Interim report

2021

lm group

lastminute.com

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Uniquely positioned to ride the wave of recovery

COVID19 has led to structural changes in the travel industry, speeding up digital adoption and customer interaction via online channels.

lm group, thanks to its **technology-driven DNA** and its **leadership position in the holiday sector**, is best fit to ride favourable dynamics in a €300bn European travel market.

Fully licensed and bonded to sell holiday packages with proper customer protection in the five main EU countries, and in other nine markets.

Clear competitive advantages, a reduced cost base and a lean organisation - further optimised during the crisis - **will generate improved results** when the recovery will definitively materialize and traction for sustainable and fast-paced growth in the long run.

A new managerial reporting structure has been adopted to simplify the reading of the Company's numbers

A reinforced Board of Directors will support the Company's next evolution phase in the new normal.

lm holding CEO’s letter

Dear shareholders,
I'm happy to open our 1H2021 Interim Report with good news coming from the business.

June showed an encouraging trend of growing economics, boosted by a recovery in travel demand.

The travel industry always demonstrates its resilience and elasticity.
As soon as countries let people travel, people were ready and willing to book much-needed holidays.We are positioned in the fastest recovering segment of a huge market that worth more than €1.2 trillion worldwide and €300 billion in Europe.
We want to make holidays relevant, affordable and easy to book. To do that we have strategically invested in highly sophisticated technology since the time of the IPO.
This brought a steep trajectory of growth for our Dynamic Holiday Packages business that, together with our Digital Tour Operator offering, now counts for 70% of the contribution margin of the Company.

Our distinctive proposition in Holiday Packages makes lm group the European leader in this field, as well as poised to capture even more new business flowing from the classical offline-channel Tour Operators, something we were already doing prior to COVID outbreak.
January 2020 saw a clear sign of this trend, with the highest number of bookings ever made in just one month in the Group's history, which occurred just after the failure of Thomas Cook in November 2019.
Now that digitalisation has been significantly accelerated, we can further benefit from such a trend and our competitive strengths.

A new Board of Directors has been nominated by the Annual General Meeting of Shareholders in June. This followed the departure of Marco Corradino, after leading the entire Group through four years, in which he oversaw a successful turnaround and reorganisation of the entire Group. And also my friend Ottonel Popesco who passed away unexpectedly in June. I want to truly thank both for all they did for the group. I'd also like to thank Ms. Anna Gatti for the support and the active role played in these years that culminated with the great 2019 performance.

I want to welcome our new Directors that soon perceived the potential behind our plan of growth and the possibility to create sustainable value in the long-run.

COVID has asked a heavy toll to the travel industry and also caused structural changes in the landscape. All of these changes might translate into great opportunities that, as a technology-driven Company, we can effectively address and benefit from. It is only a matter of time to see the market recovering up to the 2019 levels and then start growing again.

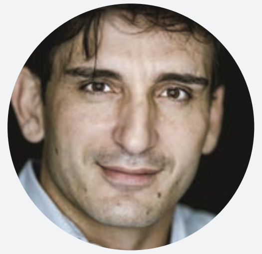
Despite remaining uncertainties about next months market evolution, due to possible impact of new variants, we remain optimistic and confident that lm group will be capable of effectively riding the recovery when it will definitively materialize, as proven by June results.

Fabio Cannavale
lm holding CEO

A reinforced BoD that will bring the needed business and financial expertise to support the Company's growth plans going forward

Non-Executive directors

New Board Members



Laurent Foata
Non-executive Chairman

Heading Ardian's Growth team, in charge of private equity investments in fast growing European companies. He has worked on more than 80 private equity transactions and has over 20 years of experience in the industry.

Javier Perez Tenneza
Non-executive Director

Founder and former Chairman and CEO of eDreams ODIGEO (EDR). He led the Company from 1999 to the IPO in 2014.

Roberto Italia
Non-executive Director

Active in private equity for over 25 years with Warburg Pincus, Henderson Private Capital and, more recently, with Cinven. In 2013 he launched Red Black Capital and co-founded Space Holding. He is CEO of Verlinvest SA and Chairman of Avio SpA.

Paola Garzoni
Non-executive Director

Founder and CEO of LaSeven Inc., a real estate service company in New York City, focused on alternative accommodations.

Massimo Pedrazzini
Non-executive Director

Attorney at law, Chairman of the Board of Directors of Sterling Strategic Value Fund SICAV-RAIF SA, Luxembourg and of Fidinam Group Holding SA, Lugano (Switzerland).

Executive directors

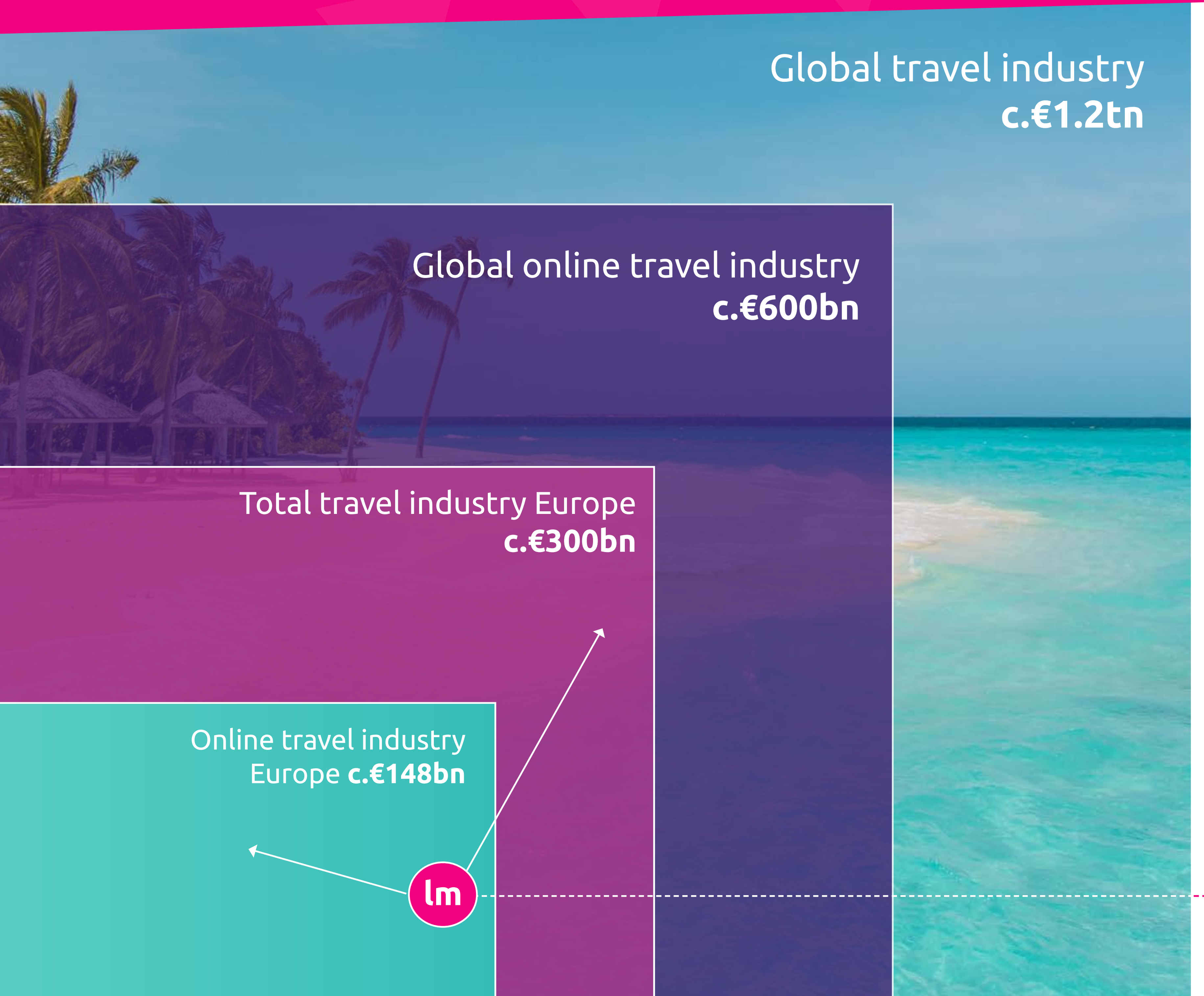
Fabio Cannavale
Executive Director, lm holding CEO

He co-founded Volagratis with Marco Corradino in 2004. He started his career as a Consultant, working between 1989 and 1996 for A. T. Kearney and McKinsey & Company. Between 1996 and 1998, he launched The Floating Village in Venezuela, an innovative concept of a holiday village built on boats. From 1999 to 2001 he was part of the management team of eDreams.

