interim report

2020

lm group

lastminute.com

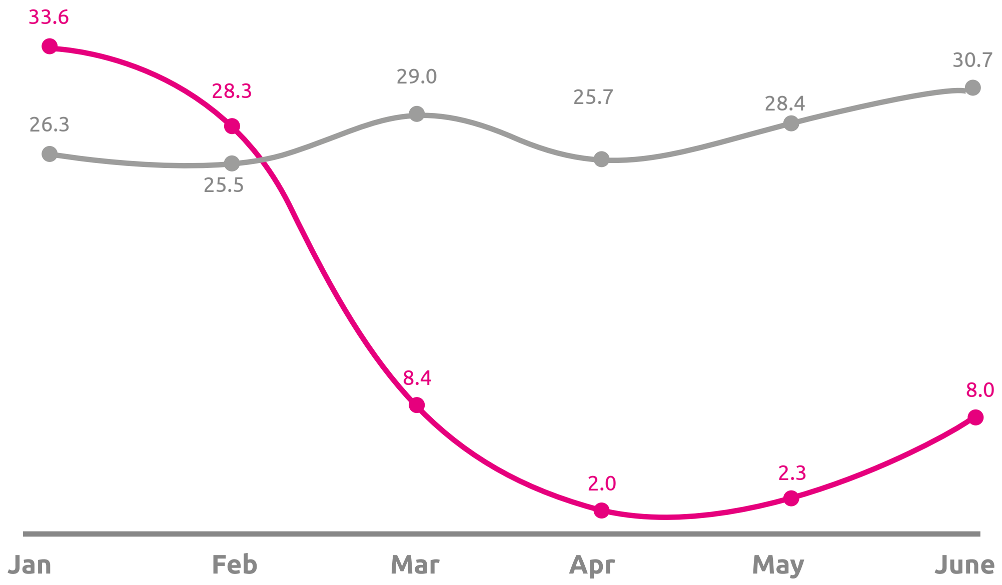
Content

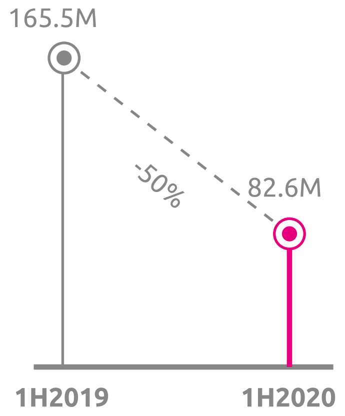
1H2020 Highlights

(in € million)

