder engagement and s.172 statement	Pages 78-81
Viability statement	Page 59
Directors' interests	Page 73
Directors' Responsibilities Statement	Page 135
Greenhouse gas emissions	Pages 42 and 44
Risk management	Pages 52 to 58
Human rights and anti-bribery and corruption	Page 50
Diversity	Pages 29 to 30, 32, 35 to 37, 85 to 86
Non-financial key performance indicators	Pages 22 to 23

Directors' report

All sections under the heading "Governance" on page 61 of this document comprise the Directors' report for On the Beach Group plc (company number 09736592) (the 'Company') and its subsidiaries (together the 'Group') for the financial year to 30 September 2025.

Strategic report

All sections under the heading "Strategic report" on page 01 of this document comprise the Strategic report. The Strategic report sets out the development and performance of the Group's business during the financial year, the position of the Group at the end of the year and a description of the principal risks and uncertainties (including the financial risk management position) which is set out on pages 54 to 58.

Management report

This Directors' report (pages 124 to 128) together with the Strategic report (pages 01 to 60) form the Management report for the purposes of DTR 4.1.8R.

UK Corporate Governance Code

The Company's statement with regards to its adoption of the UK Corporate Governance Code can be found in the Corporate Governance Statement on pages 68 to 76. The Corporate Governance Statement forms part of this Directors' report and is incorporated into it by reference.

Directors

The names of the Directors who held office during the year are set out on pages 64 to 67. Biographical details of all the Directors serving at the date of this Annual Report are shown on pages 64 to 66. Subject to law and the Company's Articles of Association, the Directors may exercise all of the powers of the Company and may delegate their power and discretion to Committees.

Appointment and replacement of Directors

The appointment and replacement of Directors is governed by the Company's Articles of Association, the UK Corporate Governance Code, the Companies Act 2006 and related legislation. The Directors may from time to time appoint one or more Directors. The Board may appoint any person to be a Director (so long as the number of Directors does not exceed the limit prescribed in the Articles). Under the Articles, any such Director shall hold office only until the next AGM and shall then be eligible for election. The Articles also require that at each AGM, any Director who held office at the time of the two preceding AGMs and who did not retire at either of them must retire, and any Director who has been in office, other than a Director holding an executive position, for a continuous period of nine years or more must retire from office. However, in accordance with previous years and in accordance with best practice, all Directors will submit themselves for re-election at the AGM each year. Any Director who retires at an AGM may offer themselves for reappointment by the shareholders. All Directors will retire and stand for election or re-election at the 2026 AGM.

Amendment of Articles of Association

The Company's Articles of Association ('the Articles') may only be amended by way of a special resolution at a general meeting of the shareholders. No amendments are proposed to be made at the forthcoming Annual General Meeting.

Share capital and control

The Company's issued share capital comprises Ordinary Shares of £0.01 each, which are listed on the London Stock Exchange (LSE: OTB.L). The ISIN of the shares is GB00BYMK758.

The issued share capital of the Company as at 30 September 2025 comprised 155,079,777 Ordinary Shares of £0.01 each. This figure is stated net of 1,394,485 shares which were bought back between 24 and 30 September 2025 and held as treasury shares (for accounting purposes) at the year end. These shares were subsequently cancelled on 2 and 9 October 2025. Further information regarding the Company's issued share capital can be found on page 142 of the financial statements. Details of the movements in issued share capital during the year are provided in note 21 to the Group's financial statements contained on page 166. All the information detailed in note 21 on page 166 forms part of this Directors' report and is incorporated into it by reference.

At the Annual General Meeting of the Company held on 25 February 2025, the Directors were granted authority from shareholders to allot shares in the capital of the Company up to a maximum nominal amount of £1,095,406.88 (109,540,688 shares of £0.01 each), half of which amount may solely be used in connection with a pre-emptive rights issue. The Directors will seek to renew this authority at the 2026 AGM.

Authority to purchase own shares

At the 2025 AGM, shareholders granted the Company authority to purchase, in the market, up to 16,431,103 ordinary shares (representing 10% of the issued share capital) (the 'Authority').

Between 25 February 2025, when the Authority was granted, and 20 March 2025, the Company repurchased 3,805,796 shares under this Authority as part of the on-market share buyback programme announced in December 2024. On 24 September 2025, the Company announced that it would commence a further on-market share buyback under the same Authority, and between 24 and 30 September 2025 repurchased a further 1,394,485 shares. Between 1 October 2025 and completion of the buyback programme on 18 November 2025, the Company repurchased an additional 10,174,681 shares, leaving 1,056,141 shares remaining under the Authority.

The current Authority will expire at the conclusion of the 2026 AGM, when a resolution will be proposed for its renewal. The Directors will continue to exercise this power after careful consideration, taking into account the Company's financial resources, share price, future potential uses of capital, the impact on earnings per share and the interests of shareholders generally.

Rights attaching to shares

All shares have the same rights (including voting and dividend rights and rights on a return of capital) and restrictions as set out in the Articles. Except in relation to dividends which have been declared and rights on a liquidation of the Company, the shareholders have no rights to share in the profits of the Company. The Company's shares are not redeemable. However, following any grant of authority from shareholders, the Company may purchase or contract to purchase any of the shares on or off market, subject to the Companies Act 2006 and the requirements of the Listing Rules.

No shareholder holds shares in the Company that carry special rights with regard to control of the Company. There are no shares relating to an employee share scheme that have rights with regard to control of the Company that are not exercisable directly and solely by the employees, other than in the case of the Company's Share Incentive Plan, Long Term Incentive Plan and Growth Plan, where share interests of a participant in such schemes can be exercised by the personal representatives of a deceased participant in accordance with the scheme rules.

Voting rights

Each Ordinary Share entitles the holder to vote at general meetings of the Company. A resolution put to the vote of the meeting shall be decided on a poll and every member who is present in person or by proxy shall have one vote for every share of which they are a holder. The Articles provide a deadline for submission of proxy forms of not than less than 48 hours before the time appointed for the holding of the meeting or adjourned meeting. No member shall be entitled to vote at any general meeting either in person or by proxy, in respect of any share held by them, unless all amounts presently payable by them in respect of that share have been paid. Save as noted, there are no restrictions on voting rights nor any agreement that may result in such restrictions.

Restrictions on transfer of securities

The Articles do not contain any restrictions on the transfer of Ordinary Shares in the Company other than the usual restrictions applicable where any amount is unpaid on a share. Certain restrictions are also imposed by laws and regulations (such as insider trading and marketing requirements relating to close periods) and requirements of the Market Abuse Regulation and the Company's securities dealing code whereby all employees of the Company require approval to deal in the Company's securities.



Directors' report continued

Change of control

Save in respect of a provision of the Company's share schemes, which may cause options and awards granted to employees under such schemes to vest on takeover, there are no agreements between the Company and its Directors or employees providing for compensation for loss of office or employment (whether through resignation, purported redundancy or otherwise) because of a takeover bid.

The revolving credit facility contains customary prepayment, cancellation and default provisions including, if required by a lender, mandatory prepayment of all utilisations provided by that lender upon the sale of all or substantially all of the business and assets of the Group or a change of control.

As the Group holds Air Travel Organiser's Licences, the ATOL Standard Terms will apply. Those terms include provisions on change of control.

Employee share schemes

The Company has four employee share schemes in place:

1. An HMRC-approved Share Incentive Plan ('SIP') to encourage wide employee share ownership and thereby align employees' interests with shareholders.
2. A Long Term Incentive Plan ('LTIP') under which nil-cost share options are granted to Executive Directors, subject to continued employment.
3. A Save As You Earn Plan ('SAYE'), which is an all-employee savings-related share option plan. Although the SAYE was approved at the 2018 AGM, it has not yet been rolled out to employees and there are no plans to do so.
4. A Growth Plan, under which market value options are granted to Executives and others as identified by the Remuneration Committee. Awards vest subject to stretching targets linked to long-term strategic targets, aligning participants' interests with those of shareholders and delivery of the strategy.

Further details are provided in the Directors' Remuneration report on pages 94 to 103.

Annual General Meeting

The Annual General Meeting for 2026 will be held at 10am on 12 March 2026 at the Company's headquarters at Aeroworks, 5 Adair Street, Manchester, M1 2NQ.

The Notice of Meeting, which sets out the resolutions to be proposed at the forthcoming AGM, specifies deadlines for exercising voting rights and appointing a proxy or proxies to vote in relation to resolutions to be passed at the AGM.

All proxy votes will be counted and the numbers for, against or withheld in relation to each resolution will be announced at the AGM and published on the Company's website.

General Meeting

A General Meeting of the Company was held on 12 September 2025, at which shareholders approved the new Remuneration Policy, On the Beach Growth Plan and an amendment to the 2023 Long Term Incentive Plan to remove the inner 5% dilution limit. All resolutions received strong shareholder support, with over 80% of votes cast in favour.

Notifiable changes to substantial shareholdings

During the year, the Company has been notified, in accordance with Chapter 5 of the Financial Conduct Authority's Disclosure Guidance and Transparency Rules ('DTR5') of the following increases or decreases in significant interests in the issued Ordinary Share capital of the Company. Such notifications are published as an RNS and are also available on the Company's website (www.onthebeachgroupplc.com/investor-centre/rns).

The following figures represent the number of shares and how that translates to a percentage shareholding in the Company as at the date on which the change was notified. The holdings may have changed since notification but any further notification is not required until the next applicable threshold in DTR5 is crossed.



Please note there could be other shareholders with substantial shareholdings who are not listed below because their shareholdings have not increased above or decreased below a threshold during the year.

Name of shareholder	Number of shares	Nature of holding as per disclosure	Date of notification
Morgan Stanley & Co. International plc	8,805,783	6.08%	21 November 2025
Morgan Stanley & Co. International plc	8,745,080	6.04%	20 November 2025
Morgan Stanley & Co. International plc	8,802,304	6.07%	19 November 2025
Schroders Plc	14,670,991	10.07%	14 November 2025
Morgan Stanley & Co. International plc	7,881,796	5.04%	8 September 2025
Artemis Investment Management LLP	10,391,871	6.64%	3 September 2025
Artemis Investment Management LLP	9,982,139	6.38%	26 August 2025
FMR LLC	14,075,006	9.00%	9 July 2025
Liontrust Investment Partners LLP	7,931,219	5.07%	23 May 2025
Artemis Investment Management LLP	9,527,628	6.09%	24 April 2025
Liontrust Asset Management LLP	7,931,219	5.07%	9 April 2025
Artemis Investment Management LLP	7,871,093	5.03%	9 April 2025
Liontrust Asset Management Plc	7,931,219	5.07%	4 April 2025
FMR LLC	15,647,423	10.00%	31 March 2025
Norges Bank	4,800,000	3.01%	4 March 2025
Schroders Plc	8,109,841	5.01%	13 January 2025
Lombard Odier Asset Management (Europe) Limited	7,966,079	4.80%	20 December 2024
FMR LLC	16,699,105	10.05%	18 December 2024
Hawksford Trustees Jersey Limited (as trustees of the SC 2014 Settlement)	7,427,589	4.45%	16 December 2024
FMR LLC	15,857,517	9.50%	10 December 2024
FMR LLC	15,049,143	9.01%	6 December 2024

Between 21 November 2025 and the date of this report no further interests have been notified to the Company in accordance with DTR5.

A list of our substantial shareholders is available on our corporate website.

Transactions with related parties

During the year, the Company provided a standard indemnity for a lost share certificate to its registrar and received a corresponding indemnity from Simon Cooper, a Non-Executive Director, in relation to the loss of a share certificate. The transaction was not significant in the context of the Company's financial position and performance, and no balances were outstanding at the end of the reporting period.

Additionally, the Group made a loan of £5m to the Employee Benefit Trust (EBT) in order to acquire shares. The EBT is independent, and based in Jersey. See note 26 to the consolidated financial statements.

Indemnities and insurance

The Company maintains appropriate insurance to cover Directors' and officers' liability for itself and its subsidiaries. The Company also indemnifies the Directors under a qualifying indemnity for the purposes of section 236 of the Companies Act 2006 in the Articles. Such indemnities contain provisions that are permitted by the Director liability provisions of the Companies Act and the Company's Articles. Such indemnities were in force throughout the period under review and are in force as at the date of this report.

Save for the indemnities disclosed in this report, there are no other qualifying third-party indemnity provisions in force.

Research and development

Innovation, specifically in the customer proposition on the website, is a critical element of the strategy, and, therefore, of the future success of the Group.

Accordingly, the majority of the Group's research and development expenditure is predominantly related to this area.

Financial instruments

Details of the financial risk management objectives and policies of the Group, including hedging policies and exposure of the entity to price risk, credit risk, liquidity risk and cash flow risk are given on pages 167 to 173 in note 23 to the consolidated financial statements, and form part of this report by reference.

Directors' report continued

Political contributions

Neither the Company nor any of its subsidiaries made any political donations or incurred any political expenditure during the year.

Charitable donations

The Group made charitable donations of £7,300 during the year.

Results and dividends

The Group's and Company's audited financial statements for the year are set out on pages 137 to 179.

In line with the Group's capital allocation policy, an interim dividend of 1.0p per share was paid in FY25 and the Board is recommending a final dividend of 3.0p per share in respect of FY25, bringing total dividends for the year to 4.0p per share.

Information to be disclosed under UK Listing Rule 6.6.1R

Disclosures required by the FCA's UK Listing Rule 6.6.1R can be found on the following pages:

Information required	Subsection of LR6.6.1R	Page reference
Details of long-term incentive schemes	(4)	Page 126

Save as set out above, there is no other information to disclose in relation to the provisions of UK Listing Rule 6.6.1R.

Auditor

The auditor, Ernst & Young LLP, is willing to continue in office and a resolution for its reappointment as auditor of the Company will be submitted to the AGM.

Disclosure of information to the auditor

Each of the Directors has confirmed that:

- i. so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- ii. the Director has taken all the steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Approval of the Annual Report

The Strategic report and Corporate Governance report were approved by the Board on 1 December 2025.

Approved by the Board and signed on its behalf:



K Vickerstaff

Company Secretary

1 December 2025



Independent auditor's report

To the members of On the Beach Group plc

Opinion

In our opinion:

- On the Beach Group plc's group financial statements and parent company financial statements (the "financial statements") give a true and fair view of the state of the group's and of the parent company's affairs as at 30 September 2025 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with UK adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of On the Beach Group plc (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 September 2025 which comprise:

Group	Parent company
Consolidated Income Statement and Statement of Comprehensive Income for the year then ended	Balance sheet as at 30 September 2025
Consolidated Balance Sheet as at 30 September 2025	Statement of changes in equity for the year then ended
Consolidated Statement of Cash Flows for the year then ended	Related notes 1 to 9 to the financial statements including a summary of significant accounting policies
Consolidated Statement of Changes in Equity for the year then ended	
Related notes 1 to 27 to the financial statements, including a summary of significant accounting policies	

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the group and parent in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the group or the parent company and we remain independent of the group and the parent company in conducting the audit.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group and parent company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining management's going concern assessment, including the cash flow forecasts and covenant calculations for the going concern period which covers the period to 31 March 2027. Management have modelled a base scenario and a number of downside scenarios in the cash flow forecasts and covenant calculations in order to incorporate unexpected changes to the forecasted liquidity of the Group.

The downside scenario considered a severe but plausible reduction in booking levels. In this scenario the Group continues to have sufficient liquidity and headroom on its covenants.

- Challenging the significant assumptions underpinning the Group's forecasts for the going concern period. Our challenge was particularly focused around the consideration of current macro-economic factors and the growth assumptions used. We also verified whether the Group's forecasts in the going concern assessment were consistent with other forecasts used by the Group in its accounting estimates, including impairment.
- Verifying the credit facilities available to the Group including the £120m revolving credit facility which is available until September 2029.
- Testing the clerical accuracy and the appropriateness of the model used to prepare the Group's going concern assessment.
- Assessing the appropriateness of the Group's disclosure concerning the going concern basis of preparation.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and parent company's ability to continue as a going concern for a period to 31 March 2027 from when the financial statements are authorised for issue.

Independent auditor's report continued

In relation to the group and parent company's reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern.

Overview of our audit approach

Audit scope	<ul style="list-style-type: none"> We performed an audit of the complete financial information of eight components. The components where we performed full audit procedures accounted for 100% of Profit before tax adjusted for the impact of exceptional items, 100% of Revenue and 100% of Total assets.
Key audit matters	<ul style="list-style-type: none"> Revenue recognition – risk of management override through journals made to revenue outside of the standard booking process. Website development costs – risk that management inappropriately capitalise costs in relation to the website development team in order to improve the financial results for the period.
Materiality	<ul style="list-style-type: none"> Overall Group materiality of £1.2m which represents 5% of profit before tax adjusted for the impact of exceptional items.