Andrea Bertoli
Executive Director, lm holding COO, lm group CEO

He spent seven years at McKinsey & Company. In 1999 he launched eDreams in Italy with Fabio Cannavale and was appointed Vice President Strategic Development and Board Member of eDreams Inc. He joined Bravofly Rumbo Group, in 2012 as Head of New Business Development. Since 2014 his focus has been growing (organically and via acquisitions) the Travel & Leisure business. In March 2019 was promoted Chief Operating Officer and one year later Managing Director OTA.

lm group is addressing a gigantic, fast-growing, fragmented market with the potential to capture new customers from the offline space



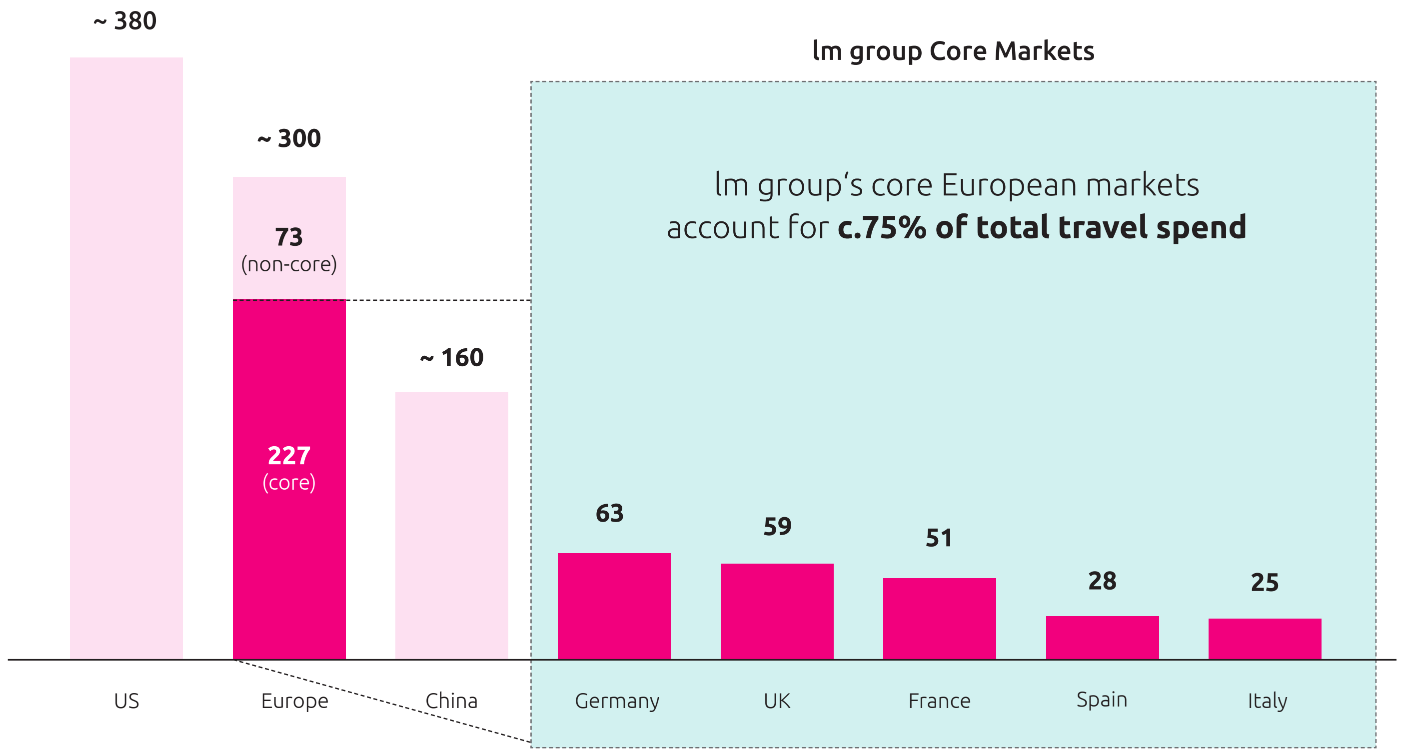
- **Travel & Tourism was one of the fastest growing sectors in the last decade,** accounting for one in four new jobs created worldwide over the last five years
- **Digitisation and innovation** offer tremendous upside for Travel & Tourism's growth with **online penetration continuing to progress with around 50%** of EU bookings made online prior to COVID and accelerated pace registered during the pandemic
- **The EU market is still very fragmented with the top 10 players counting for less than a 20% combined share,** thus resulting in ample consolidation opportunities and further potential for increasing share of voice

Huge opportunity to further gain market-share confirming pre-covid overperformance*

Source: Elaboration on European Online Travel Overview (Phocuswright,). Data reflecting TTV of 38 top countries globally. Pre COVID figures.
* lm group grew 5x faster vs market average in the Dynamic Holiday Packages business, from 2015 to 2019

Featuring a leading position in the biggest EU Countries showing grater upside potential due to accelerated shift to online

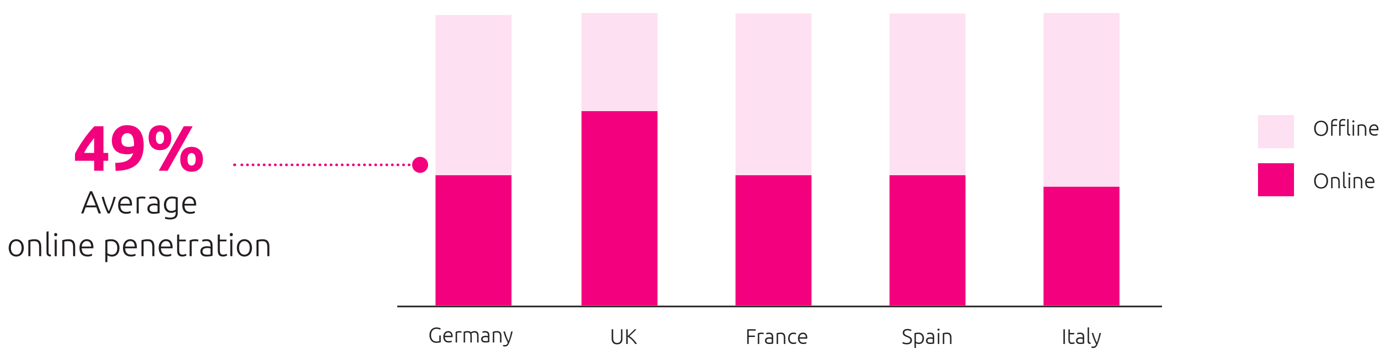
Travel market spend pre-covid (€bn)