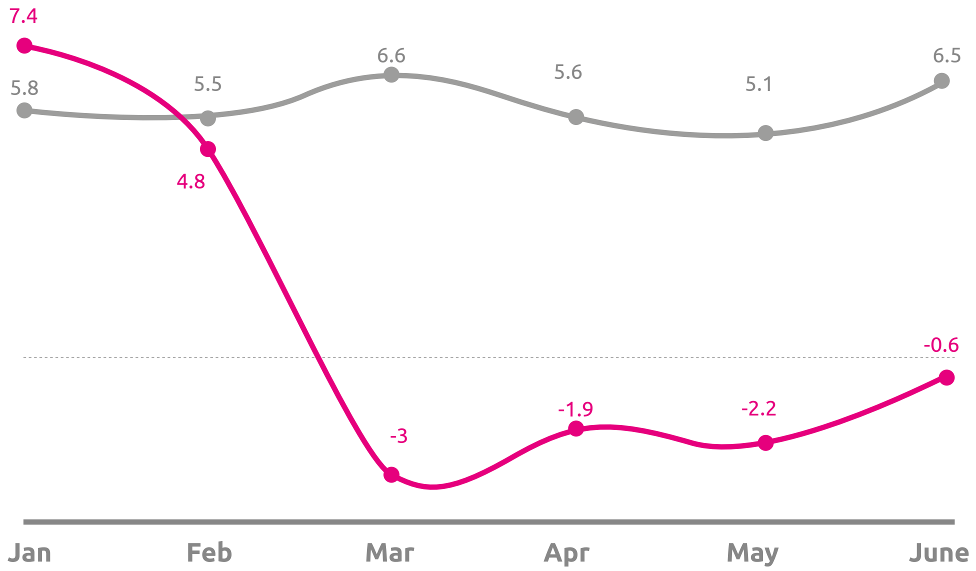
2019
2020

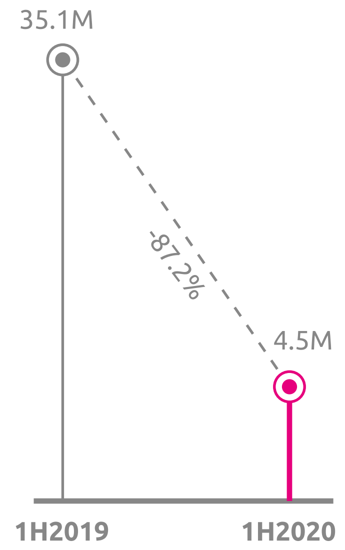
Core Business Revenues



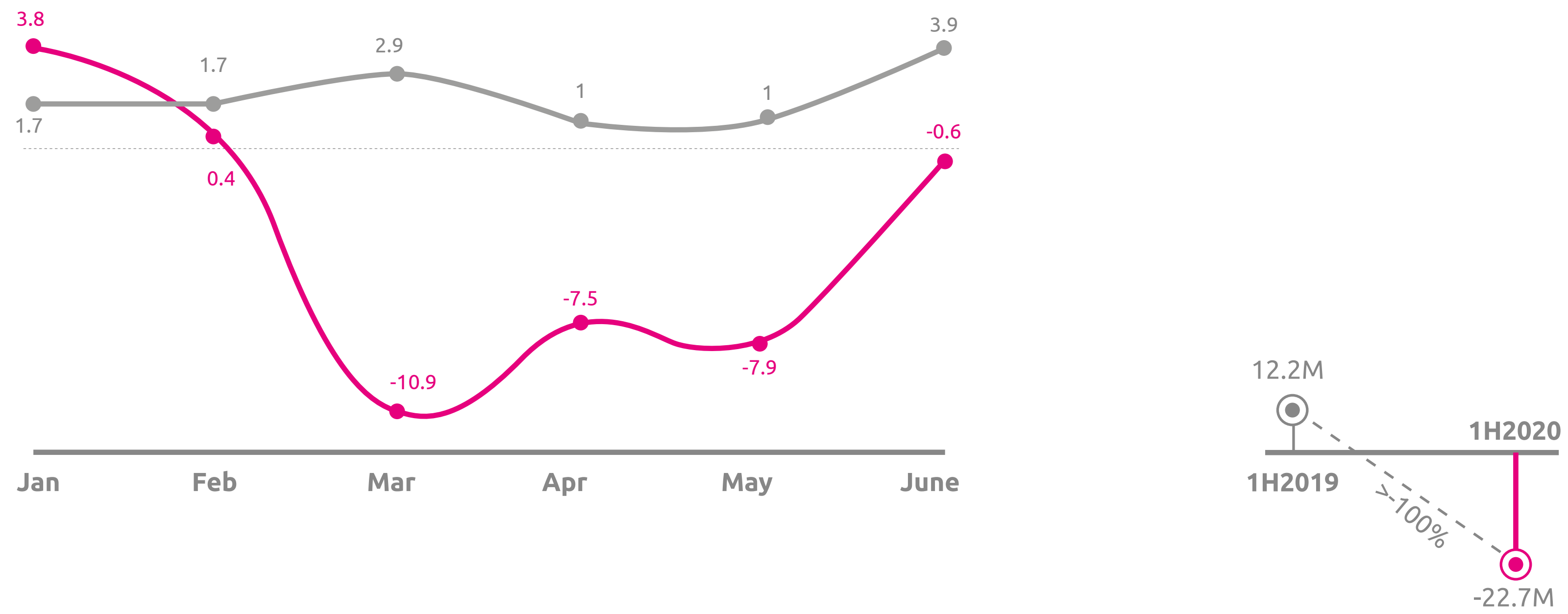


Core Business EBITDA

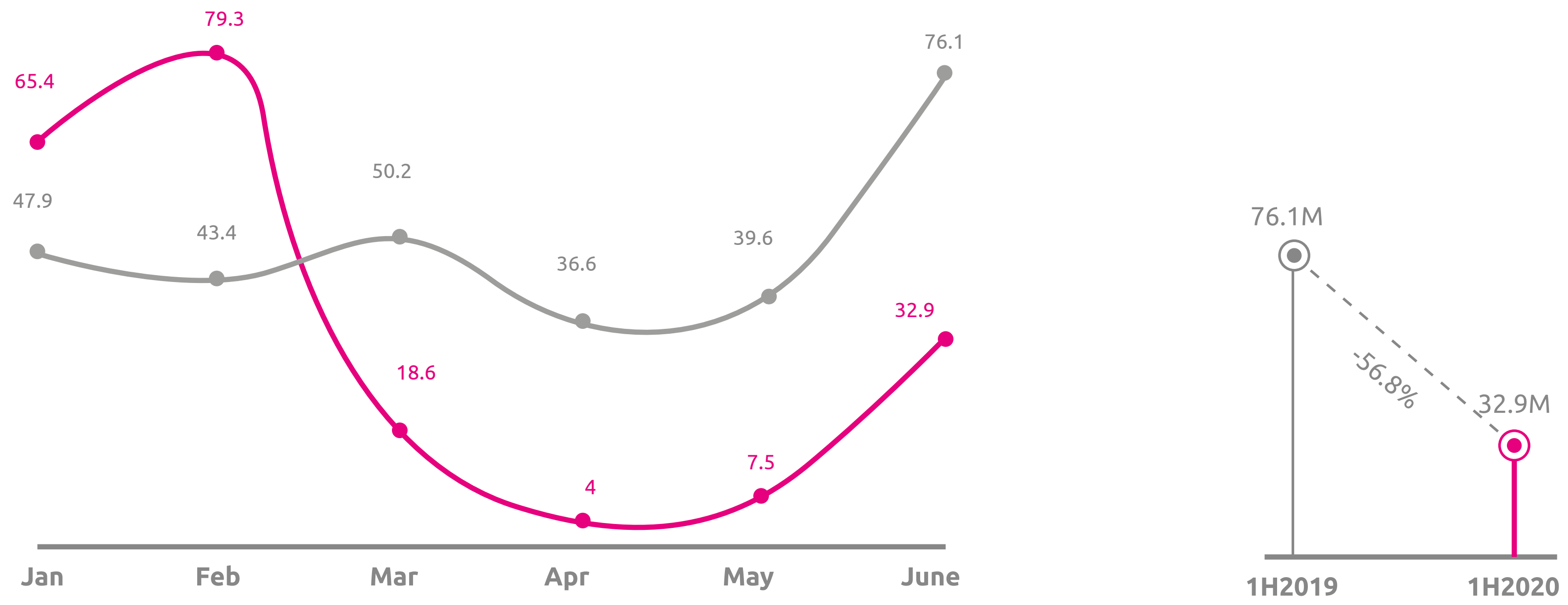




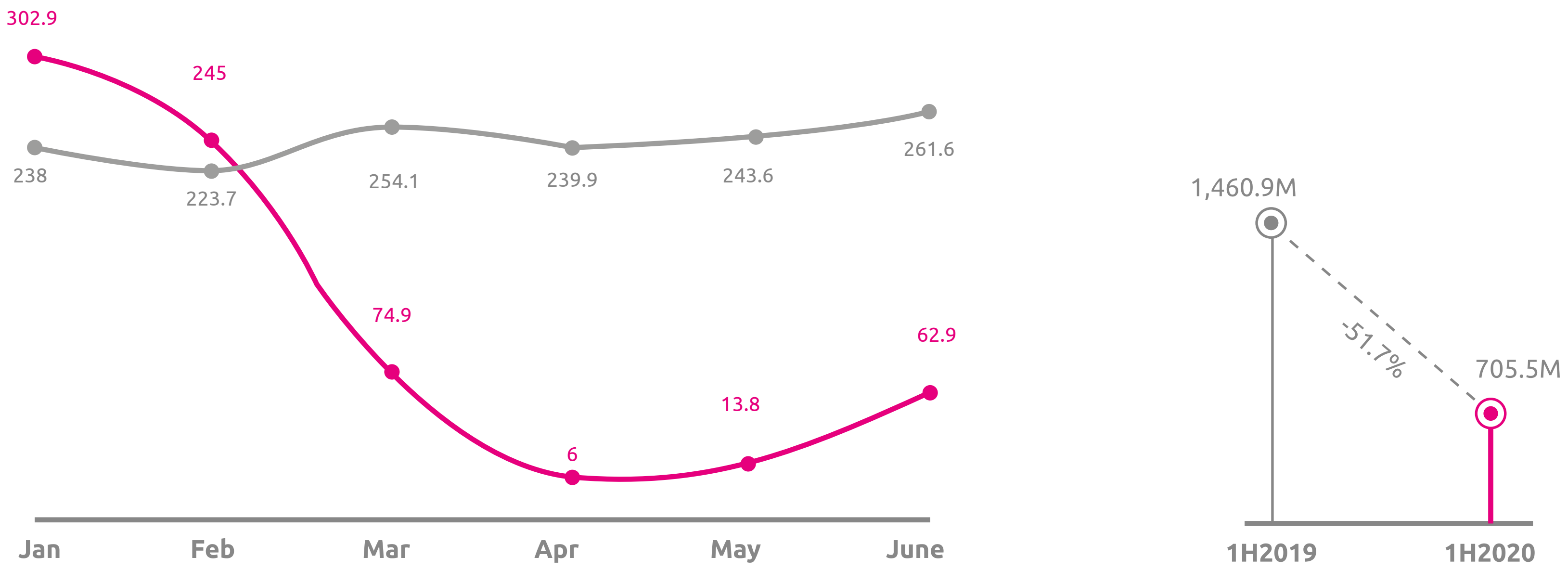
NET RESULTS



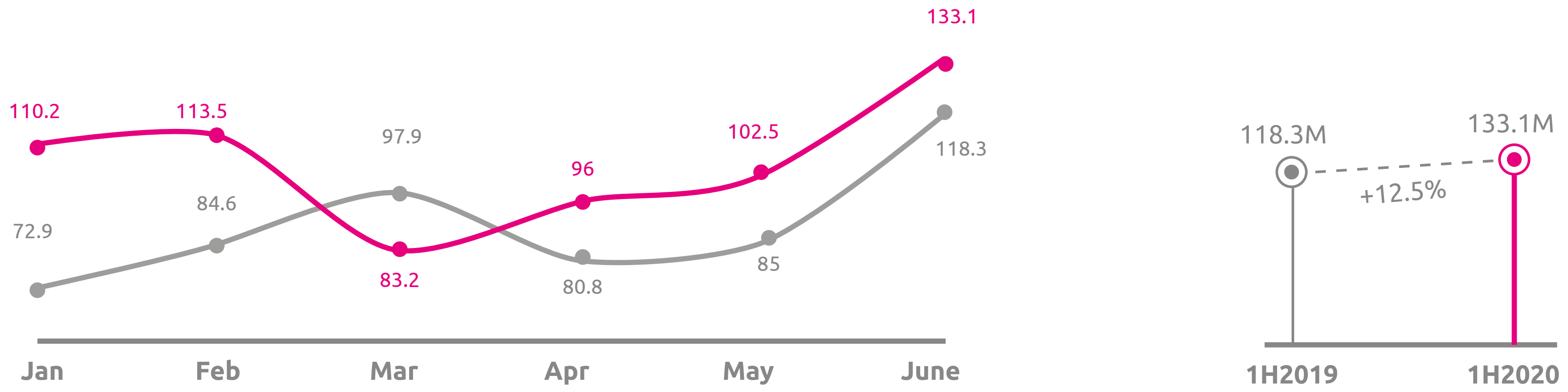
NFP



GTV



Cash



Group's structure

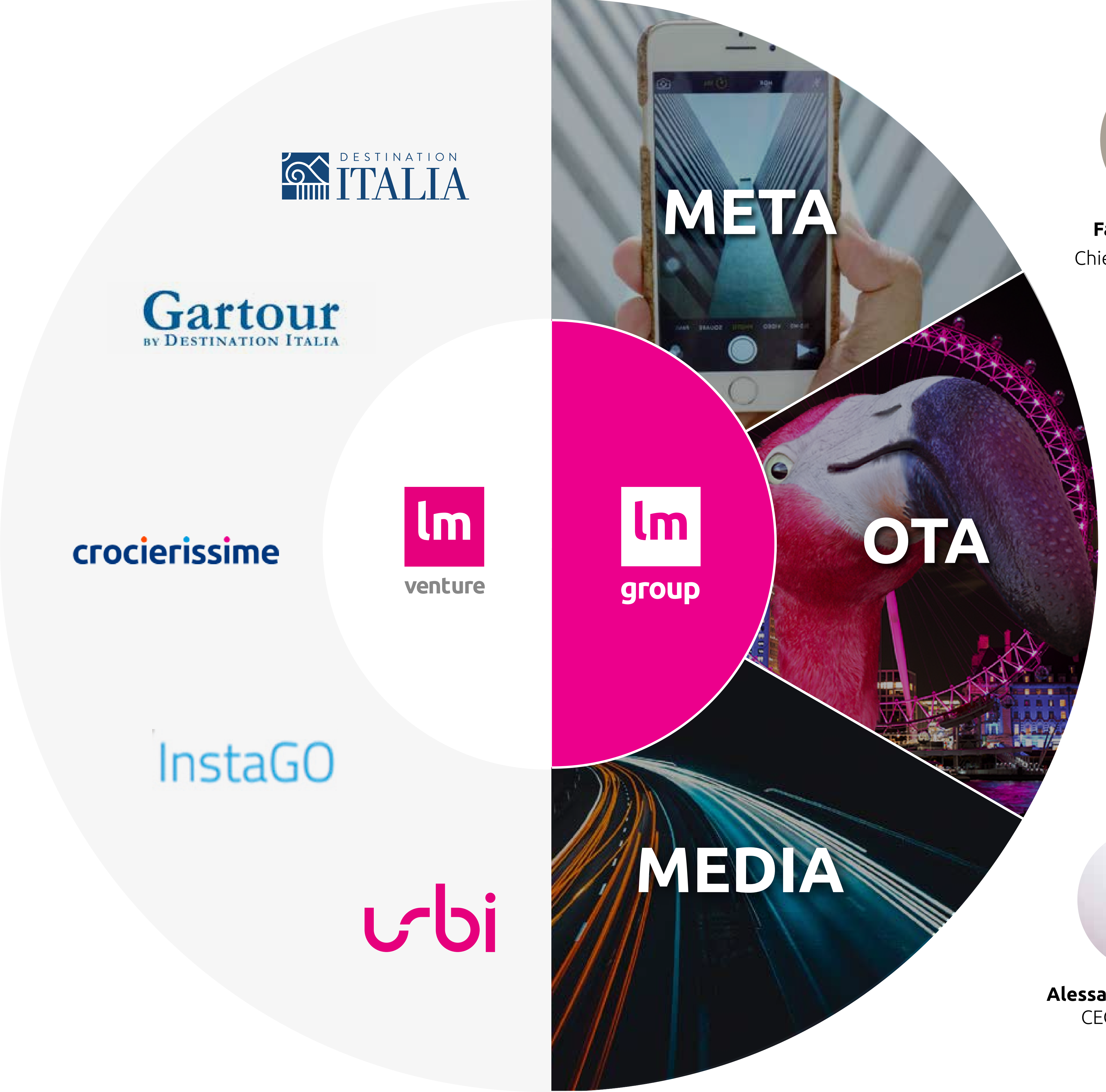
The Group is organised into two business areas (lm group and lm venture), consolidated under a holding, listed on SIX Swiss Exchange since 2014 and led by Fabio Cannavale, that provides corporate services.

lm holding

SIX Swiss Exchange

Dutch Holding Company* listed in Switzerland

lm group is led by **Marco Corradino** and represents our core business formed around our Online Travel Agency led by **Andrea Bertoli** as Managing Director, our META business guided by **Fabio Passalacqua** as Chief of Meta Business and our Media business led by **Alessandra Di Lorenzo** as Ceo of Forward. lm venture is the tool we use to scout interesting development opportunities in the wide arena of Travel Innovation.



Fabio Passalacqua
Chief of Meta Business

JETCOST
hotelscan
HolidayIQ

Andrea Bertoli
OTA Managing Director

lastminute.com
weg.de
volagratis
rumbo
bravofly

Alessandra Di Lorenzo
CEO of Forward

fwd

* registered in The Netherland as lastminute.com N.V., listed under the ticker symbol LMN:SW

Board of directors and shareholders structure

Fabio Cannavale
Executive Director,
lm holding CEO

Marco Corradino
Executive Director,
lm group CEO

Non-Executive directors

Ottonel Popesco
Non-executive Chairman
of the Board of Directors

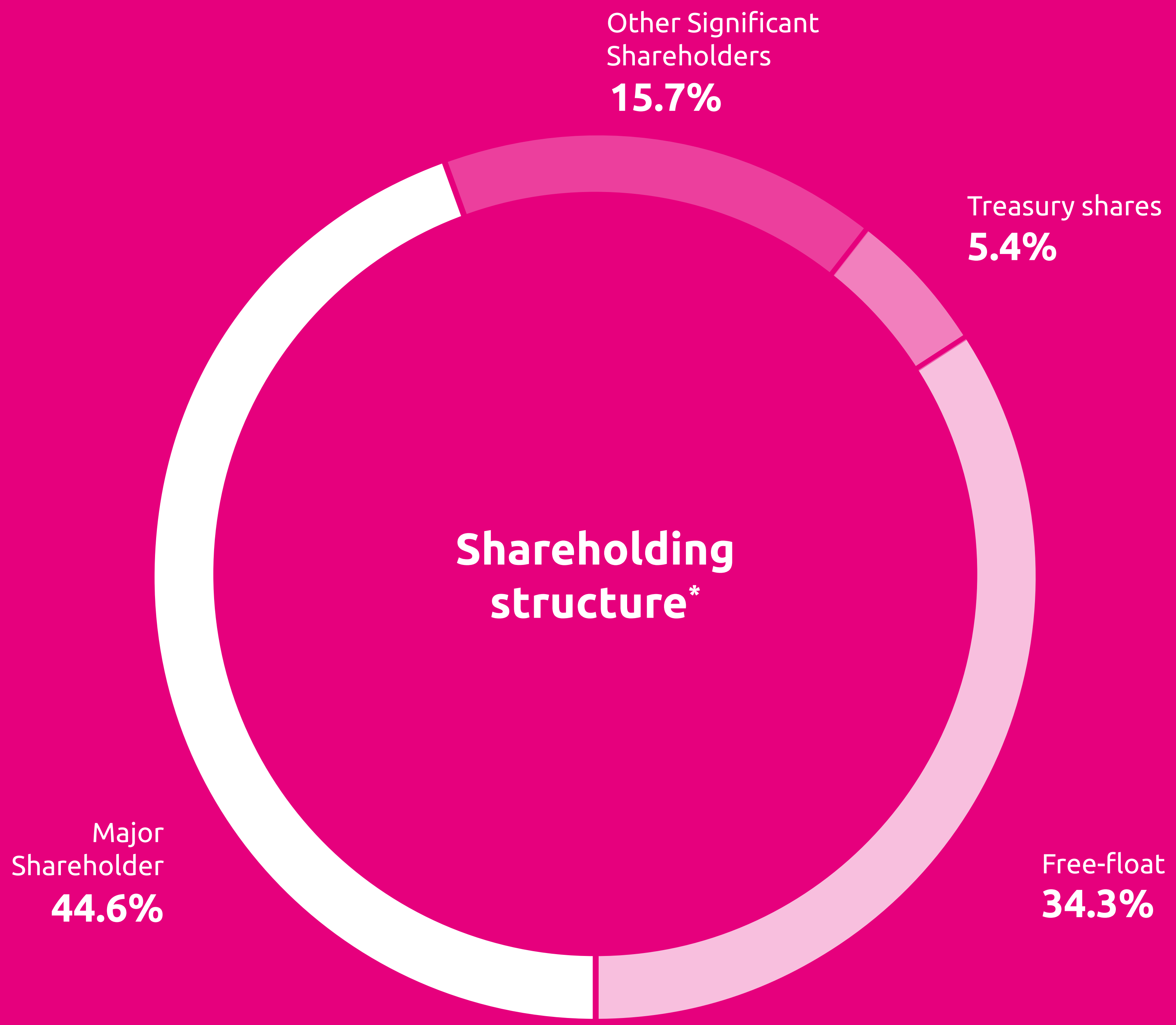
Laurent Foata
Non-executive Director

Anna Gatti
Non-executive Director

Roberto Italia
Non-executive Director

Marcello Distaso
Non-executive Director*

*Marcello Distaso resigned as a member of the Board of Directors with effect from July 31st.