An overview of the scope of the parent company and group audits

Tailoring the scope

In the current year our audit scoping has been updated to reflect the new requirements of ISA (UK) 600 (Revised). We have followed a risk-based approach when developing our audit approach to obtain sufficient appropriate audit evidence on which to base our audit opinion. We performed risk assessment procedures, to identify and assess risks of material misstatement of the Group financial statements and identified significant accounts and disclosures.

We considered our understanding of the Group and its business environment, the potential impact of climate change, the applicable financial framework, the group's system of internal control at the entity level, the existence of centralised processes and applications when assessing the level of work to be performed at each company.

We determined that centralised audit procedures could be performed on eight components covering all Group significant accounts. Of the eight components selected, we designed and performed audit procedures on the entire financial information of eight components ("full scope components").

Our scoping to address the risk of material misstatement for each key audit matter is set out in the Key audit matters section of our report.

All audit work performed for the purposes of the audit was undertaken by the Group audit team.

Climate change

Stakeholders are increasingly interested in how climate change will impact On the Beach Group plc. The Group has determined that the most significant future impacts from climate change on its operations will be in the form of physical risks. These are explained on pages 46 to 49 in the required Task Force On Climate Related Financial Disclosures and on pages 54 to 58 in the principal risks and uncertainties. They have also explained their climate commitments on pages 41 to 44. All of these disclosures form part of the "Other information," rather than the audited financial statements. Our procedures on these unaudited disclosures therefore consisted solely of considering whether they are materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appear to be materially misstated, in line with our responsibilities on "Other information".

In planning and performing our audit we assessed the potential impacts of climate change on the Group's business and any consequential material impact on its financial statements.

Our audit effort in considering the impact of climate change on the financial statements was focused on evaluating management's assessment of the impact of climate risk, physical and transition, their climate commitments, the effects of material climate risks disclosed on pages 46 and 49 and whether these have been appropriately reflected in the carrying value of goodwill. Intangible assets, property plant and equipment and deferred tax assets. As part of this evaluation, we performed our own risk assessment, supported by our climate change internal specialists, to determine the risks of material misstatement in the financial statements from climate change which needed to be considered in our audit.

We also challenged the Directors' considerations of climate change risks in their assessment of going concern and viability and associated disclosures. Where considerations of climate change were relevant to our assessment of going concern, these are described above.

Based on our work we have not identified the impact of climate change on the financial statements to be a key audit matter or to impact a key audit matter.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified. These matters included those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in our opinion thereon, and we do not provide a separate opinion on these matters.

Risk	Our response to the risk	Key observations communicated to the Audit Committee
Revenue recognition (FY25 – £121.4m) FY24 – £119.4m)* <i>Refer to the Audit Committee Report (page 90); Accounting policies (page 146); and Note 4 of the Consolidated Financial Statements (page 152)</i>	<p>We have performed the following procedures:</p> <ul style="list-style-type: none"> Assessed the design and implementation of the key controls over revenue recognition for all trading entities within the Group. Tested, to supporting evidence, all material journal entries impacting on net revenue which fell outside of the standard booking process for evidence of management override. Adopted a data analytics approach to corroborate our expectation of the relationship between gross revenue, trade receivables and cash receipts and gross costs, trade payables and cash payments in relation to the standard booking process. Any exceptions to our expectations above our testing threshold have been substantively tested. 	Our procedures did not identify any instances of management override in the recognition of revenue or evidence of material misstatements across the Group in the financial year.
Capitalisation of website & development costs (FY25 – £10.3m, FY24 – £10.3m) <i>Refer to the Audit Committee Report (page 90); Accounting policies (page 147); and Note 12 of the Consolidated Financial Statements (page 159)</i>	<p>We have performed the following procedures:</p> <ul style="list-style-type: none"> Assessed the design and implementation of the key controls over the capitalisation of website development costs across the Group. Obtained a breakdown by project of all website development costs capitalised in the period. From this breakdown, we selected a sample of projects for further testing and for each project we: <ul style="list-style-type: none"> Obtained an understanding and related support for management's evaluation of how the project satisfies the requirements of 'IAS 38 Intangible Assets' to be capitalised. Held interviews with a number of IT developers to understand a) the nature and responsibilities associated with their role and b) the nature of the projects they had been working on in the period. We utilised this information to assess the appropriateness of capitalisation in line with the accounting standard requirements and management's accounting treatment. We performed an independent assessment of the potential future economic benefits expected to be obtained from each project in our sample to identify any contradictory indicators that could imply the project has been treated incorrectly by management. We agreed the total value of payroll costs capitalised in the period to the underlying payroll records. We also selected a sample of employees whose time had been capitalised and obtained their employment contract to confirm the nature of their role is that of an IT developer. 	Based on our procedures we are satisfied that the judgements applied by management in relation to the capitalisation of website & development costs are appropriate.

Independent auditor's report continued

Our application of materiality

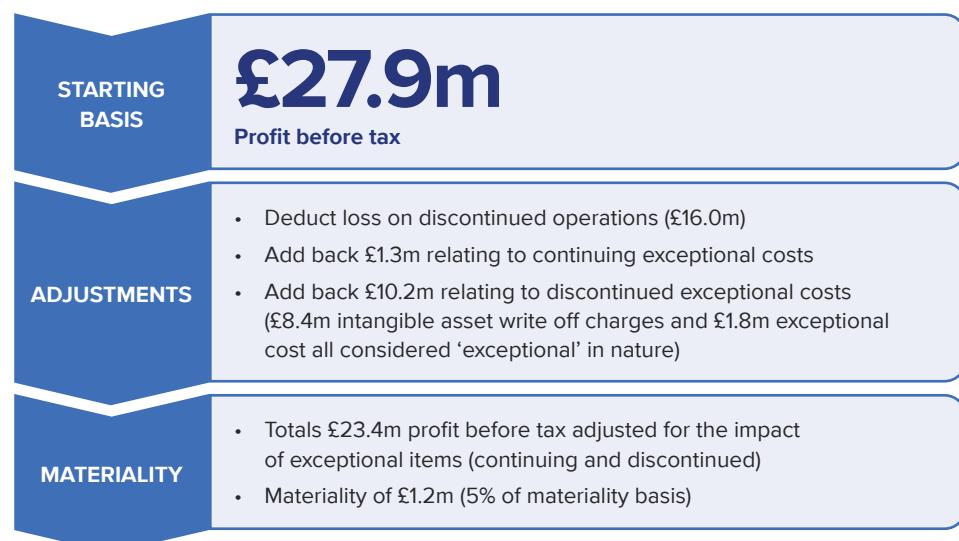
We apply the concept of materiality in planning and performing the audit, in evaluating the effect of identified misstatements on the audit and in forming our audit opinion.

Materiality

The magnitude of an omission or misstatement that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of the users of the financial statements. Materiality provides a basis for determining the nature and extent of our audit procedures.

We determined materiality for the Group to be £1.2 million (2024: £1.2 million), which is 5% (2024: 5%) of profit before tax adjusted for the impact of exceptional items. We believe that profit before tax adjusted for the impact of exceptional items provides us with an appropriateness basis for planning materiality given the focus of stakeholders and users of the financial statements being on profitability of the Group and ability of the Group to pay dividends.

We determined materiality for the Parent Company to be £4.9 million (2024: £5.5 million), which is 2% (2024: 2%) of equity. Our materiality for the parent company is capped at £1.2 million (2024: £1.2 million).



Performance materiality

The application of materiality at the individual account or balance level. It is set at an amount to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality.

On the basis of our risk assessments, together with our assessment of the Group's overall control environment, our judgement was that performance materiality was 75% (2024: 75%) of our planning materiality, namely £0.9m (2024: £0.9m). We have set performance materiality at this percentage based on an expectation of a low level of audit differences.

Reporting threshold

An amount below which identified misstatements are considered as being clearly trivial.

We agreed with the Audit Committee that we would report to them all uncorrected audit differences in excess of £58k (2024: £58k), which is set at 5% of planning materiality, as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in light of other relevant qualitative considerations in forming our opinion.

Other information

The other information comprises the information included in the annual report set out on pages 2 to 135 and 180 to 186 other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves.

If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Corporate Governance Statement

We have reviewed the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the group and company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the UK Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- Directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 60;
- Directors' explanation as to its assessment of the company's prospects, the period this assessment covers and why the period is appropriate set out on pages 59 to 60;

- Directors' statement on whether it has a reasonable expectation that the group will be able to continue in operation and meets its liabilities set out on page 60;
- Directors' statement on fair, balanced and understandable set out on page 91;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 52;
- the section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 52; and
- the section describing the work of the audit committee set out on pages 88 to 92.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 135, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent auditor's report continued

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the company and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the group and determined that the most significant are UK adopted international accounting standards, FRS 102, the Companies Act 2006, the Listing Rules, UK Corporate Governance Code and The Civil Aviation (Air Travel Organisers' Licensing) Regulations 2012.
- We understood how On the Beach Group plc is complying with those frameworks by making enquiries of management, those responsible for legal and compliance procedures and the Company Secretary. We corroborated our enquiries through our review of board and committee minutes, papers provided to the Audit Committee and discussions with the Audit Committee.
- We assessed the susceptibility of the group's financial statements to material misstatement, including how fraud might occur by meeting with management and those charged with governance to understand where it considered there was a susceptibility to fraud. We also considered performance targets and the propensity to influence efforts made by management to manage earnings. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included testing higher risk journals and were designed to provide reasonable assurance that the financial statements were free from fraud and error.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved journal entry testing, with a focus on consolidation journals and journals indicating large or unusual transactions based on our understanding of the business; enquiries of Legal Counsel, Group management and focused testing, as referred to in the key audit matters section above. In addition, we completed procedures to conclude on the compliance of the disclosures in the Annual Report and Accounts with the requirements of the relevant accounting standards, UK legislation and the UK Corporate Governance Code 2016.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters we are required to address

- Following the recommendation from the audit committee we were appointed by the company on 7 March 2019 to audit the financial statements for the year ending 30 September 2019 and subsequent financial periods.
- The period of total uninterrupted engagement including previous renewals and reappointments is 7 years, covering the years ending 30 September 2019 to 30 September 2025.
- The non-audit services prohibited by the FRC's Ethical Standard were not provided to the group or the parent company and we remain independent of the group and the parent company in conducting the audit.
- The audit opinion is consistent with the additional report to the audit committee.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jonathan Gill (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor
London

1 December 2025

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable United Kingdom law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have elected to prepare the Group financial statements in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006, and the Parent Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ('FRS 102').

In preparing these financial statements the Directors are required to:

- select suitable accounting policies in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, and in respect of the Parent Company financial statements, Section 10 of FRS 102 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs and in respect of the Parent Company financial statements, FRS 102, is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Group and Company financial position and financial performance;

- in respect of the Group financial statements, state whether international accounting standards in conformity with the requirements of the Companies Act 2006 (and IFRSs adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union) have been followed, subject to any material departures disclosed and explained in the financial statements;
- in respect of the Parent Company financial statements, state whether applicable UK Accounting Standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is appropriate to presume that the Company and/or the Group will not continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's and Group's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that the Company and the Group financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and Parent Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a strategic report, directors' report, directors' remuneration report and corporate governance statement that comply with that law and those regulations. The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

Directors' responsibility statement

The Directors confirm, to the best of their knowledge:

- that the consolidated financial statements, prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, give a true and fair view of the assets, liabilities, financial position and profit of the Parent Company and undertakings included in the consolidation taken as a whole;
- that the Annual Report, including the Strategic report, includes a fair review of the development and performance of the business and the position of the Company and undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face; and
- that they consider the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position, performance, business model and strategy.



Jon Wormald

Chief Financial Officer

1 December 2025





Financial Statements

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Consolidated Income Statement and Statement of Comprehensive Income

Year ended 30 September 2025

	Note	2025 £m	Restated** 2024 £m
Revenue	4	121.4	119.2
Expected credit losses	15	(2.5)	(1.7)
Gross profit		118.9	117.5
Administrative expenses	6	(96.0)	(97.4)
Group operating profit		22.9	20.1
Finance costs	8	(2.6)	(2.4)
Finance income	8	7.6	7.5
Net finance income		5.0	5.1
Profit before taxation		27.9	25.2
Taxation	9	(3.3)	(6.3)
Profit from continuing operations		24.6	18.9
Loss from discontinued operations	10	(16.0)	(5.9)
Profit for the year		8.6	13.0
Other comprehensive income that may be reclassified to the P&L: Net gain on fair value hedges		0.4	0.4
Total comprehensive income for the year		9.0	13.4
Attributable to equity holders of the parent			
Profit from continuing operations		24.6	18.9
Loss from discontinued operations	10	(16.0)	(5.9)
Other comprehensive income		0.4	0.4
Total comprehensive income for the year		9.0	13.4
Basic and diluted earnings per share from continuing operations attributable to the equity shareholders of the Company:			
Basic earnings per share	11	15.6p	11.3p
Diluted earnings per share	11	15.1p	11.1p
Adjusted basic earnings per share*	11	19.0p	13.1p
Adjusted diluted earnings per share*	11	18.3p	12.9p
Basic and diluted earnings per share from total operations attributable to the equity shareholders of the Company:			
Basic earnings per share	11	5.5p	7.8p
Diluted earnings per share	11	5.3p	7.7p
Adjusted profit measure*			
Adjusted PBT (before amortisation of acquired intangibles, exceptional items and share-based payments)*	6	35.0	29.2

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

** The prior period is restated for the effects of discontinued operations (see note 10).





Consolidated Balance Sheet

At 30 September 2025

	Note	2025 £m	2024 £m
Assets			
Non-current assets			
Intangible assets	12	56.7	66.2
Property, plant and equipment	13	2.6	3.6
Deferred tax	20	0.3	—
Trust account	16	0.5	0.4
Total non-current assets		60.1	70.2
Current assets			
Trade and other receivables	15	204.5	188.4
Derivative financial instruments	23	3.4	—
Trust account	16	142.4	139.1
Cash at bank		91.7	96.2
Total current assets		442.0	423.7
Assets held for sale	10	—	2.0
Total assets		502.1	495.9
Equity			
Share capital	21	1.6	1.7
Share premium	22	89.6	89.6
Retained earnings	22	201.9	220.2
Capital contribution reserve	22	0.6	0.5
Merger reserve	22	(129.5)	(129.5)
Treasury shares	22	(7.4)	—
Total equity		156.8	182.5



	Note	2025 £m	2024 £m
Non-current liabilities			
Trade and other payables	17	1.0	2.1
Deferred tax	20	—	0.4
Total non-current liabilities		1.0	2.5
Current liabilities			
Corporation tax payable		0.4	0.9
Trade and other payables	17	340.8	304.3
Provisions	17	2.2	0.4
Derivative financial instruments	23	0.9	5.3
Total current liabilities		344.3	310.9
Total liabilities		345.3	313.4
Total equity and liabilities		502.1	495.9

The financial statements from pages 137 to 175 were approved by the Board of Directors and authorised for issue.



Jon Wormald

Chief Financial Officer

1 December 2025

On the Beach Group plc. Reg no 09736592

The notes on pages 143 to 175 form part of the financial statements.





Consolidated Statement of Cash Flows

At 30 September 2025

	Note	2025 £m	Restated* 2024 £m
Profit/(loss) before taxation			
From continuing operations		27.9	25.2
From discontinued operations	10	(16.0)	(5.9)
Adjustments for:			
Depreciation	6	1.7	2.1
Amortisation of intangible assets	6	11.4	13.0
Finance costs	8	2.6	2.4
Finance income	8	(7.8)	(7.7)
Loss on goodwill for discontinued operations	10	8.4	4.6
Loss on disposal of intangible assets	12	0.1	0.2
Loss on disposal of property, plant and equipment	13	(0.6)	0.6
Share-based payments	24	3.8	2.3
Impact of unrealised foreign exchange differences		(0.5)	(1.7)
		31.0	35.1
Changes in working capital			
Increase in trade and other receivables	15	(19.5)	(22.3)
Increase in trade and other payables	17	30.8	48.9
Increase in trust account		(3.4)	(30.9)
		7.9	(4.3)
Cash flows from operating activities			
Cash used in operating activities		38.9	30.8
Tax paid		(4.1)	(3.9)
Net cash inflow from operating activities		34.8	26.9



	Note	2025 £m	Restated* 2024 £m
Cash flows from investing activities			
Proceeds from disposal of assets	13	2.6	–
Purchase of intangible assets	12	–	(0.1)
Development expenditure	12	(10.4)	(10.2)
Interest received	8	7.8	7.7
Net cash outflow from investing activities		–	(2.6)
Cash flows from financing activities			
Equity dividends paid	27	(4.9)	(1.5)
Interest paid on borrowings	8	(2.6)	(2.3)
Payment of lease liabilities	18	(1.4)	(1.8)
Share buyback	21	(30.9)	–
Net cash outflow from financing activities		(39.8)	(5.6)
Impact of unrealised foreign exchange differences		0.5	1.7
Net increase in cash at bank and in hand		(5.0)	18.7
Cash at bank and in hand at beginning of year		96.2	75.8
Cash at bank and in hand at end of year		91.7	96.2

* The prior period is restated for the effects of discontinued operations (see note 10).