- lm group operates in **the largest of the European travel markets**
- Across lm OTA's core markets **c.50% of spend is online** having increased by c.8% since 2014
- **Online penetration is forecast to further increase** boosted by COVID consequences

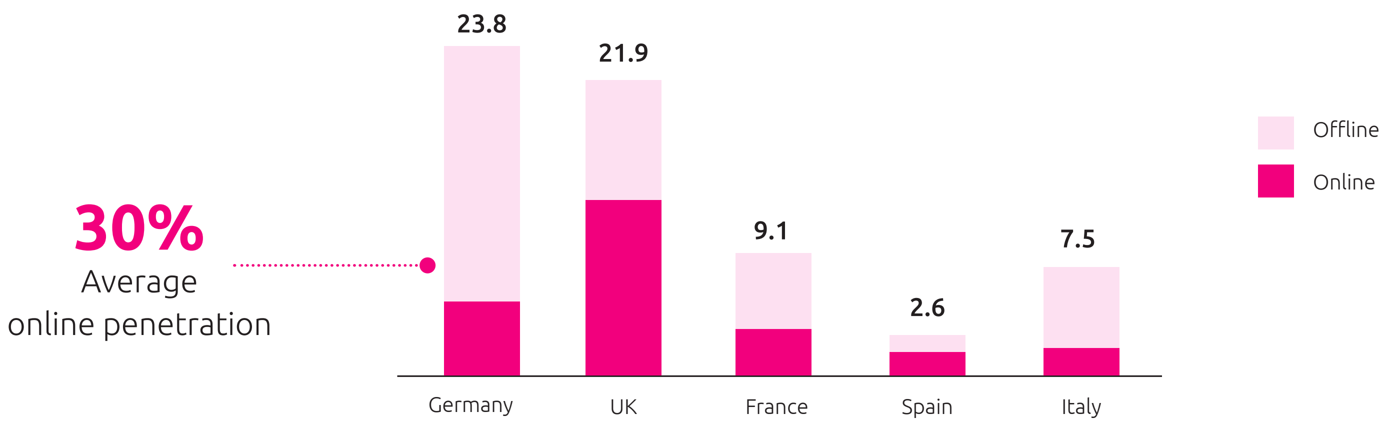
Significant headroom in further transition to online

Online / offline share of Total Travel spend



Low online share in holiday packages represents an upside opportunity

Online / offline share of Holiday packages spend and size of the respective markets



Source: Elaboration on European Online Travel Overview (Phocuswright,).

lm group CEO's letter

June results confirm that leisure travel demand will quickly recover as soon as travel restrictions are lifted and that we are best fit to capture the recovery. Travel is a natural attitude of human beings. Leisure and travelling is what people look for, after more than 12 months of difficulties, lockdowns and uncertainties.

Until April indeed, strict travel restrictions impacted travel demand and the performance of the first semester 2021. Once these restrictions progressively eased across many Countries in Europe, we started seeing a strong rebound in the demand which led to positive results in June, when we generated net income in line with pre-covid level despite lower booking volumes (-31% vs. June 2019).

The pandemic led to a structural change in people's behaviour and approach to many aspects of their lives. Digitalisation grew dramatically, boosting the usage of online services not only in eCommerce but in all the sectors of the economy, from education to entertainment and public services. Digital adoption has been accelerated by at least 3 years, compared to the trajectory forecasted prior to the pandemic. This is particularly true for online travel that reported a +38% share growth in the six months prior to April 2021. Such a steady and accelerated shift from offline to online is a no-return trend and market researchers say that travel is first, by far, as the industry where the usage of digital channels will be top-of-mind for everyone in the future.

Even if the worst of the crisis has been put behind us, thanks to the good progress of the vaccination campaigns across Europe, we will likely continue to face challenging market conditions in the near future. Governments across Europe are concerned by the spread of new variants and are reintroducing travel restrictions. Many people are postponing their decisions to book their vacations and many will decide to stay close to home also this summer. The recovery will take some time to bring the total travel market at pre-COVID levels, but we expect booming demand for online leisure travel as soon as travel restrictions are lifted.

With all this in mind, we have even further sharpened our focus on high-value more-profitable business (in June 2021 more than 70% of the total OTA contribution margin has been generated by non flight categories) and we continue to carefully manage our cost base. Once the conditions are there, we are ready to leverage the distinctive strengths of our business model (ie. competitive advantages in technology, well differentiated geographical footprint, unique competitive positioning in Dynamic Holiday Packages, operating leverage and strong balance sheet) to ride the recovery.

I am confident that lastminute.com group is very well positioned to navigate next month's uncertainties and to build a solid market leadership in the European online leisure travel, one of the most attractive segments of the travel industry.

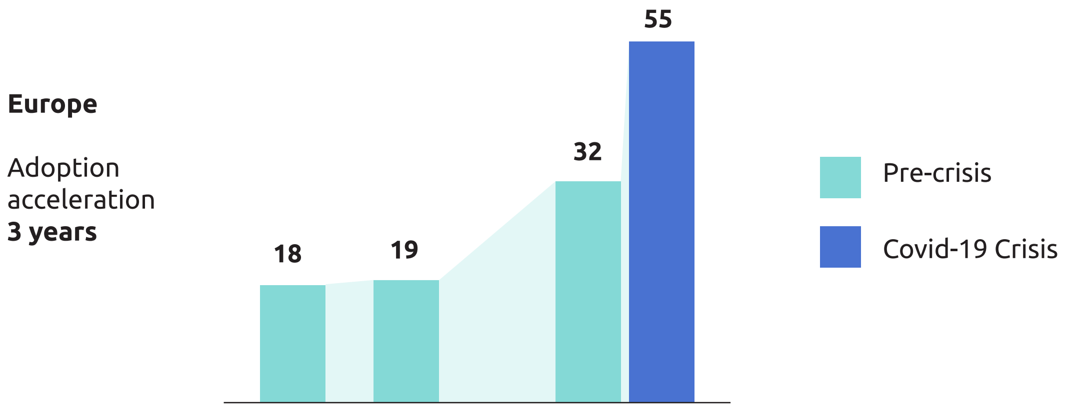
Andrea Bertoli
lm group CEO

Consumers are embracing digital more than ever

DURING THE CRISIS

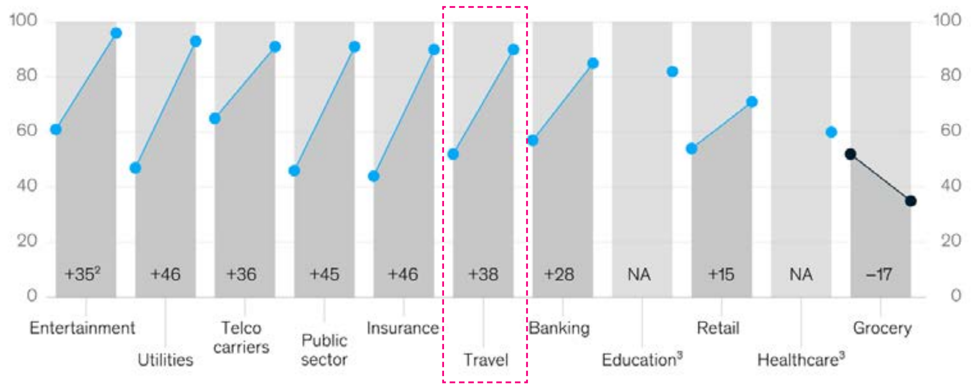
The COVID-19 crisis has accelerated the digitisation of customer interactions by several years

***Average share of customer interactions that are digital,** %*



Digital adoption grew in Europe and the United States in the six months prior to April 2021