*Ownership structure as of 30/06/2020


Leading the travel industry
in the **“new normal”**

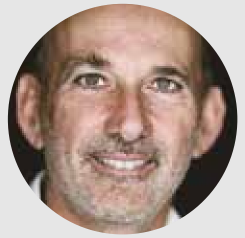
How a global pandemic brought the travel industry to a virtual standstill in 2020

To give an idea of what an impact the virus has had on the travel industry, the World Travel and Tourism Council (WTTC) has predicted that in 2020, the travel and tourism market could lose on average, based on three different recovery scenarios, 138 million jobs worldwide and 20million jobs in the EU. By the end of March and throughout April air traffic was down by 95%, at the same time 80% of hotel rooms lay empty and cruise ships had a No Sail Order enforced upon them. This brought in a month the international tourist arrivals estimated for 2020 back to 2012 levels, down by 30%. As uncertainty continues to dominate, current scenarios point to possible declines in arrivals of 58% to 78% for the year which could translate into loss of 850 million to 1.1 billion international tourists and a loss of $910 billion to $1.2 trillion in export revenues from tourism. At a European level, the tourism industry is estimated to be losing around €1 billion in revenue per month as a result of the outbreak of COVID-19. European airports would lose 700 million passengers (-28 %), corresponding to €14 billion in revenue in 2020.

These figures show that the impact on tourism will not run out in the short term, there will be a return to a "new normality" which is why lm group has been focusing on adapting and preparing to be relevant and successful in such a new scenario. lm group is in a much better position than most within the industry going forward. As an asset-light and agile business, our robust results of the previous two years, and significant growth in the first two months of the year (Jan-Feb 2020), meant we met this pandemic prepared to manage possible market downturns.

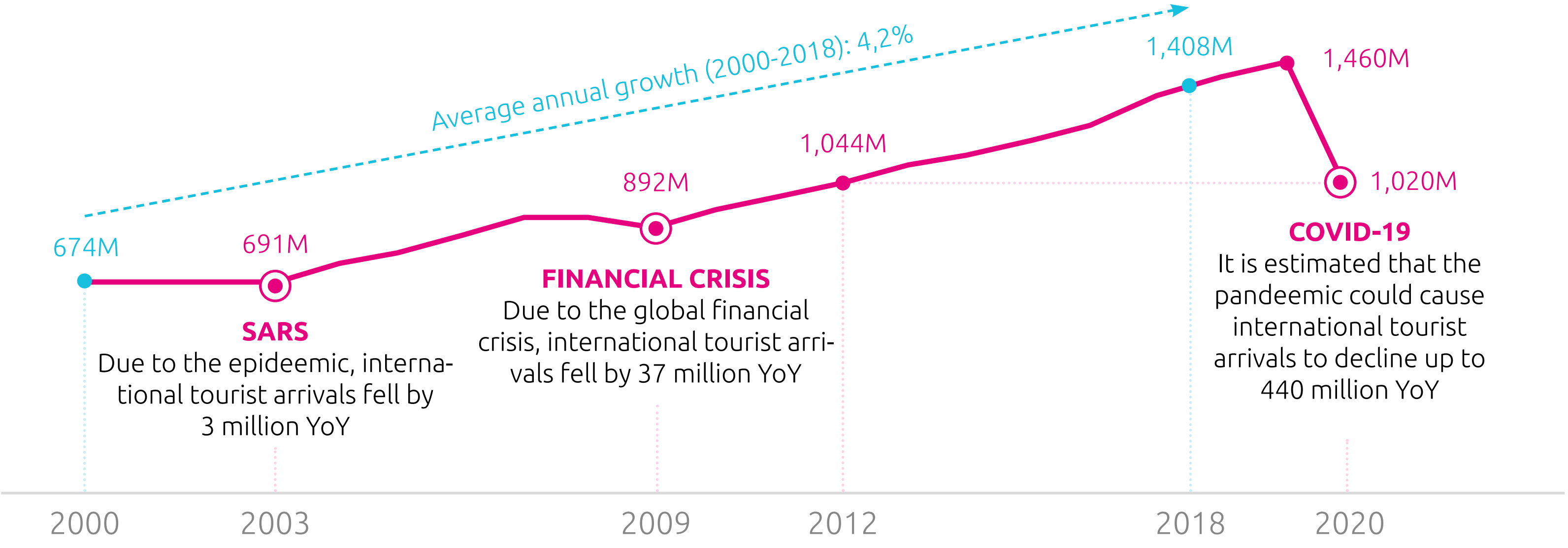
"2019 is what we will remember as the last year of the old "normal" for OTAs and the entire travel industry and for the world as well at least for the next foreseeable future. The Coronavirus outbreak has forced us to fast-forward into a totally different future."

Fabio Cannavale

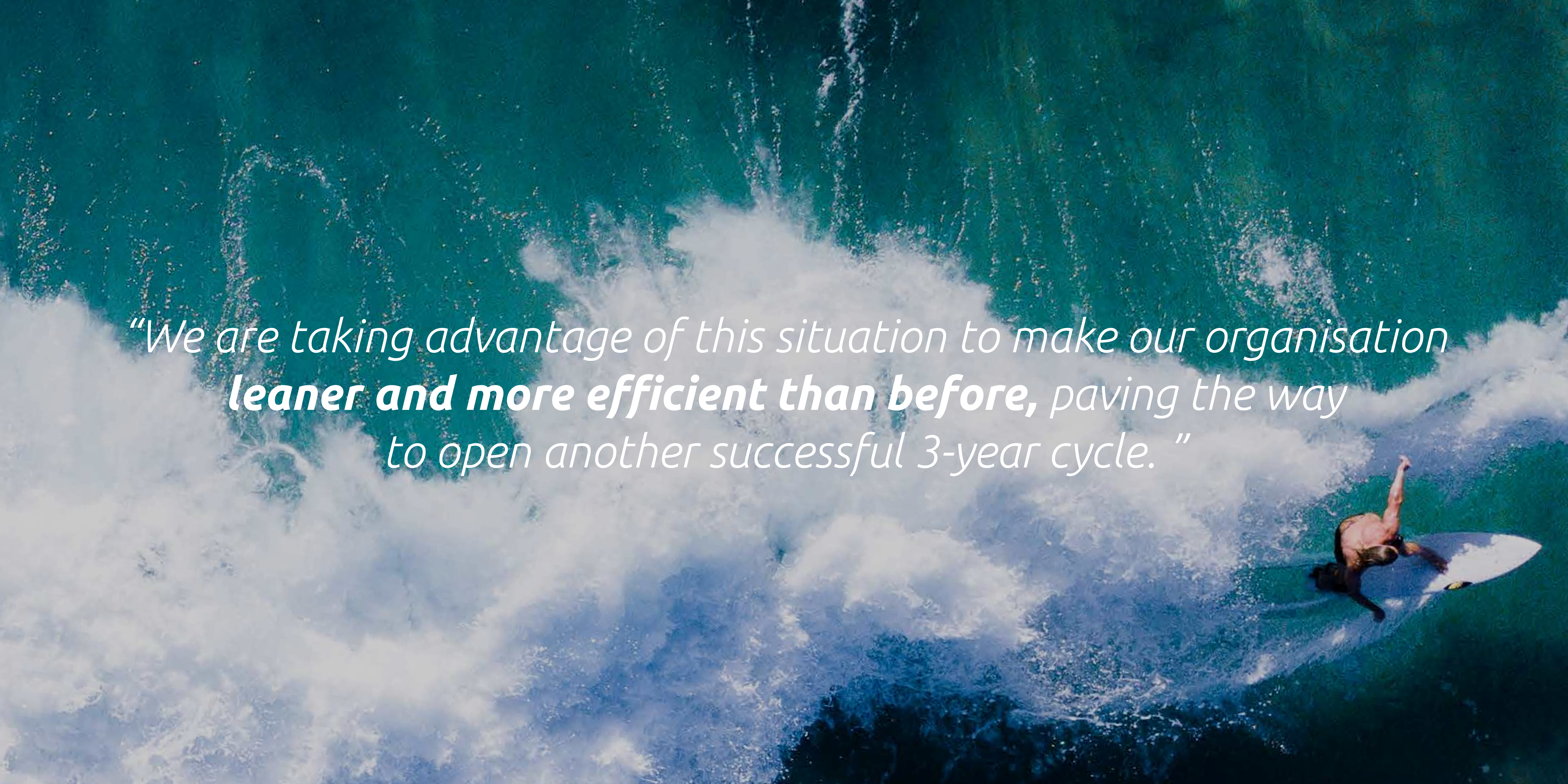


This crisis is deeper than anyone could expect and is having the greatest impact the travel industry has ever faced. We acted very prudently for the benefit of the sustainability of the business in the long-run and to preserve its value. All actions put in place to secure the business had a positive impact on our cash profile, despite a very difficult context where airlines are struggling to effectively manage refunding processes. This is having effects on the perception of customers over the mechanisms governing the flight sector primarily, and all the players acting with different roles in the value-chain are losing credibility not necessarily as a result of their direct responsibilities. The scenario still looks unclear in that respect, while, on the other hands it seems that travel demand is still rising, with focus on short-haul destinations. We've already demonstrated a strong capability to adapt to new circumstances and to intercept such a trend, better than the market experiencing (according to statistics released by various authorities). I'm confident that, whatever will be the "new normality", we'll be in good shape to capture further business opportunities and maximise the return for our stakeholders. Beside all actions undertaken from an organizational stand-point and the programs we started in order to guarantee accurate cash-protection and cost-control, our Board of Directors deemed it appropriate to evaluate the launch of a right issue up to a maximum of CHF 100 M in order to further strengthen the Group capital structure and definitively secure the business. The proposal was brought to the table of the Extraordinary Shareholder Meeting to be held on the day of the release of this report.

International tourist arrivals



Source: World Tourism Organization (UNWTO)



"We are taking advantage of this situation to make our organisation ***leaner and more efficient than before,*** *paving the way to open another successful 3-year cycle. "*

Four weeks to formulate a plan: the pandemic's initial impact

The impact of the pandemic on the business was almost instantaneous, so in terms of our road to recovery we will break it down into two parts: firstly how we reacted to the lockdown in "emergency" mode as the world shut down, and secondly, the plans and measures we began to put in place for when people were to travel again.