The notes on pages 143 to 175 form part of the financial statements.





Consolidated Statement of Changes in Equity

Year ended 30 September 2025

	Treasury shares £m	Share capital £m	Share premium £m	Merger reserve £m	Capital contribution reserve £m	Retained earnings £m	Total £m
Balance at 30 September 2023	–	1.7	89.6	(129.5)	0.5	205.9	168.2
Share-based payments charge including tax	–	–	–	–	–	2.4	2.4
Dividends	–	–	–	–	–	(1.5)	(1.5)
Total comprehensive income for the year	–	–	–	–	–	13.4	13.4
Balance at 30 September 2024	–	1.7	89.6	(129.5)	0.5	220.2	182.5
Share-based payments charge including tax	–	–	–	–	–	3.2	3.2
Dividends	–	–	–	–	–	(4.9)	(4.9)
Buyback of shares	(28.0)	–	–	–	–	–	(28.0)
Purchase of shares by Employee Benefit Trust	(5.0)	–	–	–	–	–	(5.0)
Cancellation of treasury shares	25.0	(0.1)	–	–	0.1	(25.0)	–
Issue of shares to Employee Benefit Trust	0.6	–	–	–	–	(0.6)	–
Total comprehensive income for the year	–	–	–	–	–	9.0	9.0
Balance at 30 September 2025	(7.4)	1.6	89.6	(129.5)	0.6	201.9	156.8

The notes on pages 143 to 175 form part of these financial statements.



Notes to the Consolidated Financial Statements

Year ended 30 September 2025

1 General information

On the Beach Group plc is a public limited company which is listed on the London Stock Exchange and is domiciled and incorporated in the United Kingdom under the Companies Act 2006. The address of the registered office is given on page 186.

2 Accounting policies

a) Basis of preparation

The consolidated financial statements presented in this document have been prepared in accordance with UK adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006.

The Company's financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ('FRS 102') and as applied in accordance with the provisions of the Companies Act 2006. The Company has taken advantage of the exemption provided under section 408 of the Companies Act 2006 not to publish its individual income statement and related notes.

These financial statements are presented in pounds sterling (£m) because that is the currency of the primary economic environment in which the Group operates.

b) Going concern

The Group covers its daily working capital requirements by means of cash and a Revolving Credit Facility ('RCF'). Previously, a facility was held for £85m that was due to expire in December 2027 following an extension.

For the year ending 30 September 2025, the Group has completed a refinancing with Lloyds, NatWest and HSBC, entering a revised four-year credit facility of £120m with an accordion of £30m, expiring September 2029. At the point of refinancing there was nothing drawn down. The RCF has financial covenants in place which are tested semi-annually.

As at 30 September 2025, Group cash (excluding cash held in trust which is ringfenced and not factored into the going concern assessment) was £91.7m (30 September 2024: £96.2m).

Cash received from customers for bookings that have not yet travelled is held in a ringfenced trust account and is not withdrawn until the customer returns from their holiday unless allowable under trust scheme rules. Cash held in trust at 30 September 2025 was £142.9m (30 September 2024: £139.5m).

The Directors have assessed a going concern period through to 31 March 2027 and have modelled a number of scenarios considering factors such as airline resilience, cost of living, inflation, interest rates and customer behaviour/demand. The Group has performed an assessment of the impact of climate risk, as part of the Directors' assessment of the Group's ability to continue as a going concern. Detail of the Group's assessment of the impact of climate risk is provided within the "Here for the planet" section of this report.

The Directors have modelled a remote possibility scenario to sensitise the base case as a stress test. In this scenario the Directors have assessed the impact to cash and revenue in an environment where bookings are 99% lower than the forecasted reduction for the remaining going concern period; although profitability would be affected, the Group would be able to continue operating.

In addition, the Directors have modelled sensitivity analysis on a reverse stress test that models a substantial increase in bookings, to assess the potential impact on working capital and bank facilities, as well as considering the sensitivity to booking volumes. Although in this scenario headroom would be affected, the Group would be able to continue operating.

Given the assumptions above, the mitigating actions available and within the Group's control, the Directors remain confident that the Group can continue to operate with sufficient resources for the foreseeable future. Therefore, it is considered appropriate to continue to adopt the going concern basis in preparing these financial statements.

c) New standards, amendments and interpretations

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2024; the following amended standards have been implemented, however, they have not had a significant impact on the Group's consolidated financial statements:

- Amendment to IFRS 16 – Leases on sale and leaseback
- Amendment to IAS 7 and IFRS 7 – Supplier finance arrangements
- Interpretations of IFRS 8 Operating Segments – Paragraph 23
- Amendments to IAS 1 – Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants





Notes to the Consolidated Financial Statements continued

2 Accounting policies continued

c) New standards, amendments and interpretations continued

Standards issued but not yet effective

Certain new financial reporting standards, amendments and interpretations have been published that are not mandatory for the 30 September 2025 reporting period, and have not been early adopted by the Group. The Group is currently assessing the impact of the following standards, amendments and interpretations:

- Amendments to IAS 21 – Lack of Exchangeability
- Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments and Contracts referencing nature-dependent Electricity
- Annual Improvements to IFRS Accounting Standards—Volume 11
- IFRS 18 – Presentation and Disclosure in Financial Statements
- IFRS 19 – Subsidiaries without Public Accountability: Disclosures

d) Climate-related matters

The Group considers climate-related matters in estimates and assumptions where appropriate, this includes areas such as:

- Impairment of non-financial assets: The value-in-use may be impacted by the changes in climate-related regulations or a change in the demand of certain holiday destinations as a result of extreme weather or natural disasters.
- Deferred tax asset recoverability: The forecasts used in assessing whether the Group has sufficient future taxable income could be impacted by climate-related regulation or change in consumer demand for travelling abroad.
- Going concern: When forecasting future expected cashflows, the primary climate-related risk is extreme heat/weather due to wildfires, flooding or other extreme weather events in holiday destinations. While other risks have not materialised in the short term, we will continue to monitor them closely.

The Group's business model allows for flexibility, through being asset-light; this means the Group can respond quickly to changes in customer demand for certain locations. The Group is closely monitoring changes and developments in both climate-related legislation and extreme weather events.

e) Discontinued operations

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the statement of profit or loss. Additional disclosures are provided in note 10. All other notes to the financial statements include amounts for continuing operations, unless indicated otherwise.



f) Basis of consolidation

The Group's consolidated financial statements consolidate the financial statements of On the Beach Group plc and all of its subsidiary undertakings.

i. Subsidiaries are entities controlled by the Company

Control exists when the Company has power over the investee, the Company is exposed, or has rights to variable returns from its involvement with the subsidiary and the Company has the ability to use its power of the investee to affect the amount of the investor's returns.

ii. Transactions eliminated on consolidation

Intragroup balances, and any gains and losses or income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial information. Gains arising from transactions with jointly controlled entities are eliminated to the extent of the Group's interest in the entity. Losses are eliminated in the same way as gains, but only to the extent that there is no evidence of impairment.

g) Goodwill

Goodwill arising on the acquisition of subsidiary undertakings and trading assets represents the excess of the cost of acquisition over the fair value of the identifiable assets and liabilities at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently remeasured at cost less any accumulated impairment losses. Goodwill which is recognised as an asset is reviewed for impairment at least annually. Any impairment is recognised immediately in the income statement and is not subsequently reversed. On disposal of a subsidiary the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the combination. If the recoverable amount is less than the carrying amount of the unit, the impairment loss is allocated to first reduce the amount of goodwill allocated to the unit and then the other assets in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

Impairment losses recognised for other assets is reversed only if the reasons for the impairment have ceased to apply.

h) Foreign currency

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date.

Foreign exchange differences arising on translation are recognised in the income statement.

i) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Financial assets

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income ('OCI'), and fair value through profit or loss. In order for a financial asset to be classified and measured at amortised cost, the financial asset is under a "hold to collect" business model and it needs to give rise to cash flows that are "solely payments of principal and interest" ('SPPI') on the principal amount outstanding. The Group considers a financial asset in default when contractual payments are 90 days past due.

Trade and other receivables

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method, less any impairment losses. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. An expected credit loss is calculated using a provision matrix which is initially based on the Group's historical observed default rates that is calibrated for changes in the forward-looking estimates.

Cash at bank

Cash at bank comprises cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash at bank.

Trust account

All ATOL protected customer monies are held in a trust account until after the provision of the holiday service. The trust account is governed by a deed between the Group, the Civil Aviation Authority Air Travel Trustees and independent trustees (Travel Trust Services Limited), which determines the inflows and outflows from the account.

All ATOL protected customer receipts are paid into the trust account in full before the holiday departure date. These payments are held in the trust account until the service is provided-for flights on payment to the supplier and for hotels and ancillaries on the customer's return from holiday. The Group therefore does not use customer prepayments to fund its business operations. Due to the restrictions on accessing the funds in the trust account, customer monies held in the trust account are presented separately to cash at bank.

ii. Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

Trade and other payables

Trade and other payables are recognised initially at fair value and net of directly attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the Effective Interest Rate ('EIR') amortisation process.

Revolving credit facility ('RCF')

Borrowings from the RCF are recognised initially at fair value. After initial recognition, the RCF is subsequently measured at amortised cost using the EIR method. The Group refinanced the RCF in the year. Please see Note 19 for further details.

iii. Derivative financial instruments, including hedge accounting

The Group enters into forward foreign exchange contracts to manage exposure to foreign exchange rate risk of trade payables.

Additionally, the Group acquires interest rate swaps in order to hedge the interest rate risk associated with the interest received on the trust account. The movement associated with this is recognised within finance income in the income statement.

Further details of these derivative financial instruments are disclosed in note 23 of these financial statements. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value.

Fair value hedges

All derivative financial instruments are assessed against the hedge accounting criteria set out in IFRS 9. On initial designation of the derivative as a hedging instrument, the Group formally documents the relationship between the hedging instrument and hedged item, and the Group elects to identify the spot-element of forward contracts as the hedging instrument. The documentation also identifies the hedged item, the risk management objectives and strategy in understanding the hedge transaction and the hedged risk, together with the methods that will be used to assess the effectiveness of the hedging relationship.

The Group makes an assessment, both at the inception of the hedge relationship as well as on an ongoing basis, of whether the hedging instruments are expected to be highly effective in offsetting the changes in the fair value of the respective hedged items attributable to the hedged risk.





Notes to the Consolidated Financial Statements continued

2 Accounting policies continued

i) Financial instruments continued

Fair value hedges continued

Derivatives are initially recognised at the fair value on the date a derivative contract is entered into and are subsequently remeasured at each reporting date at their fair value. The change in the fair value of the hedging instrument is recognised in the statement of profit or loss as other expense. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit or loss as other expense. The change in the fair value of the forward element of the forward contracts is recognised in other comprehensive income.

Cash flow hedges

For derivatives that are designated as cash flow hedges and where the hedge accounting criteria are met, the effective portion of changes in the fair value is recognised in other comprehensive income. For the Group this is the interest rate swaps. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss as part of finance costs. Amounts accumulated in equity are recognised in profit or loss when the income or expense on the hedged item is recognised in profit or loss.

j) Segment reporting

IFRS 8 requires operating segments to be reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the management team, including the Chief Executive Officer and Chief Financial Officer. For management purposes, the Group is organised into segments based on the nature of products and services, and information is provided to the management team on these segments for the purposes of resource allocation and segment performance management and monitoring. Please see note 5 for more information on segmental reporting.

On 23 September 2025, the Board made the decision to abandon the Classic Collection Holdings operation and to not attempt to sell the business. See note 10 for details of discontinued operations.

Following the decision to abandon the Classic Collection Holdings operation, the management team considers there to be one reportable segment (see note 5 for details on segmental reporting):

- i. "OTB" – activity via UK & Ireland as a B2C provider (www.onthebeach.co.uk, www.sunshine.co.uk and www.onthebeach.ie)

k) Revenue recognition

IFRS 15 Revenue from Contracts with Customers is a principle-based model of recognising revenue from customer contracts. It has a five-step model that requires revenue to be recognised when control over goods and services are transferred to the customer. The standard requires the Group to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The following paragraphs describes the types of contracts, when performance obligations are satisfied, and the timing of revenue recognition. Further details of the disaggregation of revenue are disclosed in note 4 of these financial statements.

As agent:

The Group acts as agent when it is not the primary party responsible for providing the components that make up the customer's booking and it does not control the components before they are transferred to customers. Revenue comprises the fair value of the consideration received or receivable in the form of commission. Service fees/commissions are earned through purchases from customers of travel products such as flight tickets or hotel accommodation from third-party suppliers. Revenue in the form of commission or service fees is recognised when the performance obligation of arranging and facilitating the customer to enter into individual contracts with suppliers is satisfied, usually on delivery of the booking confirmation.

Given the level of cancellations the Group has experienced, the commission is considered to represent variable consideration and the transaction price of commission income determined using the expected value method, such that revenue is recognised only to the extent that it is highly probable that there will not be a significant reversal of revenue recognised in future periods. The sum of the range of probabilities of cancellations in different scenarios based on historical trends and best estimate of future expectations is used to calculate the extent to which the variable consideration is reduced and a corresponding refund liability (presented as a cancellation provision) is recognised in provisions. See note 17 for more information.

Revenue earned from sales through the OTB segment is stated net. Revenue earned from sales through Classic Collection is stated net, with the commission payable to agents recognised in the cost of sales. Following the cessation of operations for Classic Collection on 23 September 2025, all revenue from this segment for the year is recognised within discontinued operations. See note 10 for more details.



I) Override income

The Group has agreements with suppliers which give rise to rebate income. This income relates to segments where revenue is accounted for on an agent basis, therefore the income received from suppliers relates to reduction in cost of sales (corresponding increase in commission received), and as such is considered part of the Group's net revenue. For the year ended 30 September 2025 override income was £12.4m (FY24: £8.5m). The Group has some agreements whereby receipt of the income is conditional on the Group achieving agreed volume targets.

For agreements not linked to volume targets, override income is recognised when earned by the Group, which occurs when all obligations conditional for earning income have been discharged, and the income can be measured reliably based on the terms of the contract, which is usually once the booking has been confirmed with the supplier.

For agreements where volume targets are in place, income is recognised once the target has been achieved. For volume targets which span the year end, the Group is required to make estimates in determining the amount and timing of recognition of override. In determining the amount of volume-related allowances recognised in any period, management estimate the probability that the Group will meet contractual target volumes, based on current and forecast performance.

Amounts due but not yet recovered relating to override income are recognised within trade and other receivables.

m) Business combinations

All business combinations are accounted for by applying the acquisition method. Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group.

For acquisitions, the Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, are expensed as incurred. Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in the income statement.

n) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated. The estimated useful lives are as follows:

Fixtures, fittings and equipment: 3–10 years

Depreciation methods, useful lives and residual values are reviewed at each balance sheet date.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in administrative expenses.

o) Intangible assets

i. Research and development

Expenditure on research activities is recognised in the income statement as an expense as incurred. Expenditure on development activities directly attributable to the design and testing of identifiable and unique software products are capitalised if the product or process meet the following criteria:

- the completion of the development is technically and commercially feasible to complete;
- adequate technical resources are sufficiently available to complete development;
- it can be demonstrated that future economic benefits are probable; and
- the expenditure attributable to the development can be measured reliably.

Development activities involve a plan or design for the production of new or substantially improved products or processes. Directly attributable costs that are capitalised as part of the software product, website or system include employee costs. Other development expenditures that do not meet these criteria as well as ongoing maintenance are recognised as an expense as incurred.