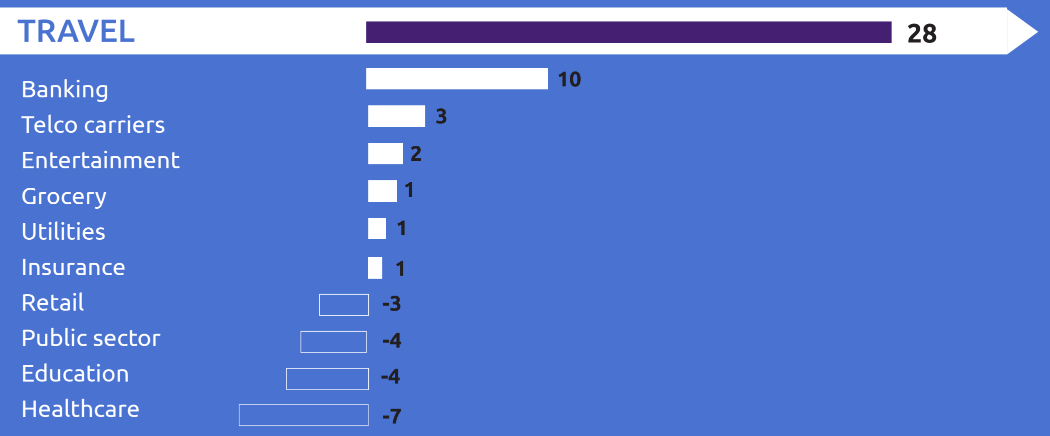
***Digital adoption by industry in Europe and US,** %*



POST COVID-19

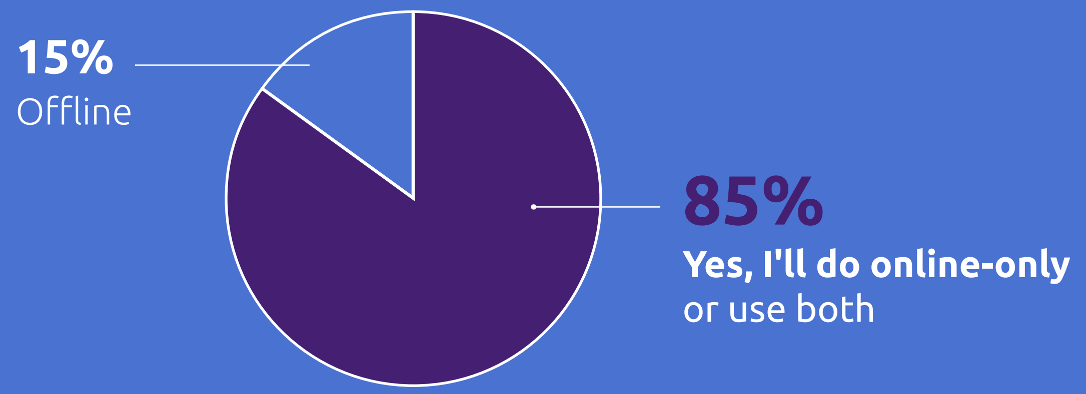
In most industries, Consumers say they will use digital channels more often once the COVID-19 pandemic ends with travel at the top

***Frequency of expected use after the COVID-19 pandemic ends,** percentage-point change*



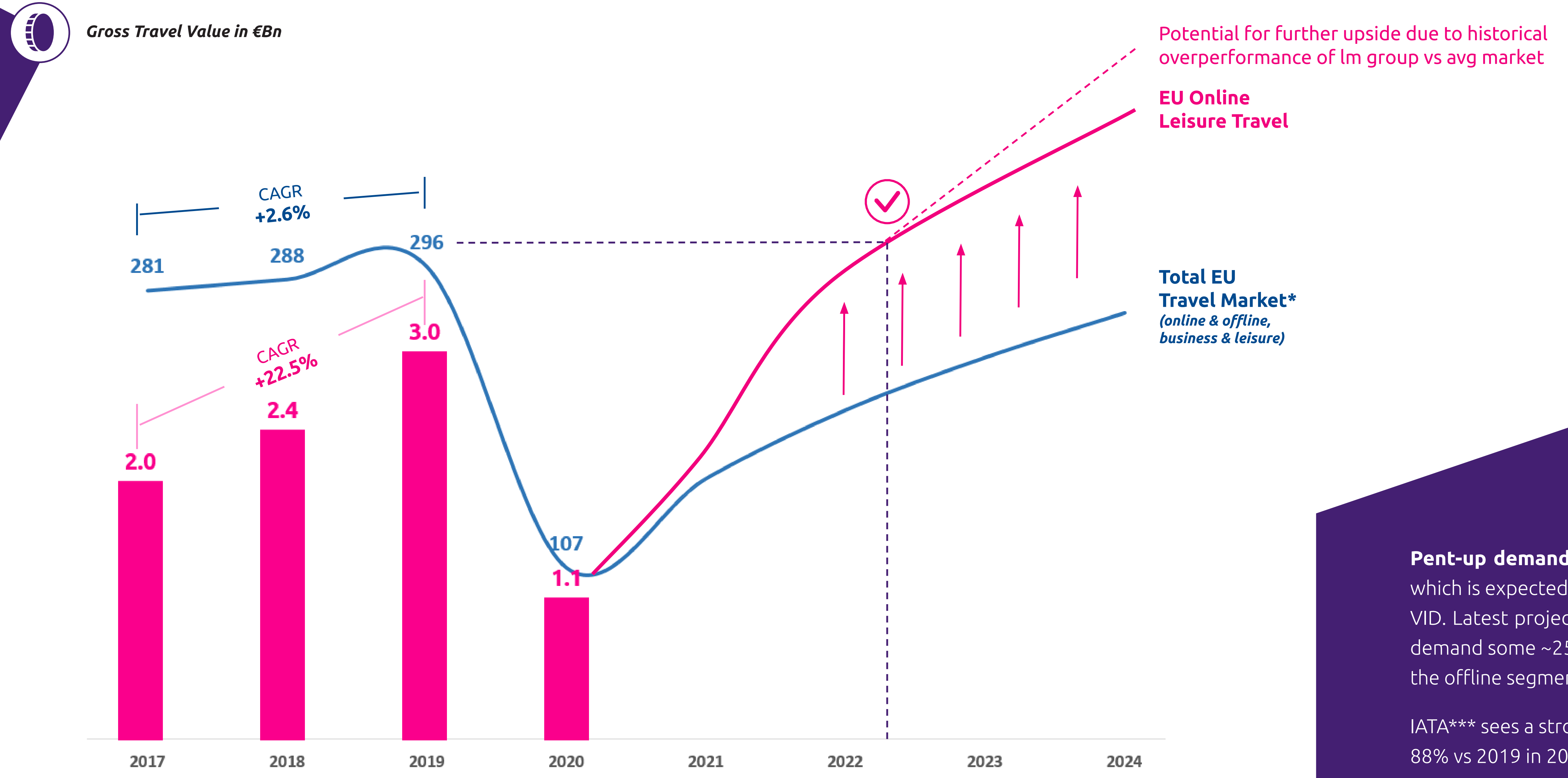
Consumers switching to digital, due to the crisis

Will you use digital channels more long-term or switch back to offline?



*Source: https://www.mckinsey.com/business-functions/mckinsey-digital/our-insights/whats-next-for-digital-consumers
https://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/how-covid-19-has-pushed-companies-over-the-technology-tipping-point-and-transformed-business-forever
https://www.kameleoon.com/sites/default/files/kam/Global_Infographics_Consumer_Survey.pdf

lm group has strong focus on the largest segment expected to rebound fastest, with potential to outperform the whole market



*source: PCWI EU 20-24
** Stifel Aviation & Travel - European Travel Research, July 2021
*** IATA - April 2021 estimations

Pent-up demand should drive a dynamic recovery especially for leisure travel which is expected to almost fully recover in 2022, with no lasting damage from CO-VID. Latest projections see a much flatter recovery for business travel, with 2025 demand some ~25% below 2019**. On average, as a result also of the slowdown of the offline segment, total travel market is expected to be back to 2019 level in 2024.