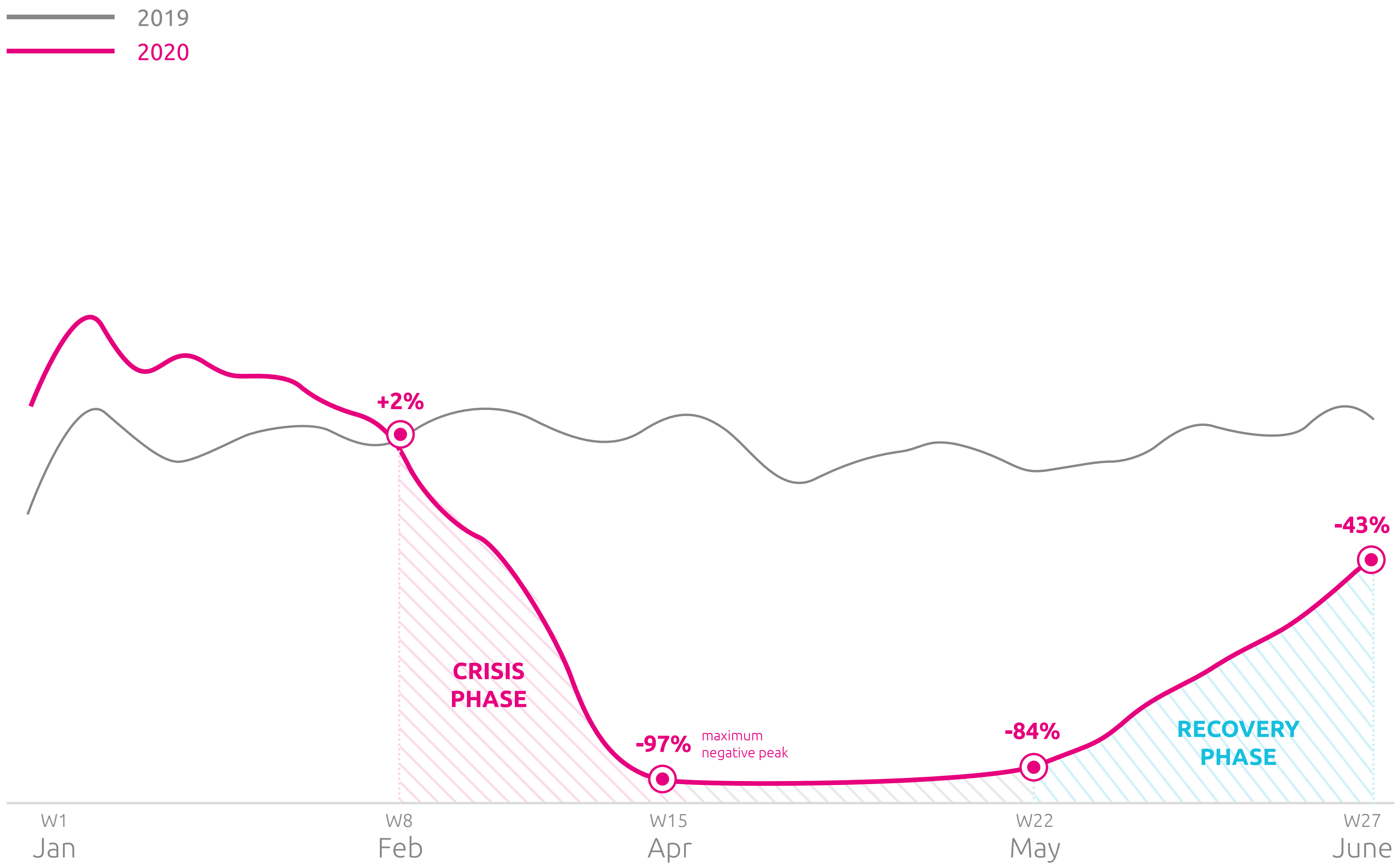
Short-term working but long-term thinking
With aircrafts grounded in storage, airport terminals shuttered, hotels closed and tourist spots deserted all across the world, the Group had to rely on all its resilience capacity and react quickly.

Remote working set up for more than one thousand people
The first major challenge was simply to keep the business operational during lockdown without leaving our homes and going into the office. Having already implemented a remote working environment as part of our employer brand strategy, we were better placed than many competitors to make our entire operation remote immediately with minimal disruption.

"2020 cannot be about performance. Adaptability and resilience will be the key success factors for businesses across all industries. We want to be leaders in the evolution of the travel industry and will do this by investment, improvement and optimisation in every single part of the organisation."

Marco Corradino

Covid-19 has put our business down for 2months. Signs show that volumes have started to recover.



Perimeter: Flight, DP, Hotel, To - W/o Comarketing;
Week 1: refers to the 1st week of 2020

From booking machine to cancellation machine

With airlines cancelling flights across the world on a daily basis and hotels closing their doors due to the lock-down, the Group had to react quickly to the situation. The crisis saw us transform overnight from a booking engine to a cancelation business, the volumes of which putting the operating systems under huge stress. We were managing an unprecedented number of cancellations and refund requests in a scale never seen before and impossible to have predicted.

The group made an enormous effort to put in place all the necessary **measures to offer customers entire support** with their bookings, trying to meet, at the same time, the high customer service standards that we have set out for ourselves, and promised to our clients.

As a matter of urgency we focused on the following areas:

- **Automation o**f cancellations and refunds **processes**
- **Expansion of self-care capabilities** in the customer personal area, email and App
- Creation of **Q&A pages and Travel Safety Hub** in order to provide our customers with all the relevant information across all digital channels and make things easier for them.

We achieved all this despite some major, and immediate challenges. For example some of our outsourced customer serive providers closed, causing a relevant impact on our operations.

The timing of this, while we wre moving our customer care teams remotely to home-based made things even more harder. But we got through this with only minor disruptions to the service.

The transition from emergency lockdown to getting “back to travel”

During this unusual interim period as lockdowns began to be lifted, we had to rebuild trust and try to restore a climate of confidence to encourage the restart of the sector. We’d gone from riding the crest of a wave of record results in 2019 to moving from a booking engine to a cancellation engine some few months later.

While this necessitated a sea change in the way we had to relearn to sell travel in a more appropriate way for the times we live in, our previous success in restructuring and adapting our business did give us an authentic voice in the global travel sphere.

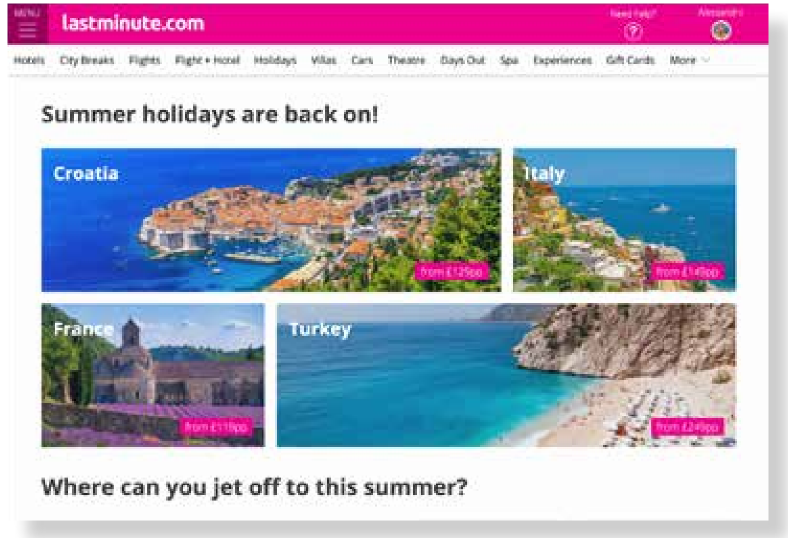
So we decided to take an assertive approach and launched a PR campaign asking for the travel industry to get together and “save the summer”. We took certain airlines to task in the press who were being slow or indeed not paying back customers.

And the story resonated with the media giving us unprecedented “earned media” success on television. We became the OTA travel experts for the BBC, pushing our positive messages of travel recovery to millions of people on primetime TV.

Andrea Bertoli (our OTA Managing Director) and I appeared on key business media, such as CNN and Bloomberg, giving measured and responsible answers to try and get the world moving while ensuring customer and employee safety as an absolute priority.
Our consistent messaging to the media and on the website pushed flexibility, safety, hotel hygiene and up-to-the-minute information on what countries were safe and who could travel where and when.

Our long-term partnerships with hotels which go beyond purely commercial transactions were crucial, as we not only talked to them about pricing but worked together to understand what extra measures have been put in place to combat COVID-19.

Our extensive Safety travel hub section for our customers across all our markets is an example of helping customers turn from lookers to bookers, combining key information with inspiring deals.



In terms of product, we pushed key booking opportunities, which thanks to our diverse product portfolio meant domestic options, last chance summer (Sept/Oct), Christmas and 2021 where available - creating an extended booking window via partners for the first time in our history.

We also made a proactive vouchers campaign according to the various EU legal frameworks as each country has different laws. This meant customers rather than waiting for cash could start to think about getting their holiday in 2020.

OUR MAIN GOALS

CUSTOMER REASSURANCE

Flexibility

Safe travel destinations

Hotel safety

When and where you can travel

BOOKING OPPORTUNITIES AND TRAVEL INSPIRATIONS

Domestic

Late summer Sept/Oct

December and New Year

2021 already available

Become a leaner and meaner operating machine

2020 will not be about performance. It will be more about resilience and will be a time in which to invest for the long-term, by further improving our products and even optimizing the way the organization is structured, looking at the future and at the evolution of our industry. We know we can count on the experience, know-how and technology that we have accumulated in these 3 years to improve further and this is the right time to rethink the business and to design a strategic path to evolve according to new challenges.
During the last months we went through a reorganisation of some key departments simplifying their architecture and reallocating functions to enable cross-functional synergies and improve effectiveness while ensuring consistent and efficient end-to-end processes management.

We have a chance now to open another 3-year cycle like the one we just finished.
My goal now is to take the Group beyond its boundaries and make it even more innovative, to capture all the most relevant opportunities that will come up.

WHAT WE'LL DO TO ENSURE OUR COMPANY WILL STAY ON THE EDGE

Re-address focus and priorities to speed-up the roollout of the most relevant and urgent customer-oriented initiatives

Make the organization even more efficient than today, creating effective connections among all Business Units

Ensure technical exellence, full scalability and secure 100% business continuity

WHAT WE'LL LEVERAGE ON TO FURHTER GAIN MARKET SHARE

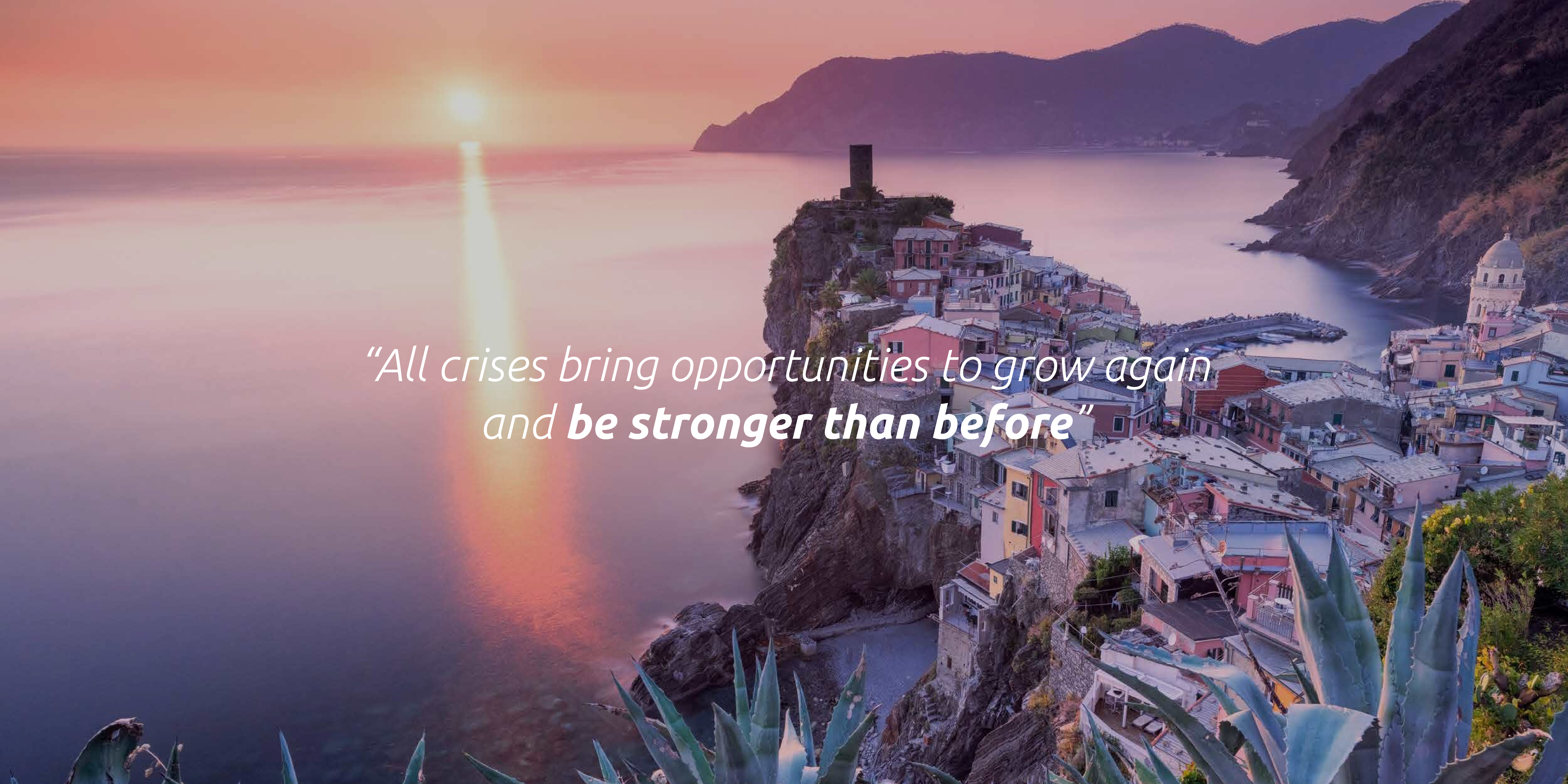
Rock-solid financial structure with more than 100M Eur cash available

Diversified and risk-mitigating value proposition

100% Digital and agile business, beneefiting from **accelerated shift from offline to online**

Inventory-free, lean-cost-based model

Building a more modern and faster organisation around the concept of smart working


“All crises bring opportunities to grow again
and ***be stronger than before****”*

A new reality: predicting what that might be like

The trend towards regional and domestic travel will accelerate

As borders close without warning and regions become epicenters of the outbreak, travellers will prioritize destinations that allow an easy return home if needed.