Development costs for software, websites and systems are carried at cost less accumulated amortisation and are amortised over their useful lives at the point in which they come into use.

During the year, the Group revised the amortisation period of certain web development assets from three to five years, based on updated assessments of their expected period of use. This change has been applied prospectively from 1 October 2024 and decreased amortisation expense by £2.5m for the year ended 30 September 2025. All additions in the year are amortised over a period of five years. Any assets not eligible for this change are still amortised over three years. Amortisation has been recognised within operating expenses.





Notes to the Consolidated Financial Statements continued

2 Accounting policies continued

o) Intangible assets continued

ii. Software licences and domain names

Acquired intangible assets are capitalised at the cost necessary to bring the asset to its working condition. The Group has applied the guidance published by the IFRS Interpretations Committee ('IFRIC') in respect of cloud computing arrangements. The guidance requires that cloud computing arrangements are reviewed to determine if they are within the scope of IAS 38 Intangible Assets, IFRS 16 Leases, or a service contract. This is to determine if the Group has control of the software intangible asset. Control is assumed if the Group has the right to take possession of the software and run it on its own or a third party's computer infrastructure or if the Group has exclusive rights to use the software whereby the supplier cannot make the software available to other customers.

Costs for software licences and domain names are carried at cost less accumulated amortisation and are amortised over their useful lives at the point in which they come into use.

iii. Brand

Upon acquisition of the Group, the On the Beach brand was identified as a separately identifiable asset. Acquisitions of Sunshine.co.uk and Classic Collection Holidays Limited resulted in the brand of each being identified and recognised separately from goodwill at fair value. Following the cessation of operations for Classic Collection on 23 September 2025, the goodwill arising on the acquisition of Classic Collection Holidays Limited, as well as the brand intangibles, have been written off, and are recognised within discontinued operations. See note 10 for more details.

iv. Amortisation

Amortisation is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets with an indefinite useful life and goodwill are systematically tested for impairment at each balance sheet date. Other intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

Website technology:	10 years
Website & development costs:	3–5 years
Brand:	10–15 years
Agent relationships:	15 years
Customer relationships:	5 years

v. Customer and agent relationships

Upon the acquisition of Classic Collection Holidays Limited, customer relationships were identified as separately identifiable assets. Classic Collection's revenue is driven by a very high volume of repeat customers due to its bespoke holiday packages and the target market. Repeat customers are from two broad segments – independent travel agents and direct customers and individuals booking directly. There is a defined margin and attrition profile differential between the two customer groups and as such two separate assets were identified. Following the cessation of operations for Classic Collection on 23 September 2025, the intangible assets are considered to be impaired and are recognised within discontinued operations. See note 10 for more details.

p) Impairment of non-financial assets

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell.

Goodwill is required to be tested for impairment annually, or more frequently where there is an indication that the goodwill may be impaired. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units, or ('CGUs'). Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.



q) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i. Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The recognised right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Buildings: 10 years

IT equipment: 3–5 years

The right-of-use assets are also subject to impairment. The Group's right-of-use assets are included as a separate category in property, plant and equipment.

ii. Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date where the interest rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in trade and other payables.

r) Employee benefits

i. Pension scheme

The Group operates a defined contribution pension scheme. A defined contribution scheme is a post-employment benefit plan under which the Company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement in the years during which services are rendered by employees.

ii. Share-based payment transactions

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

Equity-settled transactions

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model, further details of which are given in note 24.

That cost is recognised in employee benefits expense (note 7a), together with a corresponding increase in equity (other capital reserves), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest because service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share (further details are given in note 11).





Notes to the Consolidated Financial Statements continued

2 Accounting policies continued

s) Financing income and expenses

Financing expenses comprises interest payable and interest on lease liabilities recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the income statement (see foreign currency accounting policy). Additionally, the unwinding of the prepaid facility fee related to the RCF is included within finance expenses. Financing income comprises interest receivable on funds invested. Finance income is shown net of movements in the interest rate swaps and collars held.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Foreign currency gains and losses are reported on a net basis.

t) Exceptional items

Exceptional items are material items of income and expense which, because of the nature and expected infrequency of events giving rise to them, merit separate presentation to allow shareholders to understand better the elements of financial performance in the year, so as to facilitate comparison with prior years and to assess better trends in financial performance.

u) Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

v) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

w) Share premium and other reserves

The amount subscribed for the ordinary shares in excess of the nominal value of these new shares is recorded in "share premium". The amount subscribed for the preference shares in excess of the nominal value of these new preference shares is recorded in "other reserves".

Costs that directly relate to the issue of ordinary shares are deducted from share premium net of corporation tax.

The merger reserve represents the amount subscribed for the ordinary shares in excess of the nominal value of the shares issued in exchange for the acquisition of subsidiaries.

Treasury shares relate to the repurchase of shares. Where the Company purchases its own equity share capital, the consideration paid is deducted from total shareholders' equity and classified as treasury shares until they are cancelled or reissued. No gain or loss is recognised in the income statement on the purchase, sale, issue or cancellation of treasury shares.

Where shares are cancelled following the repurchase of shares, the value of the Group's issued share capital that is diminished must be transferred to the capital redemption reserve.

x) Earnings per share

The Group presents basic and diluted earnings per share ('EPS') data for its ordinary shares. Basic EPS is calculated by dividing the profit attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. For diluted EPS, the weighted average number of ordinary shares is adjusted to assume conversion of all dilutive potential ordinary shares.

y) Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

z) Provisions

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation.

The Group recognises a refund liability (presented as a cancellation provision) for the commission that is considered to represent variable consideration due to the risk that a booking may be cancelled (see note 2k).



aa) Non-statutory measures

One of the Group's KPIs is adjusted profit before tax. When reviewing profitability, the Directors use an adjusted profit before taxation ('PBT') in order to give a meaningful year-on-year comparison. Whilst we recognise that the measure is an alternative (non-Generally Accepted Accounting Principles ('non-GAAP')) performance measure which is also not defined within IFRS, this measure is important and should be considered alongside the IFRS measures.

Adjusted PBT is calculated by adjusting for material items of income and expenditure which, because of the nature and expected infrequency of events giving rise to them, merit separate presentation to allow shareholders a better understanding of the financial performance in the period. These adjustments include amortisation of acquired intangibles and exceptional items. In addition, share-based payments charge is excluded in order to provide comparability to prior periods due to fluctuations in the charge.

ab) Employee Benefit Trust

The Employee Benefit Trust ('EBT') is treated as an extension of the group. Where the EBT purchases the company's equity share capital these are treated as treasury shares with the consideration paid deducted from equity attributable to the company's equity holders until the shares are cancelled or reissued.

3 Critical accounting estimates and judgements

The Group's accounting policies have been set by management. The application of these accounting policies to specific scenarios requires reasonable estimates and assumptions to be made concerning the future. These are continually evaluated based on historical experience and expectations of future events. The resulting accounting estimates will, by definition, seldom equal the related actual results. Under IFRS, estimates or judgements are considered critical where they involve a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities from period to period. This may be because the estimate or judgement involves matters which are highly uncertain or because different estimation methods or assumptions could reasonably have been used.

Critical accounting judgements

Revenue from contracts with customers

The Group applied the following key judgements on the agent vs principal status of each segment as well as the number of performance objections in each.

Agent vs Principal

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

In accordance with IFRS 15, revenue for the OTB and Classic Collection segments is recognised as an agent on the basis that the performance obligation is to arrange for another entity to provide the goods or services. This assessment has given consideration that there is no inventory risk and limited discretion in establishing prices.

Performance obligations

Revenue in the OTB and Classic Collection segments is recognised based on there being a single performance obligation at the point of booking. This is to arrange and facilitate the customer entering into individual contracts with principal suppliers providing holiday-related services including flights, hotels and transfers. For the OTB and Classic Collection segments, there is not a significant integration service and responsibility for providing the services remains with the principal suppliers.

Following the cessation of operations for Classic Collection on 23 September 2025, all revenue from this segment for the year is recognised within discontinued operations. See note 10 for more details.

Capitalised website development costs

Determining the amounts to be capitalised involves judgement and is dependent upon the nature of the related development; namely whether it is capital (as relating to the enhancement of the website) or expenditure (as relating to the ongoing maintenance of the website) in nature. In order to capitalise a project, the key judgement management have made is in determining the project's ability to produce future economic benefits. Management have assessed each project to determine whether the project is technically feasible, intended to be completed and used, whether there is available resources to complete it and whether there is probable economic benefits from each project. In the year ending 30 September 2025, the proportion of development costs that have been capitalised has reduced from the prior year as the development team have increased their time on planning and collaboration, to achieve key strategic projects, that are built with longevity in mind. Management have reassessed the useful life of capitalised web development assets based on the experience of assets' ongoing utility, extending the amortisation period from three to five years for all capitalised web development costs in FY25, as well as select projects from prior years that will be utilised over the Group's Medium Term Ambition. This change in estimate has resulted in a decrease in amortisation expense of £2.5m.

Discontinued operations

On 23 September 2025, the Board made the decision to abandon the Classic Collection Holdings operation and to not attempt to sell the business. Management determined that on abandonment of Classic Collection Holdings on 23 September 2025, the operation should be presented as a discontinued operation following the closure of the Classic Collection website. By presenting Classic Collection Holdings as a discontinued operation, Management believes that the presentation of the Income Statement is more aligned to the ongoing and anticipated recurring cash flows and revenue recognised by the business in the restructured operating model.





Notes to the Consolidated Financial Statements continued

3 Critical accounting estimates and judgements continued

Critical accounting judgements continued

Revenue from contracts with customers continued

Discontinued operations continued

The following factors were considered to classify the operation as discontinued:

- Key dates of decisions and actions taken in relation to abandoning the operation including the redundancy of staff.
- The distinction between the OTB and Classic CGUs in terms of operating teams and expected cash flows.

As noted above, Classic Collection Holidays has been classified as discontinued operations, therefore as there is no future expected cash flows, the goodwill and intangibles of £8.4m has been written off.

Critical accounting estimates

Expected Credit Losses ('ECL')

The Group's estimation of credit risk relating to customer repayments of debt is inherently uncertain and subject to a degree of judgement. Further information on the Group's credit risk management practices and risk exposures are outlined in the risk management section on page 52.

The ECL provision is calculated using one year's historical default rates which is compared with forecasted revenue projections to calculate an expected liability. One year is considered to be a suitable period to use for estimation as this more accurately reflects current events when compared to the period prior. These results are adjusted for the expected effect of cost of living, as well as inflation. The calculation is updated at each reporting date. The origination, measurement and release of material judgemental adjustments are subject to further analysis and challenge through the Group's accounting judgement review process before ultimately being presented to the Group's Audit Committee. The assumptions are discussed in note 23. A 1% increase in non-payment would increase the expected credit loss allowance by £0.2m.

Estimation uncertainty arises on the forecasted bookings, effects of the cost of living and inflation adjustments. These estimations are subject to challenge by the Board of Directors, as well as the Audit Committee to ensure that they most accurately reflect the available information.

4 Revenue

In line with IFRS 15, the Group is required to disaggregate its revenue to show the main drivers of its revenue streams. Revenue is accounted for at the point the Group has satisfied its performance obligations. Details of the revenue performance obligations are set out in note 2k of these financial statements.

	For the year ended 30 September 2025	
	OTB £m	Total £m
Total revenue	121.4	121.4
<hr/>		
	Restated for the year ended 30 September 2024*	
	OTB £m	Total £m
Revenue before exceptional items		
Total revenue before exceptional items	114.6	114.6
Exceptional recoveries**	4.6	4.6
Total revenue	119.2	119.2

* Revenue for the year ended 30 September 2024 has been restated to exclude the results of discontinued operations included in that period (note 10).

** Exceptional recoveries relate to refunds from airlines for cancelled flights during COVID-19. Previously, exceptional cancellations related to these flights were provided for, which have now been released.

Details of receivables arising from contracts with customers are set out in note 15.

On 23 September 2025, the Board made the decision to abandon the Classic Collection Holdings operation and to not attempt to sell the business. See note 10 for details of discontinued operations.

5a) Segmental report

As explained in note 2j, the management team considers the reportable segment to be "OTB". All segment revenue, operating profit assets and liabilities are attributable to the Group from its principal activities. The "Classic Collection" segment has been abandoned in the year, and going forward there is only one reportable segment. Please see note 10 for further details.

OTB recognises revenue as an agent on a net basis.

The Group's Chief Operating Decision Maker ('CODM') is its Executive Board and it monitors the performance of these operating segments as well as deciding on the allocation of resources to them based on divisional level financial reports. Segmental performance is monitored using adjusted segment operating results.



On 23 September 2025, the Board made the decision to abandon the Classic Collection Holdings operation and to not attempt to sell the business. See note 10 for details of discontinued operations.

	2025 Total £m	Restated* 2024 Total £m
Revenue		
Revenue	121.4	119.2
Exceptional recoveries**	–	(4.6)
Fair value FX losses	–	–
Adjusted Revenue	121.4	114.6
Cost of sales	–	–
Expected credit losses	(2.5)	(1.7)
Adjusted gross profit	118.9	112.9
Marketing	(38.4)	(40.0)
Staff costs (excluding share-based payments)	(21.7)	(20.9)
Other administrative expenses	(18.5)	(15.7)
Adjusted EBITDA	40.3	36.3
Share-based charge	(3.6)	(2.2)
Exceptional items	(1.3)	0.4
EBITDA	35.4	34.5
Depreciation and amortisation	(12.5)	(14.4)
Group operating profit	22.9	20.1
Finance costs	(2.6)	(2.4)
Finance income	7.6	7.6
Profit before taxation	27.9	25.3
Non-current assets		
Goodwill	31.6	31.6
Other intangible assets	25.1	25.5
Property, plant and equipment	2.6	3.6

* The results for the year ended 30 September 2024 have been restated to exclude the results of discontinued operations included in that period (note 10).

** Exceptional recoveries relate to refunds from airlines for cancelled flights during COVID-19. Previously, exceptional cancellations related to these flights were provided for, which have now been released.





Notes to the Consolidated Financial Statements continued

5b) Geographic information

The Group operates primarily in two geographic locations. The following table presents revenues from external customers and non-current assets by geographic location:

Geographic location	Revenues from external customers	Non-current assets
United Kingdom (country of domicile)	120.3	59.3
Republic of Ireland	1.1	–
Total	121.4	59.3

6 Operating profit

a) Operating expenses from continuing operations

Expenses by nature including exceptional items, share-based payments and amortisation:

	2025 £m	Restated* 2024 £m
Marketing	38.4	40.0
Depreciation	1.7	2.0
Staff costs (including share-based payments)	25.3	23.2
IT hosting, licences and support	6.9	5.8
Office expenses	0.7	0.6
Credit/debit card charges	6.4	4.8
Insurance	2.3	1.9
Professional services	0.7	0.9
Other	1.3	1.6
Administrative expenses before exceptional items and amortisation of intangible assets	83.7	80.8
Exceptional items	1.3	4.2
Amortisation of intangible assets	11.0	12.4
Exceptional items and amortisation of intangible assets	12.3	16.6
Administrative expenses	96.0	97.4

* The prior period is restated for the effects of discontinued operations (see note 10).

Other expenses in the year ended 30 September 2025 include £0.6m of bonding fees, £0.4m recruitment fees and £0.3m of staff travel expenses. Other expenses in the year ended 30 September 2024 include £0.4m of bonding fees, £0.2m recruitment fees, £0.2m of staff training and £0.4m of staff travel expenses.

b) Exceptional items

Exceptional items in the year ended 30 September 2025 of £1.3m represents £0.3m of non-trade legal and professional fees relating to litigation, £0.7m of restructuring costs and £0.3m of fees for commission and stamp duty arising on the repurchase of shares, which derive from events or transactions that fall outside of the normal activities of the Group.

Exceptional items in the year ended 30 September 2024 of £4.2m represents £3.9m of non-trade legal and professional fees relating to litigation and £0.3m of restructuring costs which derive from events or transactions that fall outside of the normal activities of the Group.

c) Services provided by the Company auditor

During the year, the Group obtained the following services from the operating Company's auditor.

	2025 £m	2024 £m
Audit of the Parent Company financial statements	0.1	0.1
<i>Amounts receivable by the Company's auditor and its associated in respect of:</i>		
– Audit of financial statements of subsidiaries pursuant to legislation	0.4	0.4
	0.5	0.5

d) Adjusted profit before tax

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

	2025 £m	Restated* 2024 £m
Profit before taxation	27.9	25.2
Exceptional items	1.3	(0.4)
Amortisation of acquired intangibles**	2.2	2.2
Share-based payments charge***	3.6	2.2
Adjusted profit before tax	35.0	29.2

* The prior period is restated for the effects of discontinued operations (see note 10).