IATA*** sees a strong rebound of global passenger by 2022/2023 and volumes up to 88% vs 2019 in 2022 and 105% in 2023.

Best-in-class technology to address leisure demand and to make holidays relevant, affordable and easy to book

We do all for you in real-time

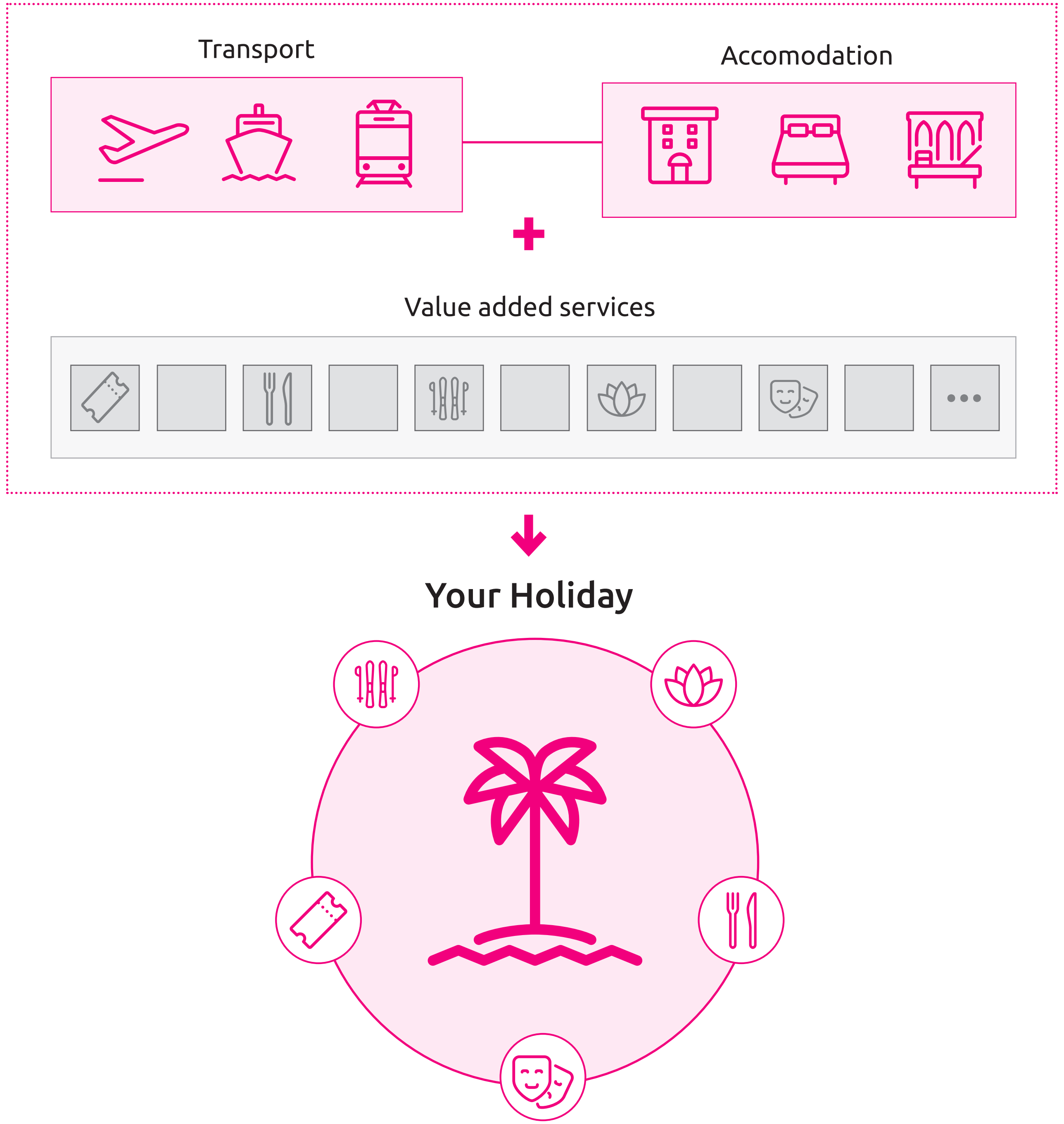
We search for the best combination of flight+hotel from a virtually unlimited inventory of solutions and we propose travel-related services from our wide portfolio of ancillary products.

The customer can easily bundle everything together to create the most relevant dynamic holiday package.

Ancillary services can also be added post-booking and during travel experience.

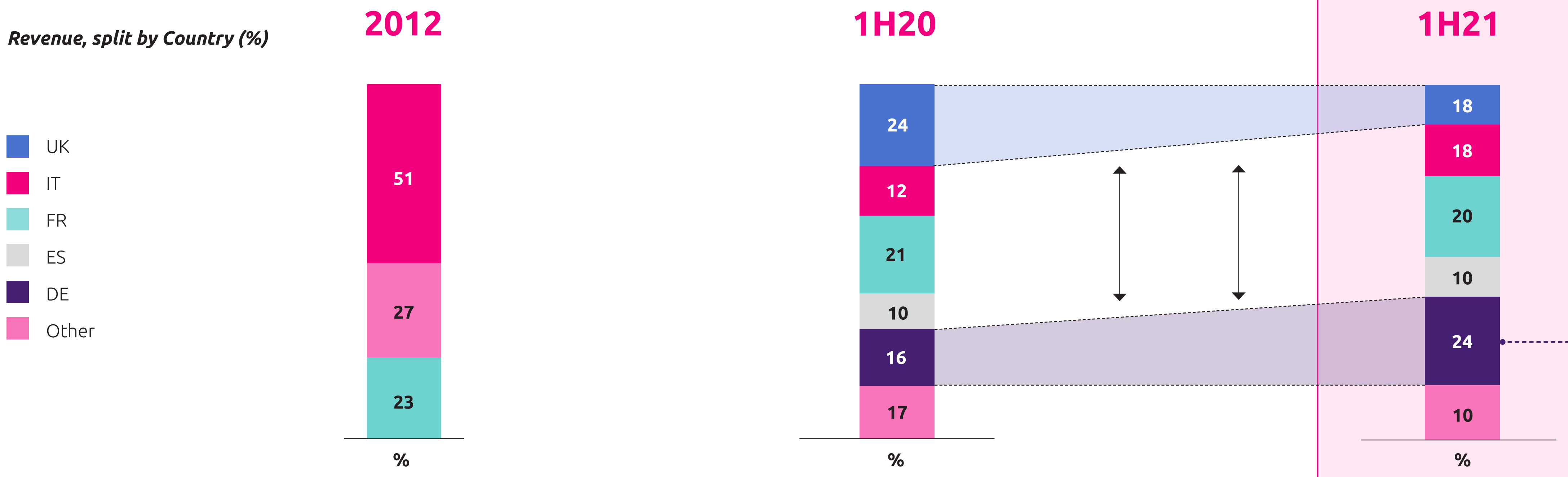
Technology advantage

- Proprietary Dynamic Packaging platform combines products in real time on every customer search, in contrast to almost all other Dynamic Packaging specialists which use caches built in advance
- Significant share of directly sourced inventory at typically preferential rates is a further element of advantage
- Distribution via own websites and B2B / white label (e.g. Booking.com, Holidaypirates, Kiwi, Melia, Palladium, PlayaSol and a further growing number of partners) provides compelling evidence that the technology platform is best-in-class
- Stochastic pricing model boosting flight sales performance and up/cross sell of a wide variety of relevant travel services