Lower consumption power of the middle class

Even as the wealthy flee to country homes, millions are losing livelihoods. Rising anger at the inequity combined with plummeting disposable income mean that brands can't play both sides.

Shorter trips will increase

Whether due to safety concerns, or smaller budgets, expect travelers to go on a few days' trip rather than spending one or two weeks away. Because of this, they're also less likely to see more than a few attractions, or try many restaurants.

Values will flip from image and luxury, to safety and responsiveness

Consumers no longer take basic safety regulations for granted. They'll also prioritize speed of response. Companies are being castigated for being slower to adapt things like free fare changes before customers demanded them.

Digital acceleration

Shift from offline to online, that was already happening, has been accelerated by the effects of the COVID-19 outbreak

Over protection and Flexibility

We've listened to our customers needs and they have told us that extra flexibility and peace of mind when making travel arrangements rather than price, is their biggest priority now when booking.

Our quick reaction to secure the business has been a key success factor

Assess cash flow and cut costs

From the end of February, with the increase of reported cases of COVID-19 and quarantine measures starting to be adopted in Italy and soon after followed by the other markets, the Group had to rapidly take action to control and mitigate the expected significant financial impact on business performances of such an extraordinary and disruptive event.

To do so the management started performing scenario analyses and stress tests using assumptions on the significance of the drop in bookings, the length of the period of such significantly dropped level of business activities and the recovery period.

Based on these scenarios the Group has taken a variety of measures in an effort to overtaking such a period safely while maintaining an adequate level of liquidity in the foreseeable future.

After having immediately decreased to lowest terms our marketing expenses, we started a quick and robust plan of operating costs reduction that will save €30M (approx. 35% of total fixed costs) from March to December compared to 2019, including stopping projects, overhead and

"We have been capable to secure €30M savings over fixed costs in few weeks time and get access to furlough and financing State-guaranteed mechanisms to make our business safe and ready to navigate the crisis"

Sergio Signoretti

discretionary spend as well as freezing hiring of employees, deferring salary increase and utilizing all the available supporting measures for the business community put in place by the Governments in the core markets where the Company operates.

Our business model and cost structure guarantee a strong flexibility in reacting to such kind of events.

Flexibility

- 100% digital business with a risk-mitigating business model (Transactional-OTA, META and Media)
- Flexible and agile organization, compounded by our inventory-free business model make us capable of reacting and adapting very quickly

Lean cost structure

- Variable costs represent the 75% of our cost structure
- Performance marketing and customer care operation (semi)automatically adapt to volume changes

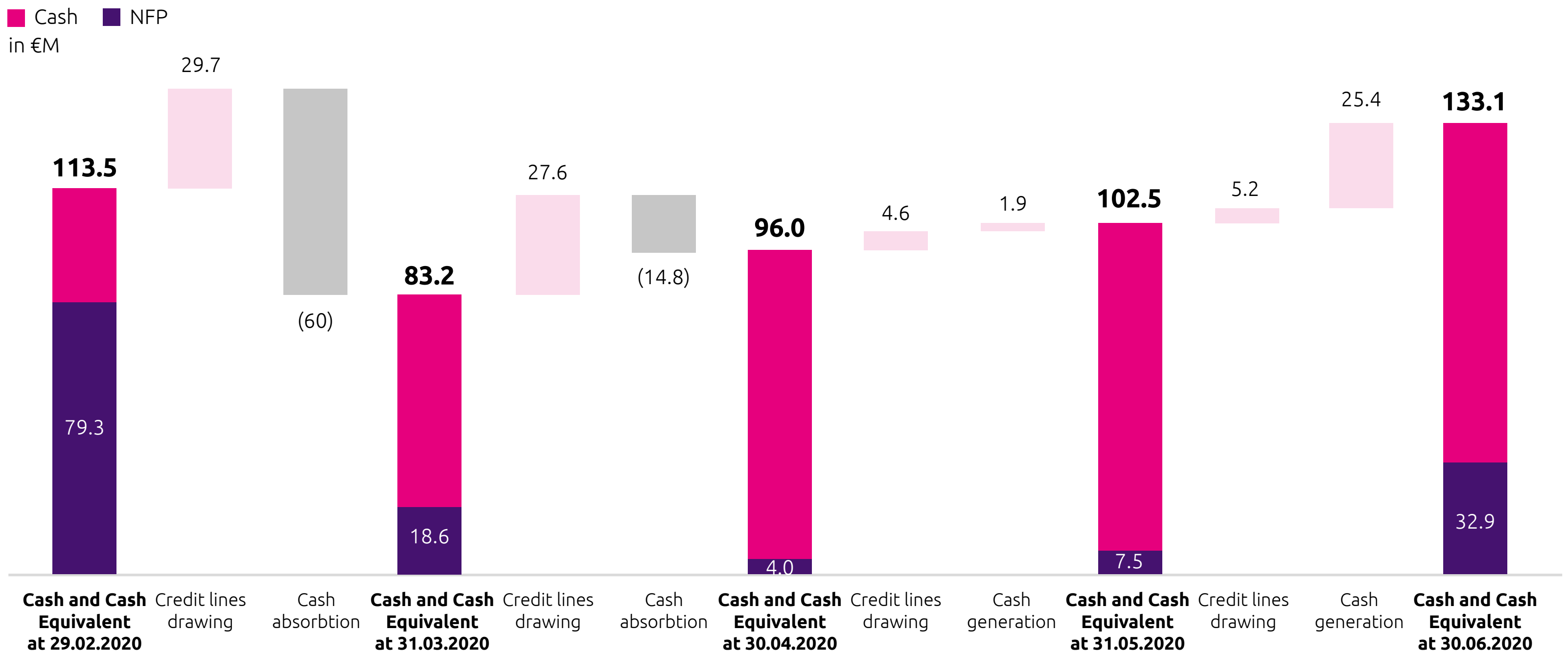
Cost reduction programs

- All offices are now working fully remote (EU+ROW)
- Corporate Social Safety Net Plan on Human Resources active in all five main countries
- Business travels, events, meetings, training and conferences put on-hold
- All recruitment is on hold, salary increase deferred with no exception
- Management bonus payment postponed
- Marketing non-performance investments frozen

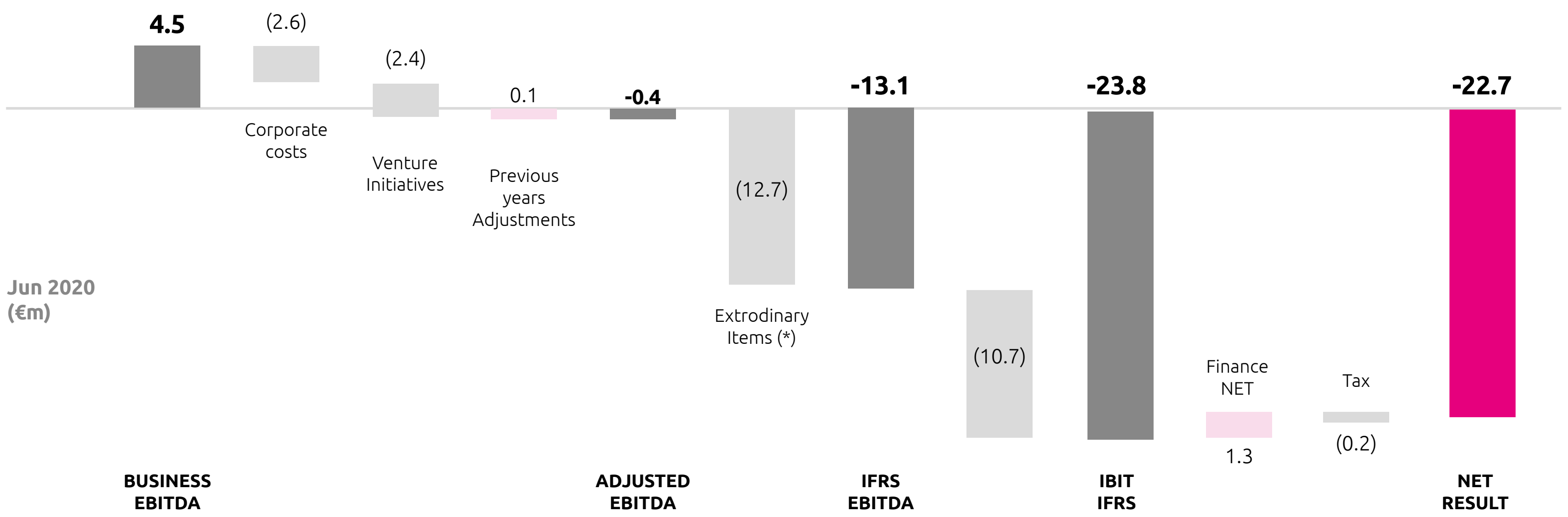
Cash protection programs

- Vouchers refund mechanism - communication campaign to the customer base
- Draw all existing unused credit lines
- Negotiate new facilities and access to government backed financings
- Renegotiate payment terms

Cash at the end of June amounts at 133M Eur, with 67M of existing/new credit lines drawn since the begin of COVID-19 impact



H1 2020 Net loss of around €23M



Jun 2019 (€m)	35.1	(3.3)	(1.1)	1.2	31.9	(1.9)	30.0	(9.6)	20.4	(1.4)	(6.8)	12.2
Delta %	-87.2%	-21.2%	>100%	-91.7%	>-100%	>100%	>-100%	+11.5%	>100%	>100%	>100%	>-100%

Consolidated financial statements
30 June 2020

Consolidated statement of profit or loss and other comprehensive income

in '000 EUR (for the six months ended 30 June)	Notes	2020	2019
Revenues	7	76,577	171,729
Marketing costs	8	(34,431)	(65,392)
Personnel costs	8	(28,041)	(34,037)
Other operating costs	8	(27,226)	(42,322)
Amortization and depreciation		(10,749)	(9,616)
Impairment		-	(27)
Operating Profit/(Loss)		**(23,870)**	**20,335**
Gains/losses from disposal of inv. and other	8	(52)	(107)
Finance income	8	2,026	1,378
Finance costs	8	(581)	(2,594)
Share of result of equity-accounted investees	8	(57)	(102)
Profit/(Loss) before income tax		**(22,534)**	**18,910**
Income tax	9	(162)	(6,782)
Profit/(Loss) for the period		**(22,696)**	**12,128**
- thereof attributable to the Shareholders of LASTMINUTE.COM NV	10	(22,065)	13,063
- thereof attributable to non-controlling interest		(632)	(935)
OTHER COMPREHENSIVE INCOME Items that will never be reclassified to profit or loss			
Remeasurements of the Employee benefits liability		(377)	272
Related tax		89	(68)
Items that will never be reclassified to profit or loss		**(288)**	**204**
Items that are or may be reclassified to profit or loss Foreign currency translation differences		(626)	(10)
Items that are or may be reclassified to profit or loss		**(626)**	**(10)**
Total other comprehensive income for the period, net of tax		**(914)**	**194**
Total comprehensive income		**(23,610)**	**12,322**
- thereof attributable to the Shareholders of LASTMINUTE.COM NV		(22,979)	13,257
- thereof attributable to non-controlling interest		(632)	(935)
EARNINGS PER SHARE			
Basic earnings per share (in EURO)	10	(2.00)	1.19
Diluted earnings per share (in EURO)	10	(2.00)	1.19