** These charges relate to amortisation of brand, website technology and customer relationships recognised on the acquisition of subsidiaries and are added back as they are inherently linked to historical acquisitions of businesses.

*** The share-based payment charge represents the expected cost of shares vesting under the Group's Long Term Incentive Plan. The share-based payment charge has increased to £3.6m (2024 restated: £2.2m). The increase in the NI rate (from 13.8% to 15% in April 2025) has made these charges significantly more material than in the prior period, warranting separate exceptional treatment. The year ending 30 September 2024 included a catch-up charge following the introduction of an underpin/minimum award. These charges are added back to provide comparability to prior periods due to fluctuations in the charges.



7 Employees and Directors

a) Payroll costs

The aggregate payroll costs of these persons were as follows:

	2025 £m	Restated* 2024 £m
Wages and salaries	26.2	26.0
Defined contribution pension cost	1.1	0.8
Social security costs	3.4	2.8
Share-based payment charge	2.8	2.2
	33.5	31.8

* The results for the year ended 30 September 2024 have been restated to exclude the results of discontinued operations included in that period (note 10). Classic Collection's aggregate payroll costs were £1.2m (2024: £0.4m) for the year ended 30 September 2025.

Staff costs above include £9.0m (2024: £8.8m) employee costs capitalised as part of software development.

The share-based payment charge has increased to £2.8m (2024: £2.3m) as a result of an increase in the number of options awarded.

b) Employee numbers

Average monthly number of people (including Executive Directors) employed:

	2025 No.	Restated* 2024 No.
UK	507	526
Total number of employees	507	526

* The results for the year ended 30 September 2024 have been restated to exclude the results of discontinued operations included in that period (note 10). Classic Collection employed an average number of 44 (2024: 57) people in the year ended 30 September 2025.

c) Directors' emoluments

The remuneration of Directors was as follows:

	2025 £m	2024 £m
Aggregate emoluments	1.8	1.5
Defined contribution pension	0.1	0.1
Share-based payment charges	0.9	0.9
Total Director remuneration	2.8	2.5

Remuneration was paid by On the Beach Limited, a subsidiary company of the Group. The remuneration of the highest paid Director was as follows:

	2025 £m	2024 £m
Aggregate emoluments	0.7	0.6
Share-based payment charges	0.3	0.3
Total remuneration	1.0	0.9

d) Key management compensation

Key management comprised the eight members of the Executive team (2024: ten). Remuneration of all key management (including Directors) was as follows:

	2025 £m	2024 £m
Wages and salaries	3.3	3.5
Short-term non-monetary benefits	0.1	0.1
Share-based payment charges	1.5	1.9
Total key management remuneration	4.9	5.5

e) Retirement benefits

Included in pension contributions payable by the Group of £1.0m (2024: £0.8m) is £21,079 (2024: £16,200) of contributions that the Group made to a personal pension scheme in relation to one Executive Director.





Notes to the Consolidated Financial Statements continued

8 Finance income and finance costs

a) Finance costs

	2025 £m	2024 £m
Revolving credit facility interest/fees	2.5	2.3
Interest on lease liabilities	0.1	0.1
Finance costs	2.6	2.4

b) Finance income

	2025 £m	Restated* 2024 £m
Bank interest receivable	7.6	7.6
Loss on interest rate swaps	–	(0.1)
Finance income	7.6	7.5

* The prior period is restated for the effects of discontinued operations (see note 10).

9 Taxation

	2025 £m	Restated* 2024 £m
Current tax on profit for the year	3.7	3.3
Adjustments in respect of prior years	–	(0.1)
Total current tax	3.7	3.2
Deferred tax on profits for the year		
Origination and reversal of temporary differences	(0.2)	3.3
Adjustments in respect of prior years	(0.2)	(0.2)
Total deferred tax	(0.4)	3.1
Total tax charge	3.3	6.3

* The prior period is restated for the effects of discontinued operations (see note 10).

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

	2025 £m	Restated* 2024 £m
Profit on ordinary activities before tax	27.9	25.2
Profit on ordinary activities multiplied by the effective rate of corporation tax of 25% (2024: 25%)	7.0	6.3
Effects of:		
Impact of difference in current and deferred tax rates	–	–
Adjustments in respect of prior years	(0.2)	(0.3)
Expenses not deductible	0.5	–
Losses (utilised from)/surrendered to discontinued operations	(4.0)	0.3
Total taxation charge	3.3	6.3

* The prior period is restated for the effects of discontinued operations (see note 10).

The tax charge for the year is based on the effective rate of corporation tax for the period of 25% (2024: 25%). An increase in the UK corporation rate from 19% to 25% (effective from 1 April 2024) was substantively enacted on 24 May 2021. The deferred tax assets and liabilities at 30 September 2025 have been calculated based on these rates.

10 Loss from discontinued operations

Classic Collection

On 23 September 2025, the Board made the decision to abandon the Classic Collection Holdings operation and to not attempt to sell the business. Management determined that on abandonment of Classic Collection Holdings on 23 September 2025, the operation should be presented as a discontinued operation following the closure of the Classic Collection website. By presenting Classic Collection Holdings as a discontinued operation, Management believes that the presentation of the Income Statement is more aligned to the ongoing and anticipated recurring cash flows and revenue recognised by the business in the restructured operating model.

The following factors were considered to classify the operation as discontinued:

- Classic Collection Holdings operation represented a separate major line of business and the operation was distinct by offering holiday packages as an agent on a B2B basis.
- The abandonment was part of a single plan to cease the operations of a separate major line of business.

On 11 March 2024, the Board made the decision to cease the Classic Collection Holidays operation and to not attempt to sell the business. In prior year, Classic Collection Holidays Limited discontinued its website, vacated the property used for operations, and made a number of redundancies, transferring all remaining assets to Classic Package Holidays. Upon transfer, operations were streamlined for Classic Collection Holidays and Classic Package Holidays to operate under a single CGU, "Classic Collection".

	Classic Collection 2025 £m	Classic Collection Holidays 2024 £m	Classic Collection Holdings 2024 £m	Total 2024 £m
Loss for the year from discontinued operations				
Revenue	6.2	46.6	9.0	55.6
Cost of sales	(4.9)	(41.4)	(4.8)	(46.2)
Gross profit	1.3	5.2	4.2	9.4
Administrative expenses	(9.7)	(7.8)	(3.1)	(10.9)
Profit on disposal of assets held for sale	0.6	—	—	—
Write off of goodwill and intangibles	(8.4)	(4.6)	—	(4.6)
Net finance income	0.2	—	0.2	0.2
(Loss)/profit before tax	(16.0)	(7.2)	1.3	(5.9)
Tax	—	—	—	—
(Loss)/profit from discontinued operations	(16.0)	(7.2)	1.3	(5.9)
Earnings per share				
Basic EPS	(10.2p)	(4.3p)	0.8p	(3.5p)
Diluted EPS	(9.8p)	(4.3p)	0.8p	(3.5p)
Cash flows from discontinued operations				
Net cash flows from operating activities	(7.2)	(2.4)	3.4	1.0
Net cash flows from investing activities	2.8	0.2	0.2	0.4
Net cash flows from discontinued operations	(4.4)	(2.2)	3.6	1.4

There was no impact on cash flows from financing activities.

Disposal of discontinued operations

There was a loss on disposal, as the Group disposed of intangible assets with a £0.1m net book value (2024: £nil) and did not receive proceeds for these.

In the prior year, there was a loss on disposal of £0.2m on intangible assets, with no proceeds received for these. Assets relating to discontinued operations held for sale at 30 September 2024 were valued at £2.0m.

In FY25, the asset relating to discontinued operations held for sale was disposed, recognising a gain on sale of £0.6m.





Notes to the Consolidated Financial Statements continued

11 Earnings per share

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

Diluted earnings per share are calculated by dividing the profit attributable to equity holders of On the Beach Group plc by the weighted average number of Ordinary Shares issued during the period plus the weighted average number of Ordinary Shares that would be issued on the conversion of all dilutive potential ordinary shares into Ordinary Shares.

Adjusted basic earnings per share figures are calculated by dividing adjusted earnings after tax for the year by the weighted average number of shares. Adjusted diluted earnings per share figures are calculated by dividing adjusted earnings after tax for the year by the weighted average number of shares plus the weighted average number of Ordinary Shares that would be issued on the conversion of all dilutive potential ordinary shares into Ordinary Shares.

EPS for continuing operations

	Basic weighted average number of Ordinary Shares (m)	Total earnings £m	Pence per share
Year ended 30 September 2025			
Basic EPS	157.3	24.6	15.6p
Diluted EPS	163.3	24.6	15.1p
Adjusted basic EPS	157.3	29.9	19.0p
Adjusted diluted EPS	163.3	29.9	18.3p

Restated year ended 30 September 2024*

Basic EPS	166.9	18.9	11.3p
Diluted EPS	169.8	18.9	11.1p
Adjusted basic EPS	166.9	21.9	13.1p
Adjusted diluted EPS	169.8	21.9	12.9p

* The prior period is restated for the effects of discontinued operations (see note 10).

EPS for total operations

	Basic weighted average number of Ordinary Shares (m)	Total earnings £m	Pence per share
Year ended 30 September 2025			
Basic EPS	157.3	8.6	5.5p
Diluted EPS	163.3	8.6	5.3p

Restated year ended 30 September 2024*

Basic EPS	166.9	13.0	7.8p
Diluted EPS	169.8	13.0	7.7p

* The prior period is restated for the effects of discontinued operations (see note 10).

Adjusted earnings after tax is calculated using the Group's effective tax rate as follows:

	2025 £m	2024 £m
Profit for the year after taxation		
Adjustments (net of tax at the effective rate)*	24.6	18.9
Exceptional items	1.0	(0.3)
Amortisation of acquired intangibles	1.6	1.7
Share-based payment charges**	2.7	1.7
Adjusted earnings after tax		
	29.9	21.9

* The effective tax rate for the year ending 30 September 2025 was 25% (2024: 25%), see note 9 for details.

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

	2025 (m)	2024 (m)
Weighted average number of shares for basic earnings per share	157.3	166.9
Dilution from share options	6.0	2.9
Weighted average number of shares for diluted earnings per share	163.3	169.8

12 Intangible assets

	Brand £m	Goodwill £m	Website and development costs £m	Website technology £m	Customer relationships £m	Agent relationships £m	Total £m
Cost							
At 1 October 2023	35.9	40.2	42.7	22.8	2.1	4.4	148.1
Additions	—	—	10.3	—	—	—	10.3
Disposals	—	—	(0.4)	—	—	—	(0.4)
Impairment (note 10)	—	(4.6)	—	—	—	—	(4.6)
At 30 September 2024	35.9	35.6	52.6	22.8	2.1	4.4	153.4
Additions	—	—	10.4	—	—	—	10.4
Disposals	—	—	(0.8)	—	—	—	(0.8)
Write off (note 10)	(4.6)	(4.0)	—	—	(2.1)	(4.4)	(15.1)
At 30 September 2025	31.3	31.6	62.2	22.8	—	—	147.9
Accumulated amortisation							
At 1 October 2023	22.4	—	25.5	22.8	2.1	1.6	74.4
Charge for the year	2.5	—	10.2	—	—	0.3	13.0
Disposals	—	—	(0.2)	—	—	—	(0.2)
At 30 September 2024	24.9	—	35.5	22.8	2.1	1.9	87.2
Charge for the year	2.4	—	8.7	—	—	0.3	11.4
Disposals	—	—	(0.7)	—	—	—	(0.7)
Write off (note 10)	(2.4)	—	—	—	(2.1)	(2.2)	(6.7)
At 30 September 2025	24.9	—	43.5	22.8	—	—	91.2
Net book amount							
At 30 September 2025	6.4	31.6	18.7	—	—	—	56.7
At 30 September 2024	11.0	35.6	17.1	—	—	2.5	66.2





Notes to the Consolidated Financial Statements continued

12 Intangible assets continued

Brand

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

Brand	Remaining useful economic life	Acquisition	At 30 September	At 30 September
			2025 £m	2024 £m
On the Beach	3	On the Beach Travel Limited	6.0	7.9
Sunshine.co.uk	3	Sunshine.co.uk Limited	0.4	0.5
Classic Collection*	0	Classic Collection Holidays Limited	–	2.6
			6.4	11.0

* Classic Collection ceased operations on 23 September 2025, and as a result the acquired Brand intangibles have been written off. See note 10 for details.

Goodwill

Goodwill acquired in a business combination is allocated on acquisition to the CGUs that are expected to benefit from that business combination. The carrying amount of goodwill has been allocated as follows:

Reportable segment	CGU	Acquisitions	At 30 September	At 30 September
			2025 £m	2024 £m
OTB	OTB	On the Beach Travel Limited	21.5	21.5
OTB	OTB	Sunshine.co.uk Limited	10.1	10.1
N/A	Classic Collection*	Classic Collection Holidays Limited	–	4.0
			31.6	35.6

* Classic Collection ceased operations on 23 September 2025, and as a result the acquired goodwill was written off. See note 10 for details.

Impairment of goodwill

On the Beach and Sunshine are considered to be one reportable segment, as they are internally reported and managed as one entity. Goodwill acquired through Sunshine.co.uk has been allocated to the "OTB" cash-generating unit. Goodwill acquired through the acquisition of Classic Collection Holidays Limited is now considered to be impaired following the discontinuation of "Classic Collection". Intangible assets acquired through the acquisition of Classic Collection Holidays relating to brand, agent and customer relationships are also considered to be impaired. See note 10 for further details on discontinued operations.

The Group has written off the goodwill and intangibles for the discontinued operations of £8.4m for the year ending 30 September 2025 (2024: £4.6m). The Group believes that the recoverable amount for the CGU has been estimated to be £nil due to the cessation of operations.



“OTB” CGU

The Group performed its annual impairment test as at 30 September 2025 on the “OTB” cash-generating unit (‘CGU’). The recoverable amount of the CGU has been determined based on the value in use calculations using cash flow projections derived from financial budgets and projections covering a five-year period. The forecasts are then extrapolated in perpetuity based on an estimated growth rate of 2% (2024: 2%), this being the Directors’ best estimate of the future prospects of the business. This is deemed appropriate because the CGU is considered to be a long-term business. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to this CGU. The discount rate applied is 13.7% (2024: 13.5%).

“Classic Collection” CGU

On 23 September 2025, the Board made the decision to abandon the Classic Collection Holdings operation and to not attempt to sell the business. Management determined that on abandonment of Classic Collection Holdings on 23 September 2025, the operation should be presented as a discontinued operation following the closure of the Classic Collection website. By presenting Classic Collection Holdings as a discontinued operation, Management believes that the presentation of the Income Statement is more aligned to the ongoing and anticipated recurring cash flows and revenue recognised by the business in the restructured operating model.

Administrative expenses are dependent upon the net costs to the business of purchasing services. Expenses are based on the current cost base of the Group adjusted for variable costs.

Key assumptions used in value in use calculations and sensitivity to changes in assumptions

The main assumptions on which the forecast cash flows used for OTB were based include:

- Consumer demand – management considered historic performance as well as the size of the market, current market share, competitive pressure, consumer confidence and appetite under the cost of living crisis. The Directors have used their past experience of the business and its industry, together with their expectations of the market.
- Impact of new marketing and planned improvements on booking conversion – whilst the spend on incentives and improvements is within the Group’s control, the impact on increasing bookings requires assessment of consumer demand and competitive pressures using industry and market knowledge.

The calculation of value for OTB is most sensitive to the following assumptions:

- Revenue: the level of sales is based on expected customer demand, average booking values and booking conversion, however a material deterioration in consumer confidence can lead to reduced demand for holidays as well as disruption to a CGU’s operations from unpredictable domestic and international events which can significantly impact the level of sales. A decrease in bookings of 20% for OTB would not result in an impairment.

- Discount rates: Discount rates represent the current market assessment of the risks specific to OTB, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and its operating segments and is derived from its weighted average cost of capital (‘WACC’). A rise in the discount rate to 14.8% for OTB would not result in an impairment, and is considered to be implausible.

- Growth rates used to extrapolate cash flows beyond the forecast period: the Group operates in a fast-moving marketplace so management recognises that the speed of technological change and the possibility of new entrants can have a significant impact on growth rate assumptions. A reduction in long-term growth rates by 10ppts for OTB would not result in an impairment.