A well balanced geographical footprint, backed by full licencing and bonding in the main EU countries, will support our recovery and growth plans going forward

Revenue, split by Country (%)



Germany grew thanks to holiday packages up to the extent to compensate the drop of UK due to travel restrictions

Risk mitigation strategy + Ability to capture opportunities

Capability to address investments in the regions where demand is stronger

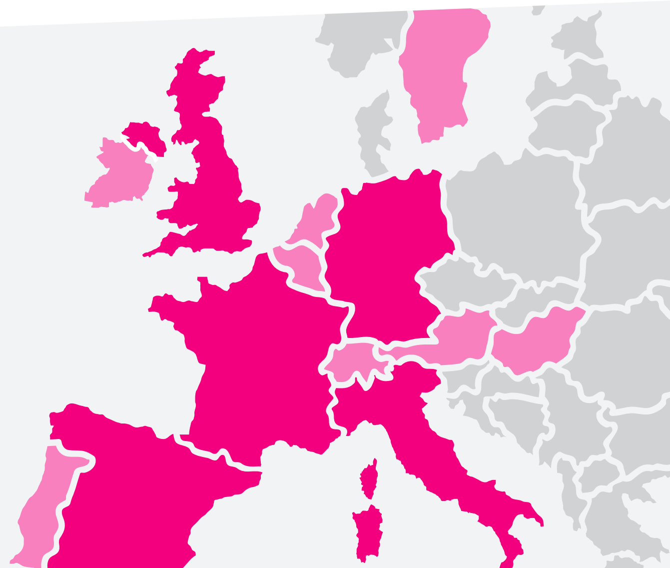
Possibility to limitate the exposure to Countries where tougher restrictions are applied

Geographical diversification process

Effect of the **successfully executed geographical diversification process**

Regulatory advantage

Fully licensed and bonded to sell holiday packages with proper customer protection in the five main EU countries, and in other nine markets including Australia.



CFO's letter

We're not expecting a return to total normality for travel in 2021.
We are still working in emergency mode since the business will continue to be significantly influenced by the evolution of the pandemic and the emotional effects consequent to that.
However, while the situation isn't 100% clear, we can show a series of positive elements that the Company is benefiting already from ahead of the new normal.

During 2020 and the first semester 2021, the Group undertook numerous actions to preserve cash and marginally reduce costs.
Both programs were successful and brought concrete results, visible in the numbers released in this report.
June gross cash stood up to €154M from €120M at the end of 1Q2021 and Net Result was positive by €4.0M in June 21. Both these elements show that not only has the Company eliminated risks to its business continuity but it's already showing its capability of positively capitalising on the efforts put in place last year and throughout the first months of 2021.

Despite a lower number of bookings registered in June compared to the same month of 2019, economics do not differ too much, as a result of the successful proposition of our highly-profitable Holiday products and the effects of both, the cost reduction program and the Voucher campaign launched last year. In terms of fixed-cost we are managing our business at a significantly lower run-rate. In terms of effects generated by Everyone Loves Vouchers campaign, we are registering an upsell ratio of 1.5x when a customer books for a new travel converting a voucher.

The trend we are observing today is positive. While the trend we are observing today is positive, our approach to sales is still quite conservative. We are not trying to maximise volumes, we are more interested in growing our share in the long-run, since potential disruptions occurring in the very near future would likely damage the confidence and trust of our customers. In light of this we provide coverage to protect our clients that book for a Holiday package. We are the only European OTA that ensures travellers full protection against involuntary cancellations in the five major EU countries. We are working hard in order to further improve our customer support in a balanced mix of digital tools and human touch.

To reflect the performance of the core business better in our numbers, due to the today's situation, we have decided to abandon the so called "Business EBITDA" and to restate the "Adjusted EBITDA", even for 2020, according to the following logic:
- voucher usage will last for the whole second semester with a tail on 2022
- such a phenomenon generate new bookings (called "rebookings") that we usually posted below EBITDA in the "extraordinary" lines - we think rebookings should be fairly treated as bookings and then reported in terms of revenues, costs and then margins, above EBITDA - all other cancellations-related effects, both negative (like costs incurred to manage them) and positive (like the non-redemption of vouchers expired) will remain in the extraordinary items.

By abandoning the Business EBITDA metric, the corporate costs and the numbers referring to the Cruise business (the only Venture Initiative to date to be consolidated), have been included in the new Adjusted EBITDA.

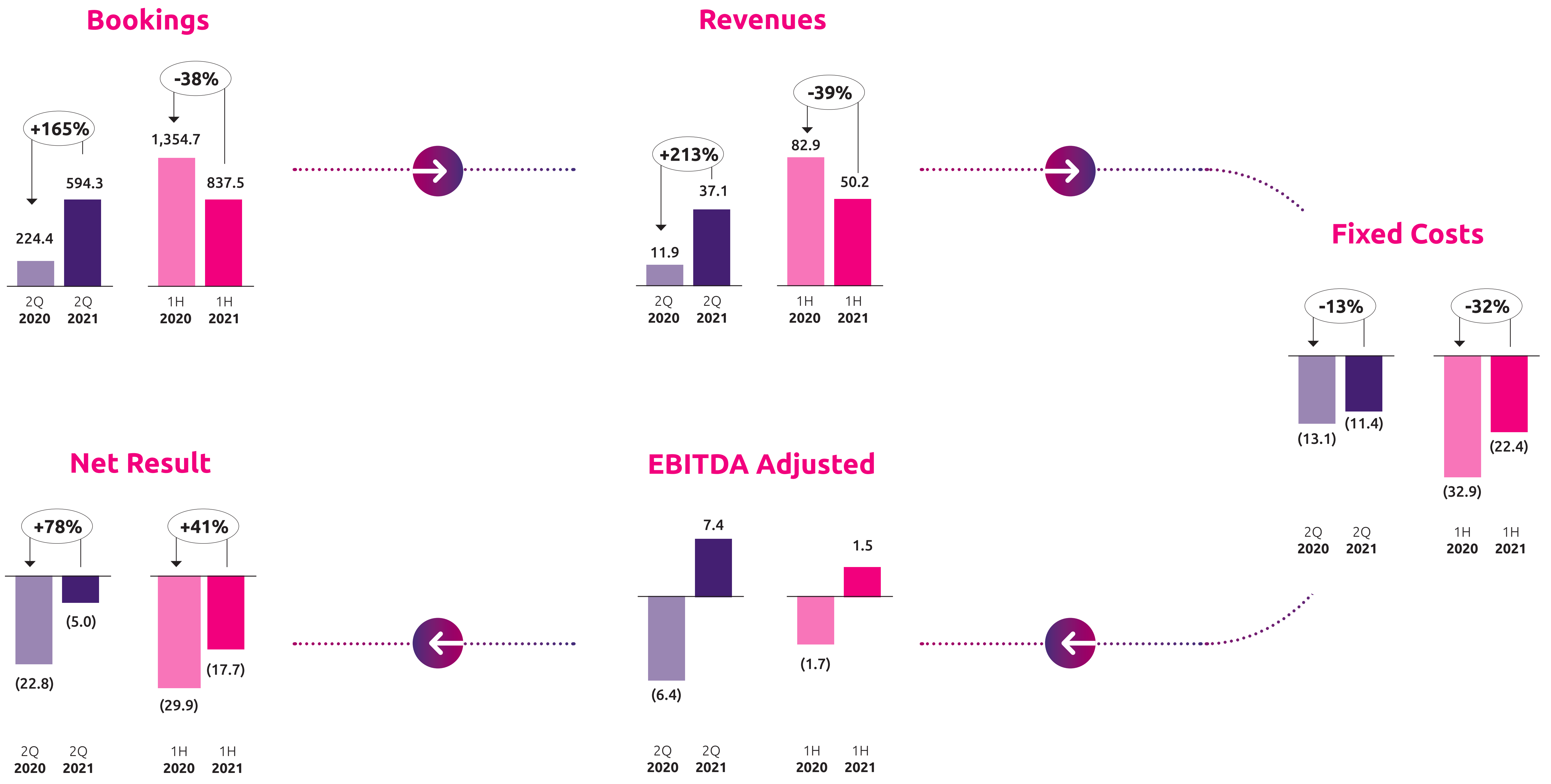
Sergio Signoretti
CFO

Through sharpened focus on highly-profitable business and thanks to a lighter cost base, **1H21 profitability significantly improved against 1H20**