Consolidated balance sheet

in '000 EUR	Notes	30 Jun 2020	31 Dec 2019
NON CURRENT ASSETS			
Property plant and equipment	14	3,783	2,831
Right of use Assets	14	10,671	13,136
Intangible assets	14	154,640	156,009
Goodwill	5	62,579	61,229
Non current financial assets	13	1,450	1,430
Investment in equity accounted investees	14	909	966
Deferred tax assets	14	6,720	5,254
Trade and other receivables - Non current	14	186	265
TOTAL NON CURRENT ASSETS		**240,937**	**241,120**
CURRENT ASSETS			
Inventories		14	14
Current financial assets	13	3,161	1,936
Current tax assets		1,231	1,239
Trade and other receivables	14	69,264	98,229
Contract assets	14	3,212	7,727
Cash and cash equivalents	13	133,148	110,360
TOTAL CURRENT ASSETS		**210,029**	**219,505**
TOTAL ASSETS		**450,966**	**460,625**
SHARE CAPITAL AND RESERVES			
Share capital	12	117	117
Capital reserves	12	101,819	101,819
Translation reserve	12	1,378	2,004
Treasury share reserve	12	(9,108)	(9,108)
Retained earnings	12	13,217	35,330
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF LASTMINUTE.COM NV		**107,422**	**130,162**
Non-controlling interest	12	1,630	2,525
TOTAL EQUITY		**109,052**	**132,687**
NON CURRENT LIABILITIES			
Employee benefits liabilities		8,801	7,616
Long Term Financial Liabilities	13	15,154	10,982
Long Term Lease Liabilities	13	5,419	7,380
Deferred tax liabilities	14	27,788	27,198
TOTAL NON CURRENT LIABILITIES		**57,161**	**53,176**

in '000 EUR	Notes	30 Jun 2020	31 Dec 2019
CURRENT LIABILITIES			
Current provisions	14	653	904
Short Term Financial Liabilities	13	78,893	24,399
Short Term Lease Liabilities	13	5,390	5,921
Current tax liabilities		7,573	6,753
Trade and other payables	14	191,429	226,169
Contract liabilities	14	814	10,616
TOTAL CURRENT LIABILITIES		**284,752**	**274,762**
TOTAL LIABILITIES		**341,914**	**327,938**
TOTAL LIABILITIES AND EQUITY		**450,966**	**460,625**

Consolidated statement of changes in equity

in '000 EUR	Notes	Share capital	Capital Reserves	Tran-slation Reserve	Treasury Share Reserve	Retained Earnings	Equity attributable to Shareholders of LASTMINUTE.COM NV	Non-controlling interest	TOTAL EQUITY
Balance at 1 January 2020		**117**	**101,819**	**2,004**	**(9,108)**	**35,330**	**130,162**	**2,525**	**132,687**
Result for the period						(22,065)	(22,065)	(632)	(22,696)
Other comprehensive income									
- Remeasurements of the Employee benefits liability (net of tax)		-	-	-	-	(288)	(288)	-	(288)
- Foreign currency translation differences	12	-	-	(626)	-	-	(626)	-	(626)
Total other comprehensive income net of tax		**-**	**-**	**(626)**	**-**	**(288)**	**(914)**	**-**	**(914)**
Total comprehensive income net of tax		**-**	**-**	**(626)**	**-**	**(22,353)**	**(22,979)**	**(632)**	**(23,610)**
Transactions with shareholders									
- Transactions with non-controlling interests	12	-	-	-	-	240	240	(265)	(25)
Total transactions with shareholders		**-**	**-**	**-**	**-**	**240**	**240**	**(265)**	**(25)**
Balance at 30 June 2020		**117**	**101,819**	**1,378**	**(9,108)**	**13,217**	**107,422**	**1,630**	**109,052**

in '000 EUR	Notes	Share capital	Capital Reserves	Tran-slation Reserve	Treasury Share Reserve	Retained Earnings	Equity attributable to Shareholders of LASTMINUTE.COM NV	Non-controlling interest	TOTAL EQUITY
Balance at 1 January 2019		**117**	**101,819**	**1,211**	**(8,507)**	**14,713**	**109,353**	**1,941**	**111,294**
Result for the period		-	-	-	-	13,063	13,063	(935)	12,128
Other comprehensive income									
- Remeasurements of the Employee benefits liability (net of tax)		-	-	-	-	204	204	-	204
- Foreign currency translation differences	12	-	-	(10)	-	-	(10)	-	(10)
Total other comprehensive income net of tax		**-**	**-**	**(10)**	**-**	**204**	**194**	**-**	**194**
Total comprehensive income net of tax		**-**	**-**	**(10)**	**-**	**13,267**	**13,257**	**(935)**	**12,322**
Transactions with shareholders									
- Share-buy back plan and Tax effects		-	-	-	(514)	(2,492)	(3,006)	-	(3,006)
- Transactions with non-controlling interests		-	-	-	-	-	-	440	440
Total transactions with shareholders		**-**	**-**	**-**	**(514)**	**(2,492)**	**(3,006)**	**440**	**(2,566)**
Balance at 30 June 2019		**117**	**101,819**	**1,201**	**(9,021)**	**25,488**	**119,603**	**1,446**	**121,049**

Consolidated cash flow statement

in '000 EUR (for the six months ended 30 June)	Notes	2020	2019
Cash flow from operating activities			
Profit/(Loss) for the period		**(22,696)**	**12,128**
Adjustments for:			
- Amortization and depreciation		10,749	9,616
- Impairment losses on intangible and tangible assets		-	27
- Net finance result	8	(1,445)	1,216
- Gains/losses from disposal of inv, and other		52	107
- Income tax expense	9	162	6,782
- Share of result of equity-accounted investees		57	102
Change in trade and other receivables	14	29,922	(4,044)
Change in contract assets	14	4,516	568
Change in trade and other payables	14	(35,578)	35,097
Change in contract liabilities	14	(9,803)	8,605
Change in provisions	14	(251)	2,278
Change in employee benefit liability		744	153
Interest paid		(174)	(116)
Income tax (paid)/received		(540)	(2,306)
Income tax refunded		340	549
Net cash from operating activities		**(23,945)**	**70,761**

in '000 EUR (for the six months ended 30 June)	Notes	2020	2019
Cash flow from investing activities			
Purchase of property, plant and equipment	14	(1,708)	(544)
Purchase of intangible assets	14	(5,023)	(6,135)
(Acquisition)/Proceeds of subsidiaries, net of cash acquired	5	(1,576)	(598)
Payment of deferred consideration (investing)		-	(3,000)
(Acquisition) / Proceeds of financial assets	13	(782)	(30)
Net cash (used in)/from investing activities		**(9,089)**	**(10,307)**
Cash flow from financing activities			
Proceeds from borrowings	14	70,214	-
Repayments of borrowings	14	(11,926)	(11,831)
Repayments of lease liabilities	14	(3,310)	(2,795)
Share Buy back plan		-	(514)
(Acquisition) / Proceeds of non-controlling interests		(25)	(150)
Net cash (used in)/from financing activities		**54,953**	**(15,291)**
Net increase in cash and cash equivalents		**21,919**	**45,163**
Cash and cash equivalents at 1 January	13	110,360	72,871
Effects of currency translation on cash and cash equivalents		869	236
Cash and cash equivalents at 30 June	**13**	**133,148**	**118,270**

Notes to the consolidated financial statements

Note 1 - General Information

Lastminute.com N.V. (hereinafter referred to as the "Company") is a company domiciled in the Netherlands and inscribed in the Netherlands Chamber of Commerce under number 34267347. The address of the Company's registered office is Prins Bernhardplein 200, 1097 JB Amsterdam. The consolidated interim financial statements of the Company as at and for the half-year ended 30 June 2020 include the Company and its subsidiaries (together referred to as "Lastminute.com Group", the "Group", "LM Group" or "LMN" and individually as "Group entities"). The Group is an online travel player providing consumers with online tools and technologies that allow them to easily search for, compare and book flights, vacation packages and cruises, hotel accommodations, car rentals and other travel products and services.

The consolidated interim financial statements were approved for issue by the Board of Directors on 30 July 2020.

Note 2 - Basis of Preparation of Half-year Report

This condensed consolidated interim financial report for the half-year reporting period ended 30 June 2020 has been prepared in accordance with Accounting Standard IAS 34 Interim Financial Reporting. The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2019. The accounting policies adopted in the preparation of the condensed consolidated interim financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2019. A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2020 and earlier application is permitted; however, the Group has not early adopted any of the forthcoming new or amended standards in preparing these condensed consolidated interim financial statements. Several other amendments and interpretations that apply for the first time in 2020 do not have a material impact.

The condensed consolidated interim financial statements have been presented in thousands of Euros and all amounts (including totals and subtotals) have been rounded according to normal commercial practice. Thus, an addition of the amounts presented can result in rounding differences.

The condensed consolidated interim financial statements are not audited.

Use of judgments and estimates

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2019.

COVID-19

The outbreak of the Coronavirus (Covid-19) and the severe measures taken by governments are impacting on society and travel business unprecedentedly. During past months, many countries have declared state of emergency and among others issued restrictions to free movement within the countries but also across borders, airlines have suspended most of their flights and tour operators their travel operations.

The Group has performed better than the budget and than the last year figures up to the end of February 2020. The trend has reversed starting from the last week of February. Starting early March the main countries in which the Group operates have started to follow the declining trend. During past weeks, after several weeks of lockdown, many countries have reopened borders and bookings started to bounce back, even if the evolution of the pandemic, in some cases, is still unpredictable and bookings volumes figures are still lower compared to last year.

From the last week of May then, LM Group experienced a steep rebound that culminated at the end of June with a recovery of around 50% of 2019 volumes (at booking level).

The OTA flight business has been the driver of such a rebound, primarily thanks to an effective marketing and pricing strategy that enabled the Group to intercept and convert into a growing number of bookings the rising demand of travel's solutions around Europe. Hotel-only business, which – in absolute terms – counts for a small portion of the overall size of the Group business, performed very well too, reaching a number of bookings which is pretty aligned with 2019 figures at the end of the reference period.

META and Media have been affected by the significant slowdown of traffic on the Group websites but, due their very thin cost structure, they were able to limit the impact on the profit and loss.

Based on the situation as of the dates leading to the publication of the condensed consolidated interim financial statements the Group has performed scenario analyses and stress tests using assumptions on the significance of the initial drop and subsequent recovery in bookings, the length of the period of such significantly dropped level of business activities and the recovery period. The analyses cover net revenues, business EBITDA as well as the liquidity situation.

The main effects of Covid-19 on the consolidated interim financial statements are related to revenues and personnel costs. The effect on revenues is driven by cancellations due to the restrictions in flights and subsequents voucher campaigns. Cancellations collected in the last months, accounted for EUR 10.7 million with main negative effect on revenues, were fully recorded in the first half of 2020. We expect, in the second semester, to move on with the handling of the backlog and with the management of new potential cancellations, with expected much lower impact on the P&L compared with the first six months. The effect on personnel costs is driven by the benefit related to the working hours reductions plans granted by the Governments in the core markets where the Group operates for a total amount of EUR 6.5 million fully recorded in the first half of 2020.

The Group has taken a variety of measures in an effort to maintain an adequate level of liquidity in the foreseeable future based on these scenarios. These measures include: a) decisions to reduce the cost base, e.g. stopping of projects, reducing marketing non-performance and overhead spend as well as freezing hiring of employees and b) utilizing all the available supporting measures for the business community put in place by the Governments in the core markets where the Group operates, e.g. government secured financing and short-time work compensation. Overall the magnitude of the cost reduction program, including all the actions described above, will generate savings amounting around EUR 30 million on a ten month basis.

From a financial perspective, the rebound experienced in June on booking volumes has contributed to positive working capital dynamic and to higher revenue, allowing the Group to generate operating cash again.
In order to further protect the financial structure, the Group has extended seasonal credit lines, has obtained new financings from major financial institutions and is accessing government secured financing, for example in Switzerland.

Cash available stood at EUR 133.1 million and Net Financial Position reached EUR 32.9 million, from EUR 83.2 million and EUR 18.6 million respectively at the end of Q1 (EUR 102.5 million and EUR 7.5 million at the end of May 2020).