Sensitivity analysis has been completed in isolation and in combination. Management considers that no reasonably possible changes in assumptions would reduce OTB’s headroom to nil.

Impact of changes in customer behaviour

The Group does not consider that OTB has been automatically impaired as a result of either the rising cost of living or changes in customer behaviour in respect of climate-related matters, with booking volumes increasing for the year ending 30 September in comparison to the prior year. OTB remains viable long-term trading assets, which the Group expects to continue to generate positive cash flows. Inherent in the impairment test and sensitivity analysis is the impact of customer demand being affected by either of these factors. The Group is satisfied that sufficient headroom exists to support the asset value.

Website and development costs

The Group capitalises development projects where they satisfy the requirements for capitalisation in accordance with IAS 38 and expense projects that relate to ongoing maintenance and support. Capitalised development costs are not treated as a realised loss for the purpose of determining the Company’s distributable profits as the costs meet the conditions requiring them to be treated as an asset in accordance with IAS 38.

Additions in the year relate to the development of software and the purchase of domain names. Domain names are amortised over ten years. During the year, the Group revised the amortisation period of certain web development assets from three to five years, based on updated assessments of their expected period of use. This change has been applied prospectively from 1 October 2024 and decreased amortisation expense by £2.5m for the year ended 30 September 2025. All additions in the year are amortised over a period of five years. Any assets not eligible for this change are still amortised over three years. Amortisation has been recognised within operating expenses.

Research and development costs that are not eligible for capitalisation have been recognised in administrative expenses in the period incurred; in 2025 this was £1.6m (2024: £1.0m).





Notes to the Consolidated Financial Statements continued

13 Property, plant and equipment

	Freehold property* £m	Fixtures, fittings and equipment £m	Right-of-use assets (note 18)			Total £m
			Head office £m	IT Equipment £m		
Cost						
At 1 October 2023	2.3	6.1	4.5	2.5		15.4
Additions	–	–	–	–		–
Disposals	–	(0.8)	–	–		(0.8)
Assets held for sale	(2.3)	–	–	–		(2.3)
At 1 October 2024	–	5.3	4.5	2.5		12.3
Lease modifications (note 18)	–	–	–	0.7		0.7
At 30 September 2025	–	5.3	4.5	3.2		13.0
Accumulated depreciation						
At 1 October 2023	0.3	3.7	2.0	1.1		7.1
Charge for the year	–	0.7	0.5	0.9		2.1
Disposals	–	(0.2)	–	–		(0.2)
Assets held for sale	(0.3)	–	–	–		(0.3)
At 1 October 2024	–	4.2	2.5	2.0		8.7
Charge for the year	–	0.4	0.5	0.8		1.7
At 30 September 2025	–	4.6	3.0	2.8		10.4
Net book amount						
At 30 September 2025	–	0.7	1.5	0.4		2.6
At 30 September 2024	–	1.1	2.0	0.5		3.6

* In the prior year, Classic Collection Holidays Limited discontinued its website, vacated the property used for operations, and made a number of redundancies, transferring all remaining assets to Classic Package Holidays Limited. Included within this was the freehold property owned by CCH, which was sold in the year ended 30 September 2025. The gain has been recognised within discontinued operations (note 10). There is no impairment recognised to date.

The depreciation expense of £1.7m for the year ended 30 September 2025 and the depreciation expense of £2.1m for the year ended 30 September 2024 have been recognised within administrative expenses.



14 Investments

The parent company, On the Beach Group plc, is incorporated in the UK and directly holds a number of subsidiaries. The registered address for each subsidiary is Aeroworks, 5 Adair Street, Manchester. The table below shows details of the wholly owned subsidiaries of the Group.

Subsidiary	Nature of business	Proportion of ordinary shares held by the Group
On The Beach Limited	Internet travel agent	100%
On The Beach Beds Limited	In-house bedbank	100%
On the Beach Travel Limited	Holding company	100%
On the Beach Trustees Limited	Employee trust	100%
Sunshine.co.uk Limited	Internet travel agent	100%
Sunshine Abroad Limited	Dormant	100%
Classic Collection Holidays Limited**	Tour operator	100%
Classic Collection Aviation Limited	Transport broker	100%
Saxon House Properties Limited	Property management	100%
Classic Collection Holdings Limited*	Travel agent	100%

* On 23 September 2025, the Board made the decision to abandon the Classic Collection Holdings operation and to not attempt to sell the business. Management determined that on abandonment of Classic Collection Holdings on 23 September 2025, the operation should be presented as a discontinued operation following the closure of the Classic Collection website.

** On 30 June 2024 Classic Collection Holidays Limited transferred all trade and assets to Classic Collection Holdings Limited, and operations were discontinued.

15 Trade and other receivables

Amounts falling due within one year:	2025 £m	2024 £m
Trade receivables – net	161.1	162.8
Other receivables and prepayments	41.6	23.1
Other taxes and social security	1.8	2.5
	204.5	188.4

For the year ended 30 September 2025, other receivables and prepayments includes £3.2m in respect of amounts due from airlines as a result of cancellations, £18.9m of advanced payments to suppliers, £11.2m of overrides commissions and £4.1m of rebates due from suppliers. The expected credit losses in respect to these balances is not material.

For the year ended 30 September 2024, other receivables and prepayments includes £5.4m in respect of amounts due from airlines as a result of cancellations, £4.0m of advanced payments to suppliers, £6.3m of overrides commissions and £4.5m of rebates due from suppliers. The expected credit losses in respect to these balances is not material.

Expected credit losses for trade receivables

Set out below is the movement in the allowance for expected credit losses of trade receivables:

	2025 £m	2024 £m
At 1 October	1.2	1.0
Provision for expected credit losses	2.5	1.7
Utilised in year	(2.0)	(1.5)
At 30 September	1.7	1.2

16 Trust account

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

For the year ended 30 September 2025, the Trust account is split between current and non-current assets. The split is achieved by recognising the earliest point that the cash can be recognised, as either the point of the customer travelling, or the cash being reclaimable under trust rules. Therefore, the non-current assets include cash received relating to bookings not yet travelled/not yet reclaimable, that are due to return from holiday beyond 30 September 2025.





Notes to the Consolidated Financial Statements continued

17 Trade, other payables and provisions

	2025 £m	2024 £m
Non-current		
Lease liabilities (note 18)	1.0	2.1
Current		
Trade payables	319.2	281.0
Accruals and other payables	20.8	22.3
Contract liabilities	—	0.3
Lease liabilities (note 18)	1.2	0.7
Provision	2.2	0.4
	344.4	306.8

Accruals and other payables includes £9.6m (2024: £13.2m) for products or services received but not yet invoiced at the year-end date.

Contract balances

The Group acts as principal when it is the primary party responsible for providing the components that make up the customer's booking and it controls the components before transferring to the customer. Revenue represents amounts received or receivable for the sale of package holidays and other services supplied to the customers. Revenue is recognised when the performance obligation of delivering an integrated package holiday is satisfied, usually over the duration of the holiday. Revenue is stated net of discounts, rebates, refunds and value added tax.

A contract liability is recognised if a payment is received from a customer before the Group delivers its performance obligations. Contract liabilities are recognised as revenue when the Group delivers its performance obligations.

All principal revenue relates to bookings made through Classic Collection Holidays Limited, which was discontinued in the prior year (see note 10).

Set below is the amount of revenue recognised from:

	2025 £m	2024 £m
Amounts included in contract liabilities at the beginning of the year	0.3	5.8
Performance obligations satisfied during previous years	0.3	1.0

Provisions

Provisions	2025		2024
	Discontinued operations £m	Cancellations £m	Cancellations £m
At 1 October	—	0.4	0.4
Arising during the year	1.2	1.0	0.4
Utilised	—	(0.4)	(0.3)
Unused amounts reversed	—	—	(0.1)
At 30 September	1.2	1.0	0.4
Current	1.2	1.0	0.4
Non-current	—	—	—

Cancellations

A provision has been recognised in respect of expected future cancellations for supplier and customer cancellations on the forward order book for future departures. The Group expects this provision to be utilised over the next year. The provision is based on historical trends and best estimates of future expectation. There is inherent uncertainty in terms of the level and timing of future cancellations, which will depend on various factors including potential supplier disruption and customer requested cancellations.

18 Leases

The Group as a lessee

The Group has leases for its head office; the lease term for the building is ten years.

The Group also lease IT equipment, for which the contracts are between three and five years. For the year ending 30 September 2025, the lease on IT equipment was due to expire, and as such the lease has been extended into FY26. Before this expires, a separate lease for IT equipment will begin, in order to make the transition smoother. Please see note 25 for more information.

With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment (see note 13).

Amounts recognised in profit or loss

The following lease-related expenses were recognised under IFRS 16 in the profit or loss:

	2025 £m	2024 £m
Depreciation expense of right-of-use assets	1.3	1.4
Interest expense on lease liabilities	0.1	0.1
Total amount recognised in profit or loss	1.4	1.5

Set out below are the carrying amounts of lease liabilities (including trade and other payables) and the movements during the period:

	2025 £m	2024 £m
As at 1 October	2.8	4.5
Additions	–	–
Accretion of interest	0.1	0.1
Payments	(1.4)	(1.8)
Modification of lease	0.7	–
As at 30 September	2.2	2.8
Current (note 17)	1.2	0.7
Non-current (note 17)	1.0	2.1

The Group had total cash outflows for leases of £1.4m in 2025 (£1.8m in 2024). The above table satisfies the requirements of IAS 7.44A to present a net debt reconciliation.

19 Borrowings

Bank facility

On 7 December 2022, the Group entered into a new facility for £60m expiring in December 2025, opting to exercise the £25m accordion to bring the total facility to £85m. This was then extended until December 2027.

For the year ending 30 September 2025, the Group has completed a refinancing with Lloyds, NatWest and HSBC, entering a four-year credit facility of £120m with an accordion of £30m, expiring September 2029. The purpose of the facility is to meet the day-to-day working capital requirements of the Group. At the point of refinancing there was nothing drawn down. Upon refinancing, a new facility fee of £0.6m was prepaid, being amortised over the new period. The amortisation is recognised within finance expenses.

The total facility is £120m and has three elements as follows:

- £40.0m facility with Lloyds
- £40.0m facility with Natwest
- £40.0m facility with HSBC

The interest rate payable is equal to SONIA plus a margin. The margin contained within the facility is dependent on net leverage ratio and the rate per annum ranges from 1.4% to 2.4% for the facility or any unpaid sum.

The terms of the facility include the following key financial covenants:

- i. that the ratio of adjusted EBITDA to net finance charges in respect of any relevant period shall not be less than 4:1; and
- ii. that the ratio of total net debt to adjusted EBITDA shall not exceed 3.1.

The Group did not breach the covenants during the period.

The RCF is available for other credit uses including currency hedging liabilities and corporate credit cards. At 30 September 2025, the liabilities recognised in trade and other payables for the other credit uses was £nil (2024: £12m), leaving £120m of the Lloyds/Natwest/HSBC facility available for use. Card facilities with other providers remain available for use. The amount drawn down in cash at 30 September 2025 was £nil (2024: £nil).





Notes to the Consolidated Financial Statements continued

20 Deferred tax

	Research and Development Amortisation £m	Intangible assets £m	Property, plant and equipment £m	Share based payments £m	Losses and unused tax relief £m	Tax assets/(liabilities) £m	
2025							
Assets	–	–	0.2	2.0	–	2.2	
Liabilities	(0.3)	(1.6)	–	–	–	(1.9)	
Total	(0.3)	(1.6)	0.2	2.0	–	0.3	
2024							
Assets	–	–	0.2	0.8	1.9	2.9	
Liabilities	–	(3.3)	–	–	–	(3.3)	
Total	–	(3.3)	0.2	0.8	1.9	(0.4)	
	Research and Development Amortisation £m	Intangible assets £m	Capital allowances £m	Acquired property £m	Share based payments £m	Losses and unused tax relief £m	Total £m
30 September 2023	–	(4.0)	0.1	(0.2)	0.4	6.3	2.6
Recognised in income	–	0.7	0.1	0.2	0.3	(4.4)	(3.1)
Recognised in equity	–	–	–	–	0.1	–	0.1
30 September 2024	–	(3.3)	0.2	–	0.8	1.9	(0.4)
Recognised in income	(0.3)	1.7	–	–	0.8	(1.9)	0.3
Recognised in equity	–	–	–	–	0.4	–	0.4
30 September 2025	(0.3)	(1.6)	0.2	–	2.0	–	0.3

The Group does not have carried forward losses (2024: £1.9m).

21 Share capital

	2025 £m	2024 £m
Allotted, called up and fully paid		
155,079,777 ordinary shares @ £0.01 each (2024: 166,991,435 ordinary shares @ £0.01 each)	1.6	1.7

During the year ended 30 September 2025, the Group repurchased 15,311,161 shares with a nominal value of £0.01, for a total consideration of £33.0m. At year end, £2.1m of this was unpaid, and is included within trade payables. 10,906,616 shares have been cancelled, for a consideration of £25.0m. The nominal value of £0.1m was deducted from share capital and recognised within the Capital Contribution Reserve, with £25.0m being deducted from retained earnings. 4,387,357 treasury shares remain within equity at the period end, for a consideration value of £7.4m.

On 23 September 2025 the Group entered into an agreement to commence a share buyback programme in respect of its ordinary shares of 1p each ("Ordinary Shares") for up to a maximum aggregate consideration of £25 million (excluding any associated costs and stamp duty) from the date of this announcement (the "Share Buyback Programme"). The purchased Ordinary Shares have been cancelled. Although described as non-discretionary and irrevocable, no liability has been recognised for the shares bought back following the end of the financial year.

22 Reserves

The analysis of movements in reserves is shown in the statement of changes in equity. Details of the amounts included in other reserves are set out below.

The merger reserve arose on the purchase of On the Beach TopCo Limited in the year ended 30 September 2015.

During the year ended 30 September 2018, the Group issued 607,747 shares with a nominal value of £0.01 each to form part of the acquisition of Classic. The consideration value of the shares issued was £2.6m. The excess above the nominal value of the shares was credited to the merger reserve.

The capital contribution reserve arose as a result of the redemption of preference shares in the year ended 30 September 2015.

Treasury shares relate to the repurchase of shares. Where the Company purchases its own equity share capital, the consideration paid is deducted from total shareholders' equity and classified as treasury shares until they are cancelled or reissued. No gain or loss is recognised in the income statement on the purchase, sale, issue or cancellation of treasury shares.

Where shares are cancelled following the repurchase of shares, the value of the Group's issued share capital that is diminished must be transferred to the capital redemption reserve.

23 Financial instruments

Details of material accounting policies and methods adopted, including criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2i the statement of accounting policies.

At the balance sheet date the Group held the following:

	FV Level	2025 £m	2024 £m
Financial assets			
Derivative financial assets designated as hedging instruments			
Forward exchange contracts	2	3.4	–
Financial assets at amortised cost			
Trust account		142.9	139.5
Cash at bank		91.7	96.2
Trade and other receivables (note 15)		185.6	184.3
Total financial assets		423.6	420.0
Financial liabilities			
Derivatives designated as hedging instruments			
Forward exchange contracts	2	(0.8)	(5.2)
Interest rate swaps		–	(0.1)
Interest rate collar		(0.1)	–
Financial liabilities at amortised cost			
Trade payables (note 17)		(319.2)	(281.0)
Accruals and other payables (note 17)		(20.8)	(22.3)
Contract liabilities (note 17)		–	(0.3)
Lease liabilities (note 18)		(2.2)	(2.8)
Provisions		(2.2)	(0.4)
Total financial liabilities		(345.3)	(312.1)





Notes to the Consolidated Financial Statements continued

23 Financial instruments continued

Derivative financial instruments

The Group enters into derivative financial instruments with various financial institutions which are valued using present value calculations. The valuation methods incorporate various inputs including the foreign exchange spot and forward rates, yield curves of the respective currencies and currency basis spreads between the respective currencies, as well as SONIA and other interest rates.

Revolving credit facility

In order to fund seasonal working capital requirements the Group has a revolving credit facility with Lloyds and NatWest Banks. The borrowing limit under the facility is £120m in aggregate, subject to covenant compliance; at year end the facility was £nil (2024: £nil). For details of the revolving credit facility, see note 19.

The following table provides the fair values of the Group's financial assets and liabilities:

	FV Level	2025 £m	2024 £m
Forward exchange contracts	2	2.6	(5.2)
Interest rate swaps	FV Level	2025 £m	2024 £m
Interest rate swaps	2	–	(0.1)
Interest rate collar	FV Level	2025 £m	2024 £m
Interest rate collar	2	(0.1)	–

There is no difference between the carrying value and fair value of cash and cash equivalents, trade and other receivables, trade and other payables and the revolving credit facility.

