19 October 2017

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

2017 Full Year Trading Update

Strong H2 revenue growth across all markets

On the Beach Group plc (LSE: OTB.L), the UK's leading online retailer for beach holidays, provides the following update on trading for the 52 week period to 30 September 2017.

The Group has traded well in the year with adjusted PBT performance expected to be in line with Board expectations.

UK revenue growth for the year was 17% on the back of a strong H2 performance with growth of 26%. Excluding the acquisition of Sunshine.co.uk Limited, UK revenue growth was 14%, with H2 revenue up 21%, with continued progression in UK EBITDA margin compared to 2016. The Group experienced significant growth for the majority of the key summer trading period, despite some softness in the weeks that followed the Barcelona terrorist attack in August and we have exited the financial year with strong forward momentum.

Following the acquisition of Sunshine.co.uk Limited on 9 May 2017, we are pleased to report that the integration process is now substantially complete. Sunshine's trading since acquisition is in line with our expectations.

We have continued to make good progress in our international markets, with full year revenue growth of 48%**.** We are particularly encouraged by the significant revenue growth in H2 of 70% and that the Group's net investment in international operations is in line with expectations. This performance supports our plans to launch in our third international market, Denmark, early in 2018.

With regard to the recent failure of Monarch, On the Beach continues to focus on assisting customers that booked to fly with Monarch Airlines in the coming weeks and months.

As stated in the RNS on 2 October 2017, the Group has Scheduled Airline Failure Insurance in place which covers the failure of Monarch Airlines. The Board anticipates that there will be a one-off exceptional cash cost associated with helping customers to organise alternative travel arrangements or providing refunds and will update shareholders further on release of the Preliminary Results.

To support our continued ability to out innovate the market and to attract and retain top talent we are considering the future location of our Head Office, together with reviewing our reward mechanisms for top performers. Further updates on both of these topics will be provided to shareholders in due course.

The Group will announce its audited Preliminary Results on 30 November 2017.

Simon Cooper, Chief Executive of On the Beach Group plc, commented:
"The Group has traded well in the year with a particularly strong performance in the second half during the key summer trading period. The integration of Sunshine.co.uk Limited, acquired in May 2017, has progressed in line with our expectations.

"We have continued to increase market share in our international markets and delivered strong revenue growth in the year. As a result of this performance, we are pleased to be launching in our third international market, Denmark, early in 2018."

For further information:

On the Beach Group plc Simon Cooper, Chief Executive Officer Paul Meehan, Chief Financial Officer	**c/o FTI Consulting**
FTI Consulting Jonathon Brill Alex Beagley Fiona Walker	**Tel: +44 (0)20 3727 1000**

About On the Beach

On the Beach is one of the UK's largest online retailers of beach holidays with over 20% share of the online short haul beach holiday market. The Group has multiple opportunities to generate further growth and has a vision to become Europe's leading online retailer of beach holidays. On the Beach provides a significant structural challenge to legacy tour operators and travel agents as the Group continues its journey to disrupt the online retail of beach holidays with its scalable, flexible, innovative technology, combined with a strong customer value proposition and a low cost base. The business model is customer-centric, asset light, profitable and cash generative.

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