Recovery
is on track

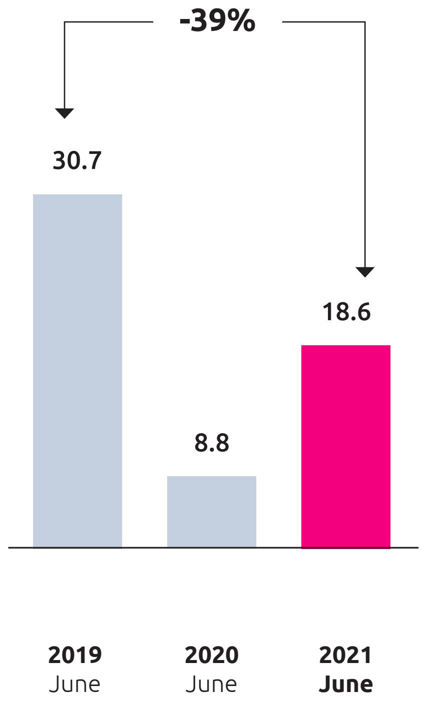
2Q significantly outperformed 1Q

From -38% bookings to **+41% Net Result**



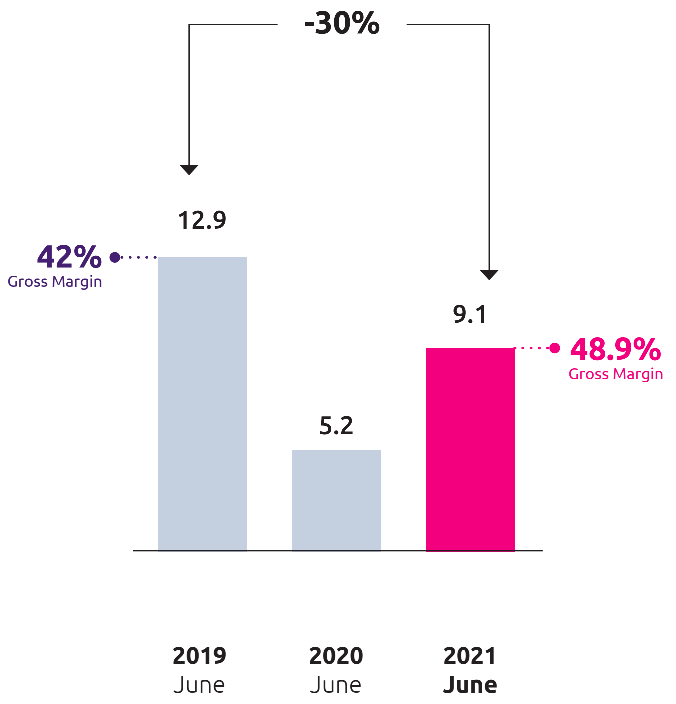
Thanks to a more efficient machine, **June Net Result is in line with 2019, despite lower volumes**

Revenues



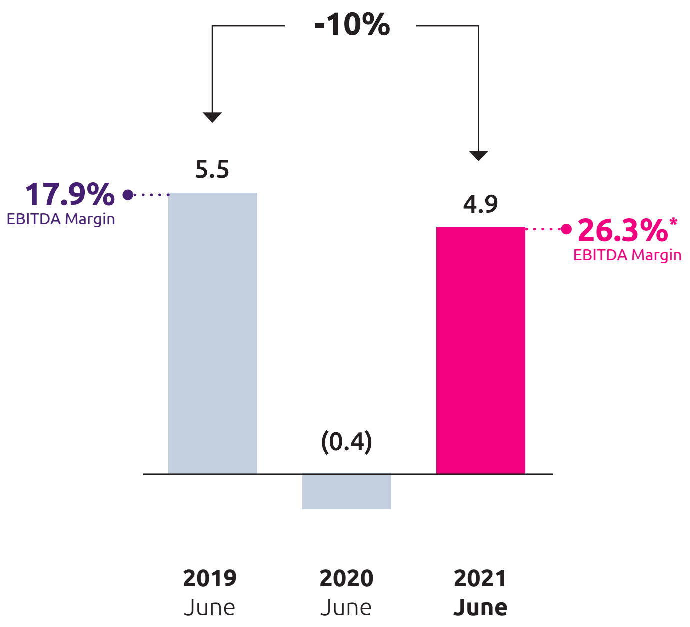
Significant growth registered in June compared to June 2020. However, Revenue are still well below 2019 figures.

Gross Profit



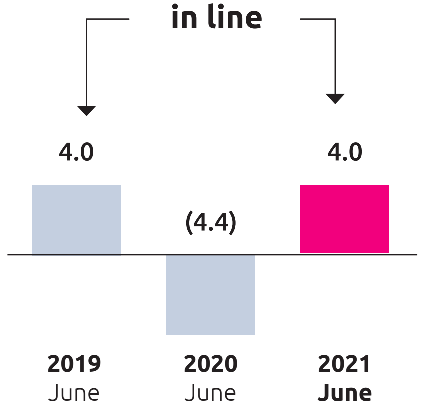
Gross Margin went up to 49% vs 42% in 2019, thanks to higher weight of holiday packages product, contributing to reduce the gap vs 2019. *Gross Margin 2020 was significantly higher than usual due to pretty null expenses.

EBITDA Adj



Cost reduction plan brought to a considerable saving at HR and OPEX level. Upsell effect from vouchers conversion and the deconsolidation of DI generated further upside.