In addition, further entrepreneurial actions have been taken to secure the going concern of the Group for the foreseeable future. While uncertainties remain and it is currently not reasonably possible to estimate the future impact, based on the actions taken and described above management does not have any reason to believe that the Group is not able to continue as a going concern.

Other significant events in the current reporting period

Acquisition of HolidayIQ

On 9th January 2020, the Group finalised the acquisition of 100% of HolidayIQ Pte Ltd (HIQ), a company operating in the online travel business with focus on the Indian market. The company has control over the subsidiary Leisure and Lifestyle Information Service Pvt. Ltd, which is the company running the business. The transaction has the purpose to both complement the capabilities of the group in the "Users Generated Content" environment and explore opportunities to develop the presence of the Group in a fast-growing market like India.

Total consideration was EUR 2,031 thousand, to be paid in cash in three tranches. The first tranche of the consideration for EUR 1,632 thousand was paid at the closing date.

Joint venture with ISSTA

On 9th of June the Group and ISSTA Israel Ltd signed an agreement with the aim to constitute a Joint venture, to expand the OTA business in the middle east. The new company will focus on the distribution of flights through meta channels and will be created in July 2020. The newco will be formed in Israel. Total consideration to be paid by the Group at the incorporation date is EUR 105 thousands. At the reporting date the Company setting up still needs to be finalised.

Note 3 - Seasonality

In terms of profit and loss performance, the business of the Group does not have wide seasonality swings. Historically, revenues in the first half of the year represented about 45-50% of the total year amount vs. 50-55% in the second half. Within quarters, the second and third quarters are typically the strongest within the year. In terms of cash generation, our business shows significant higher seasonality swings, generating more cash in the months in which more travel products are booked and therefore in the first half of the year. This is particularly true for hotels, as hotels are typically paid after the guest's check-out date. Please consider that the above considerations are applicable in a stable market environment and not in an extraordinary scenario such as the one the Group is facing due to Covid-19 outbreak.

Note 4 - Financial Instruments

Financial Instruments

The following table shows the Group's financial instruments arranged according to the categories defined in IFRS 9:

in '000 EUR	30 Jun 2020	31 Dec 2019
Non-current financial assets	1,450	1,430
Current financial assets (Deposits and other)	2,931	1,936
Trade and other receivables * (Current and Non Current)	62,067	88,782
Cash and cash equivalents (excl. cash on hand)	133,114	110,339
Total financial assets measured at amortised cost	**199,563**	**202,487**
Derivatives	230	-
Total financial assets at fair value through profit and loss	**230**	**-**
Short term and long term financial liabilities	94,046	35,208
Short term and long term lease liabilities	10,810	13,301
Trade and other payables * (Current and Non Current)	177,771	208,442
Total Financial liabilities measured at amortized cost	**282,627**	**256,951**
Derivatives	-	173
Total financial liabilities at fair value through profit and loss	**-**	**173**

** "Trade and other receivables/payables" do not include credit/debit VAT position, and other non-cash items (as liabilities to employees) at 30 June 2020 and 31 December 2019*

The carrying amounts of the above listed loans and receivables including cash and cash equivalents as well as of the financial liabilities measured at amortized cost approximate the estimated fair value of these financial instruments.

Financial Liabilities reconciliation

This section sets out an analysis and the movements in financial liabilities for each of the periods presented:

in '000 EUR	1 Jan 2020	Repayments	Interest charges	Addition	Other non-cash movements	Deferred payments for acquisition	30 Jun 2020	Currency	Year of maturity	Nominal interest rate
Uncommitted bank loans / overdraft	10,034	(10,096)	189	32,355	-	-	32,482	EUR	2020 - Undefined	Quote on request
Committed bank loans	24,551	(2,004)	241	16,000	28	-	38,816	EUR	2021-2023	3% - Euribor 6m+140bps
Covid 19 government secured bank loan	-	-	16	21,354	(150)	-	21,220	EUR - CHF	2025-2026	0.5%- 1%
Other financial liabilities	623	-	-	505	-	400	1,528	Different currencies	2021	n/a
Total	**35,208**	**(12,100)**	**446**	**70,214**	**(122)**	**400**	**94,046**			

Financial liabilities are related to the opening of loans granted by top rated European financial institutions.

As of 30 June 2020, the total amount of unused available cash credit lines for the Group was EUR 40,0 million (EUR 25.3 million at 31 December 2019).

With reference to the existing covenants the Group has already secured with the related bank the availability to consider as extraordinary any potential impact of Covid-19 on the Group's balance sheet, therefore not impacting the continuity of the financing.

Measurement of fair values

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:
Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As of 30 June 2020, the Group held derivative financial instruments assets at fair value through profit or loss for EUR 230 thousand (31 December 2019: negative fair value for EUR 173 thousand).The following table shows the carrying amount of financial instruments at fair value, including the levels in the fair value hierarchy:

in '000 EUR	Fair Value			
30 June 2020	**Level 1**	**Level 2**	**Level 3**	**Total**
Derivative financial instrument assets	-	230	-	230
31 December 2019				
Derivative financial instrument liabilities	-	(173)	-	(173)

There were no transfers among the Fair Value Levels during the period and no changes in valuation techniques during the period.

As of 30 June 2020 the Group did not hold investments funds. (Nil amount as of 31 December 2019).

Note 5 - Business Combinations

Financial year 2020

Acquisition of HolidayIQ Pte Ltd
On 9th January 2020, the Group finalised the acquisition of 100% of HolidayIQ Pte Ltd. Total consideration was EUR 2,031 thousand, to be paid in cash in three tranches. The first tranche of the consideration for EUR 1,632 thousand was paid at the closing date. Moreover, the company has control over the subsidiary Leisure and Lifestyle Information Service Pvt. Ltd, which is the company running the business.

As of the date of approval of these condensed consolidated interim financial statements the purchase price allocation process has not been completed yet. In accordance with IFRS 3, the allocation process will be completed within a period not exceeding one year from the acquisition date. Management expects that further intangible assets will be identified during the process. As at 30 June 2020 the purchase consideration is higher than the provisional fair values of net assets and liabilities acquired, therefore it has been recognised a Goodwill of EUR 1,368 thousand that is subject to change following the completion of the purchase price allocation.

The following table summarises the consideration paid to HolidayIQ Pte Ltd, and the amount of the assets acquired and liabilities assumed recognised at the acquisition date:

Amounts in Eur thousand	HolidayIQ
Consideration	**January 2020**
Cash	1,632
Future fixed consideration	399
Total consideration paid in cash	**2,031**
Property plant and equipments	15
Trade and other receivables	877
Trade and other payables	(838)
Employee liability	(63)
Cash and cash equivalents	55
Financial assets	233
Other assets	38
Capitalized external development costs	463
Deferred tax liabilities	(116)
Book value of total identifiable net assets acquired	**663**
Provisional Goodwill	1,368
Total consideration	**2,031**

Note 6 - Segment Information

As defined by IFRS 8, an operating segment is a component of an entity:

- that engages in business activities from which it may earn revenues and incur expenses;
- whose operating results are regularly reviewed at the entity's chief operating decision maker;
- for which discrete financial information is available.

Management is determining operating segments based on the information reviewed by the Group CEO.

On this basis, the Group has defined the following operating segments:

- **OTA ("Online Travel Agency")**, which represents the core and traditional business of the Group.
- **Meta-search**, which includes the business generated in our websites focused on directing traffic, in exchange for a commission, to the sites of OTAs and airlines and other direct providers.
- **Media**, which operates as a seller of web based advertising spaces and media contents primarily on the TP proprietary OTA platforms and web sites and, to a lesser extent, on third party partners available spaces.
- **Other segments**, which includes the other businesses and ventures that individually and collectively do not constitute a separate operating segment.

Other information that is not reportable has been combined and disclosed within "non reconciling items" which mainly includes head office costs that cannot be allocated to CGUs.
The Group CEO assesses the performance of the operating segments based on a measure of Adjusted EBITDA:

in '000 EUR	30 Jun 2020						30 Jun 2019					
	OTA	Metasearch	Media	Other segments	Non reconciling items	Total	OTA	Metasearch	Media	Other segments	Non reconciling items	Total
Consolidated Revenues	**61,015**	**10,170**	**4,486**	**906**	**-**	**76,577**	**134,581**	**21,392**	**11,306**	**4,450**	**-**	**171,729**
Total Revenues	64,863	10,991	4,486	1,080	-	81,420	143,954	23,359	11,306	4,634	-	183,253
Intersegment Revenues	(3,848)	(821)	-	(173)	-	(4,842)	(9,373)	(1,967)	-	(184)	-	(11,524)
Consolidated EBITDA Adjusted*	**4,768**	**1,071**	**(1,575)**	**(2,057)**	**(2,604)**	**(397)**	**31,400**	**5,700**	**(800)**	**(1,100)**	**(3,300)**	**31,900**
Bonuses						-						(858)
Costs related to acquisition and integration of subsidiaries						(752)						(2,235)
Litigation, restructuring and other costs/income incidental to operating activities						(3,170)						(1,792)
Cancellations impact						(12,112)						-
IFRS 16						3,310						2,936
Depreciation, Amortization and impairment						(10,749)						(9,616)
Profit before Interest and Income Tax						**(23,870)**						**20,335**

** The Group defines "Adjusted Ebitda" as Ebitda (Profit before interest and income tax plus depreciation and amortization) adjusted for the effects of stock option plans and income and costs considered by management as incidental to operating activities, such as those related to acquisitions, litigations and restructuring.*

Note 7 - Revenues

In the first six months of 2020, total revenues decreased by EUR 95,152 thousand, or -55.4% to EUR 76,577 thousand from EUR 171,729 thousand in the same period of 2019.

in '000 EUR	30 Jun 2020	30 Jun 2019
Revenues from sale of travel sevices	47,623	119,413
Revenues from advertising sevices	4,410	11,059
Revenues from premium number	113	7
Revenues from ancillaries	23,957	40,758
Other Revenues	473	492
Total	**76,577**	**171,729**

In the following tables, revenues are disaggregated by primary geographical market and major products/service lines. The tables also include a reconciliation of the disaggregated revenues with the Group's three strategic divisions, which are its reportable segments:

in '000 EUR	30 Jun 2020				30 Jun 2019			
	OTA	Metasearch	Media	Other segments	OTA	Metasearch	Media	Other segments
FR	12,558	2,393	464	24	28,274	6,763	1,067	94
IT	8,057	410	678	370	21,249	1,591	1,690	2,523
UK	9,255	633	1,509	6	32,365	1,468	3,460	13
ES	5,735	303	589	176	14,962	1,907	1,181	528
DE	11,106	269	486	1	19,679	1,473	614	116
Other	14,304	6,162	761	329	18,052	8,190	3,294	1,175
Total	**61,015**	**10,170**	**4,486**	**906**	**134,581**	**21,392**	**11,306**	**4,450**

in '000 EUR	30 Jun 2020				30 Jun 2019			
	OTA	Metasearch	Media	Other segments	OTA	Metasearch	Media	Other segments
Flight	39,904	-	-	-	68,062	-	-	-
Dinamic Package	14,060	-	-	-	39,377	-	-	-
Hotel	2,250	-	-	-	7,799	-	-	-
Tour Operator	2,258	-	-	63	15,100	-	-	1,416
Selfcatering	238	-	-	-	459	-	-	-
Cruise	-	-	-	843	-	-	-	3,034
Experiences	351	-	-	-	824	-	-	-
Car	70	-	-	-	281	-	-	-
Media	-	-	4,486	-	-	-	11,306	-
Co-Marketing	1,495	-	-	-	2,379	-	-	-
Other	388	-	-	-	300	-	-	-
Metasearch	-	10,170	-	-	-	21,392	-	-
Total	**61,015**	**10,170**	**4,486**	**906**	**134,581**	**21,392**	**11,306**	**4,450**

Note 8 - Other Costs

Marketing costs
Marketing costs decreased by EUR 30,961 thousand (-47.3%) from EUR 65,392 thousand in the first half-year 2019 to EUR 34,431 thousand in the first half-year 2020 mostly as a result of revenue contraction. The non variable portion of marketing costs has been frozen following the costs protection plan put in place by the Group's management.