Measurement of fair values

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 £m	Level 2 £m	Level 3 £m
Forward contracts			
As at 30 September 2025	–	2.6	–
As at 30 September 2024	–	(5.2)	–
Interest rate swaps			
As at 30 September 2025	–	–	–
As at 30 September 2024	–	(0.1)	–
Interest rate collar			
As at 30 September 2025	–	(0.1)	–
As at 30 September 2024	–	–	–

The forward contracts have been fair valued at 30 September 2025 with reference to forward exchange rates that are quoted in an active market, with the resulting value discounted back to present value.

Interest rate swaps have been fair valued at 30 September 2025, being compared to SONIA, quoted by the Bank of England. The resulting value is discounted back to present value.

Financial risk management

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

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



Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

The Group's key financial market risks are in relation to foreign currency rates. Foreign currency risk results from the substantial cross-border element of the Group's trading and arises on sales and purchases that are denominated in a currency other than the functional currency of the business. Group cash resources are matched with the net funding requirements sourced from three sources, namely internally generated funds, loan facilities and bank funding arrangements.

The foreign currency risk is managed at Group level by the purchase of foreign currency contracts for use as a commercial hedge. During the course of the period there have been no changes to the market risk or manner in which the Group manages its exposure. The Group is exposed to interest rate risk that arises principally through the Group's revolving credit facility.

Liquidity risk, credit risk and capital risk is considered below. The Executive team is responsible for implementing the risk management strategy to ensure that an appropriate risk management framework is operating effectively, embedding a risk mitigation culture throughout the Group. The Board is provided with a consolidated view of the risk profile of the Group. All major exposures are identified and mitigating controls identified and implemented. Regular management reporting and assessment of the effectiveness of controls provide a balanced assessment of the key risks and the effectiveness of controls.

The Group does not speculate with derivatives or other financial instruments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates is through the revolving credit facility which is subject to fluctuations in SONIA. The interest rate swaps and collar acquired are used to hedge this risk and reduce the overall interest rate risk of the revolving credit facility.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The majority of the Group's purchases are sourced from outside the United Kingdom and as such the Group is exposed to the fluctuation in exchange rates (currencies are principally Sterling, US Dollar and Euro). The Group places forward cover on the net foreign currency exposure of its purchases. The Group foreign currency requirement is reviewed twice weekly and forward cover is purchased to cover expected usage.

The carrying amount of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	2025 €m	2024 €m
Euro		
Cash	13.4	37.4
Trade payables	(260.2)	(240.6)
Trade receivables	5.0	0.6
Forward exchange contracts	211.2	193.9
Prepayments	1.2	1.3
Balance sheet exposure	(29.4)	(7.4)

	2025 \$m	2024 \$m
US Dollar		
Cash	3.3	3.4
Trade payables	(27.0)	(32.3)
Forward exchange contracts	32.5	27.3
Balance sheet exposure	8.8	(1.6)

	2025 Kr m	2024 Kr m
Swedish Krona		
Cash	0.7	0.7
Trade payables	–	(9.7)
Balance sheet exposure	0.7	(9.0)

	2025 Kr m	2024 Kr m
Norwegian Krona		
Cash	0.2	0.2
Trade payables	–	(1.0)
Balance sheet exposure	0.2	(0.8)

	2025 MAD m	2024 MAD m
Moroccan Dirham		
Cash	1.2	6.2
Trade payables	(0.5)	(6.3)
Forward exchange contracts	2.5	1.9
Balance sheet exposure	3.2	1.8





Notes to the Consolidated Financial Statements continued

23 Financial instruments continued

Financial risk management continued

Foreign currency risk continued

United Arab Emirates Dirham	2025 AED m	2024 AED m
Trade payables	(0.1)	(1.0)
Balance sheet exposure	(0.1)	(1.0)

Swiss Franc	2025 CHF m	2024 CHF m
Cash	–	0.1
Balance sheet exposure	–	0.1

Thai Baht	2025 THB m	2024 THB m
Trade payables	–	(2.2)
Balance sheet exposure	–	(2.2)

Malaysian Ringgit	2025 MYR m	2024 MYR m
Trade payables	–	(1.1)
Balance sheet exposure	–	(1.1)

South African Rand	2025 ZAR m	2024 ZAR m
Trade payables	–	(0.7)
Balance sheet exposure	–	(0.7)

Foreign currency sensitivity

The following table details the Group sensitivity to a percentage change in Pounds Sterling against these currencies with regards to equity. The sensitivity analysis of the Group's exposure to foreign currency risk at the reporting date has been determined based on a 10% change taking place at the beginning of the financial period and held constant throughout the reporting period:

	2025 £m	2024 £m
Euro		
Weakening – 10%	10.3	10.0
Strengthening – 10%	(10.3)	(10.0)
US Dollar		
Weakening – 10%	1.7	1.0
Strengthening – 10%	(1.7)	(1.0)
Moroccan Dirham		
Weakening – 10%	0.2	–
Strengthening – 10%	(0.2)	–

The Group uses forward exchange contracts to hedge its foreign currency risk against Sterling. The forward contracts have maturities of less than one year after the balance sheet date. Hedge ineffectiveness can arise from differences in timing of cash flows of the hedged item and hedging instrument, the counterparties' credit risk differently impacting the fair value movements of the hedging instrument and hedged item.

As a matter of policy the Group does not enter into derivative contracts for speculative purposes. The details of such contracts at the year-end, by currency were:

	2025			2024		
	Foreign currency €m	Notional value £m	Carrying amount £m	Foreign currency €m	Notional value £m	Carrying amount £m
EUR						
30 September						
Less than 3 months	116.2	99.9	1.5	97.4	83.7	(2.5)
3 to 6 months	23.4	20.2	0.2	19.7	17.0	(0.5)
6 to 12 months	70.7	62.0	0.4	72.6	62.4	(1.1)
12+ months	0.9	0.8	–	4.2	3.6	(0.1)
Total	211.2	182.9	2.1	193.9	166.7	(4.2)
USD						
30 September						
Less than 3 months	19.0	14.5	0.4	14.3	11.2	(0.6)
3 to 6 months	6.0	4.5	0.1	5.3	4.1	(0.2)
6 to 12 months	7.5	5.6	–	7.5	5.8	(0.2)
12+ months	–	–	–	0.2	0.2	–
Total	32.5	24.6	0.5	27.3	21.3	(1.0)
MAD						
30 September						
Less than 3 months	1.8	0.2	–	1.7	0.1	–
3 to 6 months	0.4	–	–	0.1	–	–
6 to 12 months	0.2	–	–	0.1	–	–
Total	2.4	0.2	–	1.9	0.1	–





Notes to the Consolidated Financial Statements continued

23 Financial instruments continued

Financial risk management continued

Foreign currency sensitivity continued

The impact of the hedging instruments on the statement of financial position is as follows:

	Notional amount £m	Carrying amount £m	Line in the statement of financial position	Change in fair value £m
As at 30 September 2025				
Foreign exchange forward contracts	207.6	2.6	Derivative financial instruments	8.5
Interest rate collar	80.0	(0.1)	Derivative financial instruments	(0.1)
Interest rate swaps	60.0	–	Derivative financial instruments	0.1
As at 30 September 2024				
Foreign exchange forward contracts	188.1	(5.2)	Derivative financial instruments	4.3
Interest rate swaps	60.0	(0.1)	Derivative financial instruments	(0.1)

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk arises from cash balances and derivative financial instruments, as well as credit exposures to customers, including outstanding receivables, financial guarantees and committed transactions. Credit risk is managed separately for treasury and operating-related credit exposures. Customer credit risk is managed by the Group's business units which each have policies, procedures and controls relating to customer credit risk management. Outstanding trade receivables balances are regularly reviewed to monitor any changes in credit risk with concentrations of credit risk considered to be limited given that the Group's customer base is large and unrelated.

Trade receivables and other receivables

The ageing of trade receivables at the balance sheet date was:

	Not past due £m	Past due 0–90 days £m	Past due >90 days £m	Total £m
At 30 September 2025	160.7	0.3	0.1	161.1
At 30 September 2024	162.4	0.3	0.1	162.8

The ageing of other receivables at the balance sheet date was:

	Not past due £m	Past due 0–90 days £m	Past due >90 days £m	Total £m
At 30 September 2025	24.5	–	–	24.5
At 30 September 2024	21.5	–	–	21.5

In line with IFRS 9, the Group applies the simplified approach for the impairment of trade and other receivables and therefore does not track changes in credit risk, instead a loss allowance is recognised based on lifetime expected credit losses at each reporting date. The Group uses a provision matrix to measure expected credit losses based on historical cancellation and recovery rates and considers forward-looking factors, including the impact of rising cost of living and inflation rates.

Financial instruments and cash deposits

As part of credit risk, the Group is subject to counterparty risk in respect of the cash and cash equivalents held on deposit with banks and foreign currency financial instruments. The Group generally deposits cash and undertakes currency transactions with highly rated banks. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

No collateral or credit enhancements are held in respect of any financial derivatives. The maximum exposure to credit risk at each reporting date is the fair value of financial assets and trade receivables.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. It is Group policy to maintain a balance of funds, borrowing, committed bank loans and other facilities sufficient to meet anticipated short-term and long-term financial requirements. In applying the policy the Group continuously monitors forecast and actual cash flows against the maturity profiles of financial assets and liabilities. It is Group policy to ensure that a specific level of committed facilities is always available based on forecast working capital requirements. Cash forecasts identifying the Group's liquidity requirements are produced and are sensitised for different scenarios including, but not limited to, decreases in profit margins and weakening of sterling against other functional currencies.

The following are the contractual maturities of financial liabilities:

Financial liabilities at amortised cost	Carrying amount £m	Contractual cash flows £m	Within 1 year £m	1 to 5 years £m	> 5 years £m
30 September 2025					
Trade payables	319.2	319.2	319.2	—	—
Lease liabilities	2.2	2.2	1.2	1.0	—
Contract liabilities	—	—	—	—	—
Other payables	20.8	20.8	20.8	—	—
	342.2	341.2	341.2	1.0	—
30 September 2024					
Trade payables	281.0	281.0	281.0	—	—
Lease liabilities	2.8	2.9	1.1	1.8	—
Contract liabilities	0.3	0.3	0.3	—	—
Other payables	22.3	22.3	22.3	—	—
	306.4	306.5	304.7	1.8	—

Capital management

It is the Group's policy to maintain an appropriate equity capital base so as to maintain investor, creditor and market confidence and to sustain the future development of the business. The capital structure of the Group consists of the net cash (borrowings disclosed in note 19) and equity of the Group as disclosed in note 21.

The Group is not subject to any externally imposed capital requirements.





Notes to the Consolidated Financial Statements continued

24 Share-based payments

The following table illustrates the number of, and movements in, share options granted by the Group.

	LTIP No. of share options (thousands)	CSOP and RSA No. of share options (thousands)	Total No. of share options (thousands)
Outstanding at the beginning of the year	5,519	592	6,111
Granted during the year	2,674	–	2,674
Lapsed during the year	–	–	–
Exercised during the year*	(225)	(180)	(405)
Forfeited during the year	(941)	(3)	(944)
Outstanding at the year end	7,027	409	7,436
Exercisable	389	409	798

* The weighted average share price at the date of exercise was £1.933 (2024: £1.502).

The weighted average remaining contractual life for the share options outstanding as at 30 September 2025 was 5.10 years (2024: 4.09 years). The exercise price for options outstanding at the end of the year was £nil (2024: £nil).

LTIP

During the current and prior year, the Group awarded nil-cost options to certain key employees within the business. The vesting of these awards will be subject to continued employment. The fair value of equity-settled share-based payments has been estimated as at date of grant using the Black–Scholes model.

Award date	No. of options awarded	Share price at grant date (£)	Exercise price (£)	Expected volatility (%)	Option Life (years)	Risk free rate (%)	Dividend yield (%)	Non-vesting conditions (%)	Fair value at grant date (£)
3 October 2023 (no conditions)	3,536,050	1.004	Nil	0%	3.0	4.54%	0.00%	0.0	1.004
3 October 2024 (no conditions)	2,602,677	1.348	Nil	0%	3.0	3.76%	0.00%	0.0	1.348
4 March 2025 (no conditions)	71,462	2.275	Nil	0%	3.0	3.76%	0.00%	0.0	1.348

Expected volatility is estimated by considering historic average share price volatility at the grant date.

Restricted Share Award (nil-cost option) and CSOP

There were no new RSA or CSOP awards in the current or prior year.

The following has been recognised in the income statement during the year:

	2025 £m	2024 £m
LTIP	2.8	2.2
RSA	–	0.1
Total share scheme charge	2.8	2.3

25 Commitments and contingencies

a) Capital commitments

The Group has committed to an IT equipment lease commencing in November 2026 with a term of three years for a value of £1.2m. At the date of commencement a right-of-use asset and equivalent lease liability will be recognised.

b) Contingencies

There are no contingencies held at 30 September 2025.

In September 2010, proceedings were initiated against On the Beach Limited by Ryanair alleging infringement of, inter alia, its intellectual property rights. The amount of the claim was unquantified. In February 2024, On the Beach entered into a partnership with Ryanair and the legal proceedings in Ireland were placed on hold. In July 2025, On the Beach and Ryanair agreed to dispose of the proceedings permanently and all legal action has now been concluded.

26 Related party transactions

During the year, the Company provided a standard indemnity for lost share certificate to its registrar who received a corresponding indemnity from Simon Cooper, a Non-Executive Director, in relation to the loss of a share certificate. The transaction was not significant in the context of the Company's financial position and performance. No outstanding balances were due at the end of the reporting period. Additionally, the Group made a loan of £5m to the Employee Benefit Trust ('EBT') in order to acquire shares. The EBT is independent, and based in Jersey.

Transactions with key management personnel have been disclosed in note 7(d).

27 Dividends paid

	2025 £m	2024 £m
Cash dividends on ordinary shares declared and paid		
Interim dividend for FY25: 0.9p per share (FY24: 0.9p)	1.6	1.5
Proposed dividends on ordinary shares		
Final cash dividend for FY25: 4.1p per share (FY24: 2.1p)	4.7	3.3





Company Balance Sheet

At 30 September 2025

	Note	2025 £m	2024 £m
Non-current assets			
Investments	4	163.4	163.4
Current assets			
Debtors	5	80.1	114.0
Cash at bank		1.5	0.1
		81.6	114.1
Current liabilities			
Creditors: amounts falling due within one year	6	(3.9)	(0.9)
		(3.9)	(0.9)
Net assets		241.1	276.6
Equity			
Share capital	7	1.6	1.7
Share premium		89.6	89.6
Treasury shares		(3.0)	–
Merger reserve		2.6	2.6
Capital contribution reserve		0.6	0.5
Retained earnings		149.8	182.2
Total equity		241.1	276.6

The loss for the year ended 30 September 2025 dealt with in the financial statements of the Parent Company is £5.6m (2024: £6.7m loss). This includes £4m of goodwill impairment related to the discontinuation of Classic Collection. Please see note 10 of the consolidated financial statements for more information.

The financial statements were approved by the Board of Directors and authorised for issue.

Jon Wormald

Chief Financial Officer

1 December 2025

On the Beach Group plc. Reg no 09736592



Company Statement of Changes in Equity

Year ended 30 September 2025

	Treasury shares £m	Share capital £m	Share premium £m	Merger reserve £m	Capital contribution £m	Retained earnings £m	Total £m
Balance at 30 September 2023	–	1.7	89.6	2.6	0.5	188.0	282.4
Shares issued during the year	–	–	–	–	–	2.4	2.4
Share-based payment charges including tax	–	–	–	–	–	(1.5)	(1.5)
Total comprehensive loss for the year	–	–	–	–	–	(6.7)	(6.7)
Balance at 30 September 2024	–	1.7	89.6	2.6	0.5	182.2	276.6
Share-based payment charges including tax	–	–	–	–	–	2.8	2.8
Dividends paid during the year*	–	–	–	–	–	(4.9)	(4.9)
Buyback of shares	(28.0)	–	–	–	–	–	(28.0)
Cancellation of treasury shares	25.0	(0.1)	–	–	1.0	(25.0)	–
Total comprehensive loss for the year	–	–	–	–	–	(5.6)	(5.6)
Balance at 30 September 2025	(3.0)	1.6	89.6	2.6	0.5	149.5	240.9

* See note 27 to the consolidated financial statements for details.