Personnel costs
Personnel costs decreased by EUR 5,996 thousand (-17.6%) from EUR 34,037 thousand in the first half-year 2019 to EUR 28,041 thousand in the first half-year 2020.
The decrease is driven by the working hours reduction compensation measures granted by the Governments in the core markets where the Group operates for a total amount of EUR 6,440 thousands. This reduction is partially compensated by the headcount increase in the second half of 2019 (from 1,175 in the first half-year 2019 to 1,417 at year end 2019).
Personnel costs as a percentage of revenues increased in 2020 compared to 2019 (36.6% vs 19.8%).

Other operating costs
Other operating costs decreased by EUR 15,096 thousand (-35.7%) from EUR 42,322 thousand in the first half-year 2019 to EUR 27,226 thousand in the first half-year 2020.
The costs decrease is mainly driven by lower Credit Card Processing Fee (EUR -5,508 thousand), services costs (EUR -3,270 thousand), Call Center Operation Costs (EUR -2,338 thousand) and IT Fix Costs (EUR -1,565).
The reduction in fixed costs is mostly due to all the actions put in place to offset the effect of the crisis.

Net Financial result
The net financial result increased EUR 2,761 thousand (>100 %) from EUR -1,425 thousand in the first half-year 2019 to EUR 1,336 thousand in the first half-year 2020.

in '000 EUR	30 Jun 2020	30 Jun 2019	Delta	Delta %
Gains/losses from disposal of inv. and other	(52)	(107)	55	-51.2%
Net interest effects	(548)	(474)	(74)	15.6%
Net FX Exchange effects	2,026	(934)	2,960	-316.9%
Other	(33)	192	(225)	-117.3%
Share of result of equity-accounted Investees	(57)	(102)	45	-44.5%
Net financial result	**1,336**	**(1,425)**	**2,761**	**-193.7%**

Net FX exchange effects increased by EUR 2,960 thousand, from EUR -934 thousand in 2019 to EUR 2,026 thousand in the first half-year 2020, due to the revaluation of assets held in British Pound against the Euro and for the revaluation of fx derivatives instruments held by the Group.

Foreign exchange impact
The Group's exposure to movements in foreign currencies affecting its results, as expressed in Euro.
Below a table summarising the key figures:

	30 Jun 2020	Average to 30 June 2020	30 Jun 2019	Average to 30 June 2019
1 CHF	1.07	1.06	1.11	1.13
1 GBP	0.91	0.87	0.90	0.87
1 INR	84.62	81.70	78.52	79.12
1 USD	1.12	1.10	1.14	1.13

Starting from March 2020 the British Pound dropped sharply in value.
The depreciation of the GBP has led to a positive impact in the Consolidated profit and loss of about EUR 1.6 million. The Group also registered a positive effect of EUR 0.4 million on derivatives.

Note 9 - Taxes

Tax expenses are recognized based on management's best estimate of the weighted-average annual income tax rate expected for the full financial year multiplied by the pre-tax income of the interim reporting period.

The Group's interim consolidated income taxes charge amounted to EUR 162 thousand as at 30 June 2020, compared with EUR 6,782 thousand at the end of June 2019 with a decrease of EUR 6,620 thousand.

As of 30 June 2020 management recognised deferred tax assets on losses of the period for EUR 2,729 thousands based on its estimates of future taxable profits. Management considers it probable that future taxable profits will be available against which such losses can be used. During the period deferred tax assets on losses carried forward have been released for a total amount of EUR 1,348 thousands which have been considered no longer recoverable.

Note 10 - Earnings per Share

Basic earnings per share

The table below shows basic earnings per share for the first half of 2020 and 2019:

in '000 EUR (for the six months ended 30 June)	2020	2019
Profit/ (Loss) for the period attributable to the shareholders of LMN Group NV (in EURO/000)	(22,065)	13,063
Weighted-average number of ordinary shares outstanding during the year (in thousand)	11,012	10,942
Basic earnings/(loss) per share (in EUR)	**(2.00)**	**1.19**

The denominator used in the above computation has been calculated in the following way:

Number of shares	2020	2019
Issued ordinary shares at 1 January	11,664	11,664
Treasury shares hold	(652)	(722)
Ordinary shares outstanding at 1 January	**11,012**	**10,942**
Effect of cancellations of the year	-	-
Effect of shares buy back of the year	-	-
Weighted-average number of shares (Basic) at 30 June	**11,012**	**10,942**

Diluted earnings per share

The table below shows diluted earnings per share for the first half of 2020 and 2019:

in '000 EUR (for the six months ended 30 June)	2020	2019
Profit/ (Loss) for the period attributable to the shareholders of LMN Group NV (in EURO/000)	(22,065)	13,063
Weighted-average number of ordinary shares outstanding during the year (in thousand)	11,012	10,942
Diluted earnings/(loss) per share (in EUR)	**(2.00)**	**1.19**

The denominator used in the above computation has been calculated in the following way:

Number of shares	2020	2019
Weighted-average number of ordinary shares (Basic)	11,012	10,942
Effect of share options in issue	-	-
Weighted-average number of shares (Diluted) at 30 June	**11,012**	**10,942**

Note 11 - Share-Based Payment Arrangements

Employee share option plan

No employee share option plans are in place as of 30 June 2020 and 30 June 2019.

Cash settled share-based plan

On 26 March 2015, the Group established a cash-settled share-based payment arrangement. Directors and selected key employees were offered the opportunity to participate. Further information of the terms of the plan can be found in the Group's 2016 year end consolidated financial statements. As at 30 June 2020, the liability recorded in relation to the cash settled obligation in relation to the plan amounted to EUR 1,784 thousand (year end 2019: EUR 1,370 thousand), while the receivables recorder in relation to the financing part granted to limited partners amounted to EUR 962 thousand (year end 2019: EUR 1,453 thousand).

The liability value was assessed taking into consideration the fair value of the underlying shares considering the vesting period of 4 years and other conditions, as well as the required interest payable on the company's portion of the contribution. The Group re-measures the liability at each subsequent reporting date in order to be consistent with the IFRS.

Being the shares purchased under the terms of the plan exclusively Lastminute.com Group shares, the overall value of the Group divided by the number of such shares can clearly represent the present value of the investment plan.

Note 12 - Shareholders' Equity

The table below shows Shareholders' Equity as of 30 June 2020 and 31 December 2019:

in '000 EUR	30 Jun 2020	31 Dec 2019
Share capital	117	117
Capital reserves	101,819	101,819
Translation reserve	1,378	2,004
Treasury share reserve	(9,108)	(9,108)
Retained earnings	13,217	35,330
Equity attributable to shareholders of LASTMINUTE.COM NV	**107,422**	**130,162**
Non-controlling interest	1,630	2,525
Total Equity	**109,052**	**132,687**

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the Group's subsidiaries with functional currencies different from the presentation currency (EUR).

Treasury share reserve

The reserve for the Group's treasury share comprises the cost of the shares held by the Lastminute.com Group. As of 30 June 2020, the Group held 648 thousand shares for the total value of EUR 9,108 thousand (648 thousand shares as of 31 December 2019). The Group did not perform any bought or selling of treasury shares in the period.

Retained Earnings

Retained earnings as of 30 June 2020 amounted to EUR 13,217 thousand (31 December 2019: EUR 35,330 thousand) and contain the profit relating to the current period and previous years accumulated net profits generated by the Group and not distributed to shareholders as well as amounts booked in relation to the remeasurements of the employee benefits liabilities and share-based payments.

Dividends

During the first half of 2020 and 2019 no dividends were paid by the Group.

Capital management

The capital managed by the Company consists of the consolidated equity. The Group's goal is to maintain a strong capital base so as to sustain future development of the business and to maximize long-term shareholder value.

Non controlling interests

The difference on Non controlling interests, from EUR 2,525 thousand in 2019 to EUR 1,630 thousand in 2020 is mainly related to these effects:

- The loss of the period pertaining to Non controlling interests for EUR (632) thousand;
- In 2020 the Group increased its percentage of participation to the share capital of a NCI. As a consequence, the Group also increased its participation to the previous years losses for EUR (265) thousand.

Note 13 - Net Financial Position

The table below represents the net financial position for the Group as of 30 June 2020 and 31 December 2019:

in '000 EUR	30 Jun 2020	31 Dec 2019
Current financial assets	3,161	1,936
Cash and cash equivalents	133,148	110,360
Short Term Financial Liabilities	(78,893)	(24,399)
Short Term Lease Liabilities	(5,390)	(5,921)
Net Financial Position within 12 months	**52,026**	**81,976**
Non current financial assets	1,450	1,430
Long Term Financial Liabilities	(15,154)	(10,982)
Long Term Lease Liabilities	(5,419)	(7,380)
Net Financial Position over 12 months	**(19,123)**	**(16,932)**
Total Net Financial Position	**32,904**	**65,044**

The Net Financial Position for the Group was respectively EUR 32,904 thousand at 30 June 2020 and EUR 65,044 thousand at 31 December 2019.

Cash and cash equivalents increased during the first six months of 2020 due to new financings granted by financial institutions that have compensated the absorption of cash driven by the change in net working capital heavily affected by the cancellations effects.

For further information please refer to the Consolidated Cash flow statement and the comment on Group's trade position included in the Note 14 - Balance sheet.

Group's financial liabilities have been affected by new financing obtained and credit lines drawn in the first six months of the year.

Note 14 - Balance Sheet

In the first six months of the year compared with year-end 2019, Intangible Assets decreased by EUR 1,369 thousand (-0.9%) from EUR 156,009 thousand to EUR 154,640 thousand. The additions of the period, mainly represented by internal development costs, have been compensated by the amortisation throughout the first six months of the year.

Following the contraction of the business due to the Covid-19 pandemic which has also affected the share price of the Group, top management decided to perform an impairment analysis for the CGUs that contain material indefinite life intangible assets and goodwill as of 30 June 2020.

The impairment test was based on an estimate of value in use and did not result in any recognition of impairment losses in the consolidated financial statements as of 30 June 2020.
The exercise will be repeated at the end of 2020.

Property plant and equipment increased by EUR 952 thousand (33.6%) mainly due to additions of the period.

Right-of-use assets decreased by EUR 2,465 thousand (-18.8%) mainly due to depreciation of the first six months of the year partially off-set by the net effects of the additions and the disposal of contracts during the period.

Investment in equity accounted investees decreased by EUR 57 thousand (-5.9%) from EUR 966 thousand to EUR 909 thousand.

Deferred tax assets increased by EUR 1,466 (27.9%) thousand from EUR 5,254 thousand to EUR 6,720 thousand mainly due to the combined effect of the release and the recognition of deferred tax on losses carried forward.

For further information about the movements in Financial Assets (current and non-current) and Cash and cash equivalents please refer to the Consolidated Cash Flow Statement for the six months ended 30 June 2020 and Note 13.

The Group's net negative trade position, which is the net amount of trade and other receivables, contracts assets, trade and other payables and contract liabilities, decreased by EUR 10,981 thousand (-8.41%) from EUR -130,564 thousand as of 31 December 2019 to EUR -119,583 thousand as of 30 June 2020 mainly due to the the lower volumes after the outbreak of Covid-19.

After cancellations of the bookings in relation to the Covid-19 restrictions, as of 30 June 2020 the Group has still an exposure towards Airlines companies for about EUR 29 million booked as trade receivables. The effect of the cancellations has also impacted the liabilities to the Group's customers for travel vouchers issued but not yet used for an amount of EUR 54.0 million as of 30 June 2020 (EUR 3.1 million as of 31 December 2020).

During the first six months of 2020 the Group has recognised further EUR 1.4 million of Bad debt provision to face risk related to receivables especially towards airlines and media partners.

Long term financial liabilities, amounting to EUR 15,154 thousand, include the non current portion of the borrowings received during the first half of 2020. For more information see Note 13.

Current provision decreased by EUR 251 thousand from EUR 904 thousand as of 31 December 2019 to EUR 653 thousand as of 30 June 2020 mainly due to the reduction in provision for fraudulent credit card transactions.

Short term financial liabilities increased by EUR 54,494 thousand from EUR 24,399 thousand to EUR 78,893 thousand. For more information see Note 13.

Long and short-term lease liabilities decreased by EUR 2,491 thousand (-18.7%) mainly due to repayments during the first six months of the year partially off-set by the net effects of the additions and the disposal of contracts during the period.

Note 15 - Subsequent Events

No subsequent events occurred since 30 June 2020, which would change the financial position of the Group or which would require additional disclosures in these consolidated interim financial statements.

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