Notes to the Company Financial Statements

1 Accounting policies

On the Beach Group plc is a public limited company which is listed on the London Stock Exchange and is domiciled and incorporated in the United Kingdom under the Companies Act 2006.

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ('FRS 102') as issued in August 2014. These financial statements are presented in pounds sterling ('£m') because that is the currency of the primary economic environment in which the Company operates.

The financial information presented is at and for the years ended 30 September 2025 and 30 September 2024.

As permitted by Section 408 of the Companies Act 2006, an entity profit and loss account is not included as part of the published consolidated financial statements of On the Beach Group plc. The loss for the year ended 30 September 2025 dealt with in the financial statements of the Parent Company is £5.6m (2024: loss £6.7m).

Under the provisions of FRS 102.112B, the Company is exempt from preparing a company statement of cash flows.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. The financial statements are prepared on the historical cost basis.

The Directors have used the going concern principal on the basis that the current financial projections and facilities of the consolidated Group will continue operating for the foreseeable future.

Related party transactions

Under the provisions of FRS 102.33.1A, the Company is exempt from disclosing the details of related party transactions on the basis that they are wholly owned subsidiaries.

Accounting estimates and judgements

Investments in subsidiaries

Investments in subsidiaries are held at cost, less any provision for impairment. Annually, the Directors consider whether any events or circumstances have occurred that could indicate that the carrying amount of fixed asset investments may not be recoverable. If such circumstances do exist, a full impairment review is undertaken to establish whether the carrying amount exceeds the higher of net realisable value or value in use. Following the impairment in goodwill associated with the discontinued operations for Classic Collection Holdings, the Directors performed a full impairment review.

For the remaining subsidiaries, management have assessed the future expected cash flows for the next five years. The forecasts were then extrapolated in perpetuity based on an estimated growth rate of 2% (2024: 2%). In assessing value in use, the estimated future cash flows attributable to the assets were discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The discount rate used was 13.7% (2024: 13.5%). The Directors concluded that there was sufficient headroom to cover the value of investment and therefore no impairment has been recorded. A reasonable change in any assumption would not change the conclusion.

Net assets of the Parent Company exceed that of the consolidated Group primarily due to a capital reorganisation in 2015. The value of investments held combined with the amount owed by subsidiary undertakings is supported by net assets of the subsidiaries.

Details of the subsidiaries are listed in note 14 to the consolidated financial statements.

2 Directors' emoluments

The Company has no employees other than the Directors. Full detail of the Directors' remuneration and interests are set out in the Directors' Remuneration Report on pages 94 to 123.

3 Employees and Directors

The Company employs the three members of the executive team (2024: three). The Company recognised total charge of £2.8m (2024: £2.4m) in the year in relation to the Long Term Incentive Plan. The amounts related to the Long Term Incentive Plan are recharged to the subsidiaries in which the cost was incurred. The Company has granted share options to employees of its directly and indirectly owned subsidiaries and recharges the cost of these awards to those subsidiaries. Details of this scheme is described in note 24 to the consolidated financial statements.

4 Investments

On the Beach Group plc directly holds 100% ownership of On the Beach Travel Limited. It indirectly holds 100% ownership of all other Group entities. On 23 September 2025, the Board made the decision to abandon the Classic Collection Holdings operation and to not attempt to sell the business. See note 10 of the consolidated financial statements for more information.

The Directors have performed an annual impairment review. See note 1 for details.



5 Debtors

	2025 £m	2024 £m
Amounts falling due within one year		
Amounts owed by Group undertakings	77.0	111.8
Prepayments	2.0	1.4
Deferred tax	1.1	0.8
	80.1	114.0

6 Creditors due within one year

	2025 £m	2024 £m
Current		
Accruals	3.9	0.9
	3.9	0.9

7 Called-up share capital

	2025 £m	2024 £m
Allotted, called up and fully paid		
155,079,777 ordinary shares @ £0.01 each (2024: 166,991,435 ordinary shares @ £0.01 each)	1.6	1.7
	1.6	1.7

During the year ended 30 September 2025, the Group repurchased 15,311,161 shares with a nominal value of £0.01, for a total consideration of £33.0m. At year end, £2.1m of this was unpaid, and is included within trade payables. 10,906,616 shares have been cancelled, for a consideration of £25.0m. The nominal value of £0.1m was deducted from share capital and recognised within the Capital Contribution Reserve, with £25.0m being deducted from retained earnings. 1,394,485 treasury shares remain within equity at the period end, for a consideration value of £3.0m.

8 Reserves

The analysis of movements in reserves is shown in the statement of changes in equity. Details of the amounts included in other reserves are set out below.

The merger reserve arose on the purchase of On the Beach TopCo Limited in the year ended 30 September 2015. The capital redemption reserve arose as a result of the redemption of preference shares in the year ended 30 September 2015.

Treasury shares relate to the repurchase of shares. Where the Company purchases its own equity share capital, the consideration paid is deducted from total shareholders' equity and classified as treasury shares until they are cancelled or reissued. No gain or loss is recognised in the income statement on the purchase, sale, issue or cancellation of treasury shares.

Where shares are cancelled following the repurchase of shares, the value of the Group's issued share capital that is diminished must be transferred to the capital redemption reserve.

9 Contingent liabilities and guarantees

The Company is a guarantor to a borrowing facility relating to a rolling credit facility provided to the Group. The amount borrowed under this agreement at 30 September 2025 was £nil (2024: £nil).





Glossary of alternative performance measures

APM: Adjusted earnings per share ('EPS') for continuing operations

Definition: Adjusted basic EPS is calculated on the weighted average number of ordinary shares in issue, using the adjusted profit after tax. Adjusted earnings after tax is based on profit after tax adjusted for amortisation of acquired intangibles, share-based payments and exceptional items. Amortisation of acquired intangibles are linked to the historical acquisitions of businesses. Share-based payments represents the non-cash costs, which fluctuates year-on-year. Exceptional items are certain costs/income which derive from events or transactions that fall outside of the normal activities of the Group. Exceptional items for 2025 consists of restructuring, legal and professional costs and fees for commission and stamp duty arising on the repurchase of shares; 2024 consists of restructuring and legal and professional costs offset by exceptional recoveries of flight refunds. These costs/income are excluded by virtue of their size in order to reflect management's view of the performance of the Group and allow comparability to prior years.

Reconciliation to closest GAAP measure

		2025	Restated (Note 10) 2024
Adjusted profit after tax (£m)			
Profit for the year		24.6	18.9
Share-based payments (net of tax)		2.7	1.7
Exceptional items (net of tax)		1.0	(0.3)
Amortisation of acquired intangibles (net of tax)		1.6	1.7
Adjusted profit after tax		29.9	21.9
Adjusted EPS		2025	2024
Adjusted profit after tax		29.9	21.9
Basic weighted average number of Ordinary Shares (m)		157.3	166.9
Adjusted basic EPS (p)		19.0p	13.1p

APM: Adjusted EBITDA

Definition: Adjusted EBITDA is based on Group operating profit adjusted for depreciation, amortisation, share-based payments and exceptional items. Share-based payments represents the non-cash costs, which fluctuates year-on-year. Exceptional items for 2025 consists of restructuring, legal and professional costs and fees for commission and stamp duty arising on the repurchase of shares; 2024 consists of restructuring and legal and professional costs offset by exceptional recoveries of flight refunds. These costs/income are excluded by virtue of their size in order to reflect management's view of the performance of the Group and allow comparability to prior years.

Reconciliation to closest GAAP measure

		2025	Restated (Note 10) 2024
Adjusted EBITDA (£m)			
Operating profit		22.9	20.0
Depreciation and amortisation		12.5	14.4
Exceptional items		1.3	(0.4)
Share-based payments		3.6	2.2
Adjusted EBITDA		40.3	36.2

APM: Adjusted EBITDA as a percentage of adjusted revenue

Definition: Adjusted EBITDA as a percentage of adjusted revenue is based on the adjusted EBITDA divided by the revenue generated in the OTB business before the impact of exceptional items. Exceptional items consists of restructuring, legal and professional costs and recoveries from airlines which derive from events or transactions that fall outside of the normal activities of the segment. Exceptional items for 2025 consists of restructuring, legal and professional costs and fees for commission and stamp duty arising on the repurchase of shares; 2024 consists of restructuring and legal and professional costs offset by exceptional recoveries of flight refunds. These costs/income are excluded by virtue of their size in order to reflect management's view of the performance of the Group and allow comparability to prior years.

Reconciliation to closest GAAP measure

		2025	Restated (Note 10) 2024
Adjusted EBITDA as a percentage of adjusted revenue			
Revenue		121.4	119.2
Exceptional items		–	(4.6)
OTB adjusted revenue		121.4	114.6
OTB adjusted EBITDA		40.3	36.2
Adjusted EBITDA as a percentage of adjusted revenue		33%	32%

APM: Adjusted gross profit

Definition: Adjusted gross profit is gross profit adjusted for the impact of exceptional recoveries in 2025 and 2024.

Reconciliation to closest GAAP measure

		2025	Restated (Note 10) 2024
Adjusted gross profit (£m)			
Gross profit		118.9	117.5
Exceptional recoveries		–	(4.6)
Adjusted gross profit		118.9	112.9



Glossary of alternative performance measures continued

APM: Adjusted profit before tax

Definition: Adjusted profit before tax is based on profit before tax adjusted for amortisation of acquired intangibles, share-based payments and exceptional items. Amortisation of acquired intangibles are linked to the historical acquisitions of businesses. Share-based payments represents the non-cash costs, which fluctuates year-on-year. Exceptional items for 2025 consists of restructuring, legal and professional costs and fees for commission and stamp duty arising on the repurchase of shares; 2024 consists of restructuring and legal and professional costs offset by exceptional recoveries of flight refunds. These costs/income are excluded by virtue of their size in order to reflect management's view of the performance of the Group and allow comparability to prior years.

Reconciliation to closest GAAP measure

	2025	Restated (Note 10) 2024
Adjusted profit before tax (£m)		
Profit before tax	27.9	25.2
Amortisation of acquired intangibles	2.2	2.2
Share-based payments	3.6	2.2
Impact of exceptional items	1.3	(0.4)
Adjusted profit before tax	35.0	29.2

APM: Adjusted revenue

Definition: Adjusted revenue as an agent is revenue adjusted for the impact of exceptional recoveries in 2025 and 2024.

Reconciliation to closest GAAP measure

	2025	Restated (Note 10) 2024
Group adjusted revenue (£m)		
Group revenue	121.4	119.2
Exceptional recoveries	–	(4.6)
Group adjusted revenue	121.4	114.6

APM: Classic TTV

Definition: Classic Collection TTV is a non-GAAP measure representing the cumulative total transaction value of sales booked each month before cancellations and adjustments. Classic Collection was discontinued in the year, but the remuneration committee still considers Classic TTV when reviewing against targets. Please see note 10 for details.

Reconciliation to closest GAAP measure

	2025	Restated (Note 10) 2024
Classic TTV (£m)		
Revenue	6.2	9.0
Costs* and amendments	47.2	31.6
Classic TTV	53.5	40.6

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



APM: EBITDA

Definition: EBITDA is based on operating profit before depreciation and amortisation.

Reconciliation to closest GAAP measure

		2025	Restated (Note 10) 2024
EBITDA (£m)			
OTB operating profit		22.9	20.0
Depreciation and amortisation		12.5	14.4
OTB EBITDA		35.4	34.4

APM: Exceptional items

Definition: Exceptional items are certain costs/income that derive from events or transactions that fall outside of the normal activities of the Group. Exceptional items for 2025 consists of restructuring, legal and professional costs and fees for commission and stamp duty arising on the repurchase of shares; 2024 consists of restructuring and legal and professional costs offset by exceptional recoveries of flight refunds. These costs/income are excluded by virtue of their size in order to reflect management's view of the performance of the Group and allow comparability to prior years.

Reconciliation to closest GAAP measure

		2025	Restated (Note 10) 2024
Exceptional items (£m)			
Exceptional costs		(1.3)	(4.2)
Exceptional recoveries		—	4.6
Exceptional items		(1.3)	0.4

APM: Long Haul

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

Reconciliation to closest GAAP measure

		2025	Restated* (Note 10) 2024
Long Haul TTV (£m)			
Group revenue		121.4	119.4
Costs** and amendments		(1,171.7)	1,004.7
Short Haul TTV		1,149.6	(1,038.2)
Long Haul TTV		99.3	86.0

* Restated to exclude Classic TTV from discontinued operations (note 10).

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



Glossary of alternative performance measures continued

APM: Marketing as a percentage of adjusted revenue

Definition: Adjusted revenue after marketing costs is revenue after online and offline marketing costs including marketing staff costs.

Reconciliation to closest GAAP measure

	2025	Restated (Note 10) 2024
Revenue after marketing costs (£m)		
Adjusted revenue	121.4	114.6
Online marketing costs	(28.4)	(30.2)
Offline marketing costs	(12.1)	(12.2)
Revenue after marketing costs	80.9	72.2
Marketing as % revenue	33%	37%

APM: Marketing as a percentage of revenue

Definition: Revenue after marketing costs is revenue after online and offline marketing costs including marketing staff costs.

Reconciliation to closest GAAP measure

	2025	Restated (Note 10) 2024
Revenue after marketing costs (£m)		
Revenue	121.4	119.2
Online marketing costs	(28.4)	(30.2)
Offline marketing costs	(12.1)	(12.2)
Revenue after marketing costs	80.9	72.2
Marketing as % revenue	33%	36%

APM: Overheads as a percentage of adjusted revenue

Definition: Overheads as a percentage of revenue is based on the adjusted revenue divided by the overheads. Overheads is the administrative expenses excluding marketing, depreciation, revenue and amortisation.

Reconciliation to closest GAAP measure

	2025	Restated (Note 10) 2024
Overheads % revenue		
OTB adjusted revenue (£m)	121.4	114.6
Overheads (£m)	(38.1)	(34.2)
Overheads % revenue	31%	30%



APM: Overheads as a percentage of revenue

Definition: Overheads as a percentage of revenue is based on the adjusted revenue divided by the overheads. Overheads is the administrative expenses excluding marketing, depreciation, revenue and amortisation.

Reconciliation to closest GAAP measure

	2025	Restated (Note 10) 2024
Overheads % revenue		
OTB revenue (£m)	121.4	119.2
Overheads (£m)	(38.1)	(34.2)
Overheads % revenue	31%	29%

APM: Overheads as a percentage of TTV

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

Reconciliation to closest GAAP measure

	2025	Restated (Note 10) 2024
Overheads % TTV		
OTB TTV (£m)	1,249.0	1,124.2
Overheads (£m)	(38.1)	(34.2)
Overheads % TTV	3.1%	3.1%

APM: TTV

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

Reconciliation to closest GAAP measure

	2025	Restated (Note 10) 2024
Group TTV (£m)		
Group revenue	121.4	119.2
Costs* and amendments	1,127.6	1,005.0
Group TTV	1,249.0	1,124.2

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

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Cautionary statement

The purpose of this Annual Report is to provide information to the members of the Company. The Company and its Directors accept no liability to third parties in respect of this Annual Report save as would arise under English law.

This Annual Report contains certain forward-looking statements with respect to the financial condition, results, operations and businesses of the Company. Forward-looking statements are sometimes, but not always, identified by their use of a date in the future or such words as "anticipates", "aims", "due", "will", "could", "may", "should", "would", "might", "shall", "expects", "believes", "intends", "plans", "targets", "goal", "estimates", "forecasts", "projects", "predicts", "continues", "assumes", "budget", "risk" or, in each case, their negative or other variations or words of similar meaning.

These forward-looking statements involve assumptions, known and unknown risks and uncertainty because they relate to events and depend on circumstances that may or may not occur in the future.

There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements, including factors outside the Company's control. The forward-looking statements reflect the knowledge and information available at the date of preparation of this Annual Report and, except to the extent required by law or regulation, will not be updated or revised, whether as a result of new information, future events or otherwise.

This Annual Report shall not, under any circumstances, create any implication that there has been no change in the business or affairs of the Company or any member of its group since its date or that the information contained in it is correct as at any time subsequent to its date.

You should not place undue reliance on the forward-looking statements.

No statement in this Annual Report is intended as a profit forecast or a profit estimate or should be interpreted to mean that earnings per share of the Company for the current or future financial years would necessarily match or exceed the historical published earnings per share of the Company. Past business and financial performance cannot be relied on as an indication of future performance.

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