Net Result

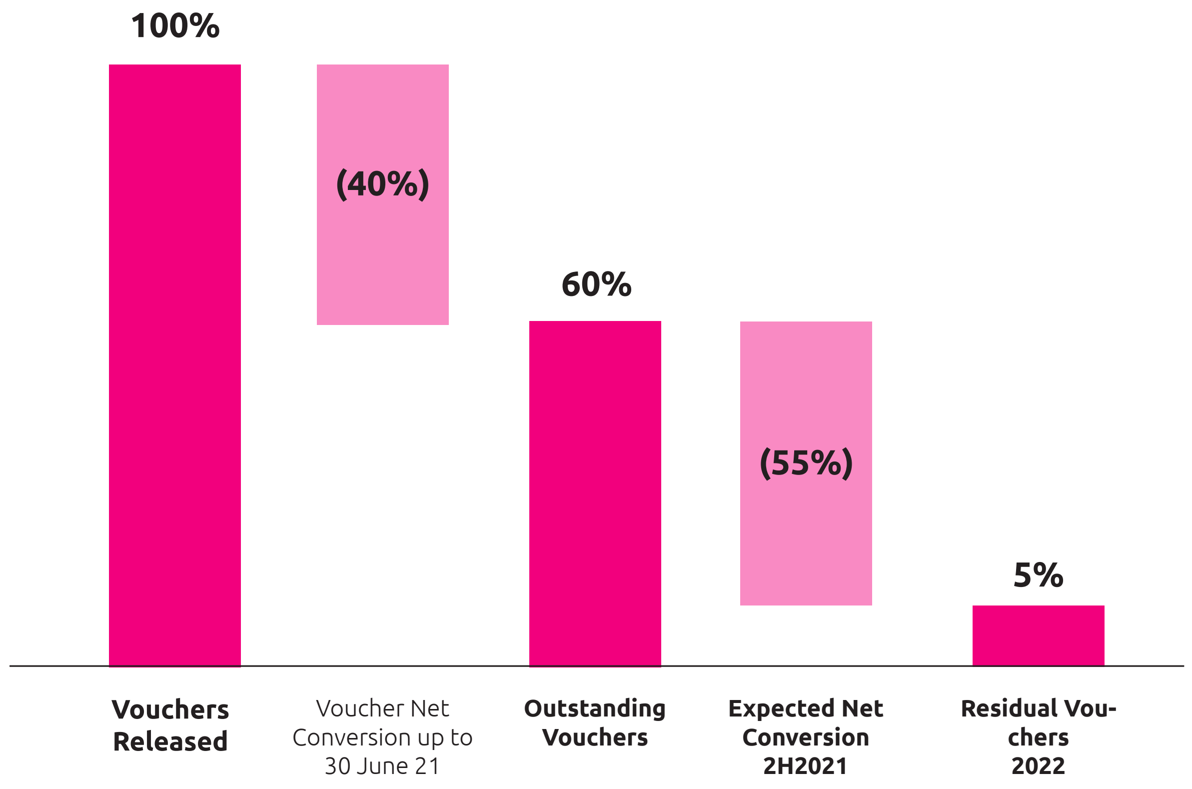


The impact of lower D&A and Tax brought to widen the gap with 2020 and entirely fill it vs 2019.

* including Government subsidies ("WHR"). 19% excluding upside effect of WHR

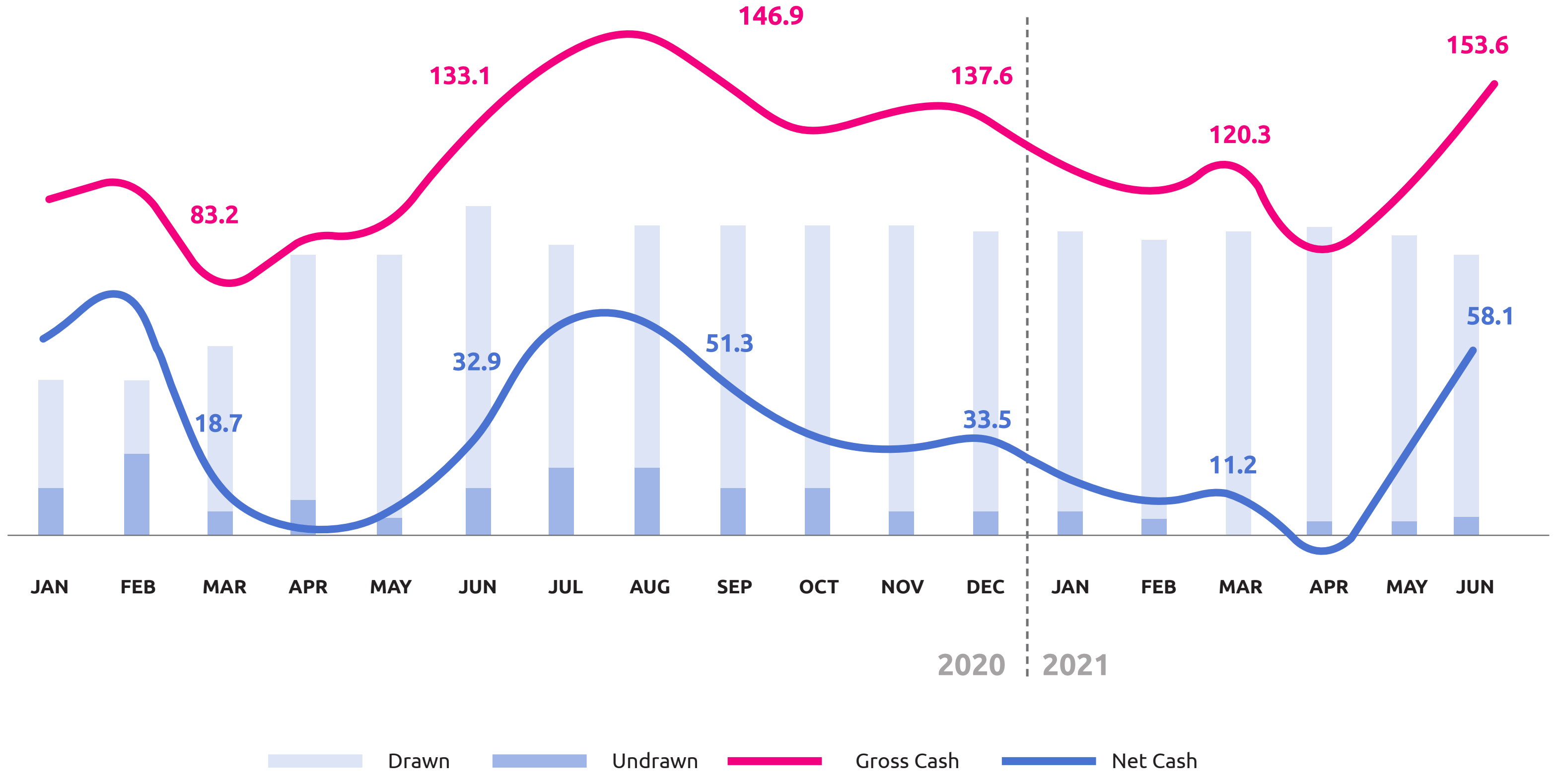
More than €150M cash available as a result of quick rollout of the Group's cash protection program and attentive financial strategy

40% of vouchers released have been already converted, generating incremental bookings and additional revenues



The conversion of vouchers generates customer loyalty and upsell. On average, 1 cancellation covered by the release of a voucher, translates into 1.5 bookings and generates incremental revenue margins of approximately 12% of the value of the voucher used

Solid cash position - on avg above €100M throughout the crisis - largely sufficient to support business requirements and new potential investments



Cash-generating business with structural cash-advance inflow.

All credit lines have comfortable repayment schemes not impacting at all business requirements

Cash-out effect from vouchers usage is compensated by margins generated by upsell and new bookings

1H2020 restatement and comparison with 1H2021. Simplified P&L

in €M	1H 2021	1H 2020 restated	Restatement	1H 2020 non restated
REVENUES*	**50,2**	**82,9**	(1,3)	**84,2**
GROSS PROFIT	**23,8**	**33,3**		**34,7**
Fixed Costs (inc. Croporate)	(22,4)	(32,9)		(32,9)
Ventures		(2,1)		(2,1)
Other	0,1			
EBITDA Adjusted	**1,5**	**(1,7)**		**(0,3)**
PY Adjustments	1,7	0,1		0,1
Extraordinary Items	(10,6)	(18,7)	**(5,9)**	(12,9)
EBITDA IFRS	**(7,4)**	**(20,3)**		**(13,1)**
D&A	(8,1)	(10,7)		(10,7)
EBIT IFRS	**(15,6)**	**(31,0)**		**(23,8)**
Finance net	(2,0)	1,3		1,3
Tax	(0,2)	(0,2)		(0,2)
Net Result	**(17,7)**	**(29,9)**		**(22,7)**

*includes Rebookings and Cruise

Expected non redemption
of non Covid related vouchers

Margin generated from vouchers utilization **(3.7M)**

Expected misredemption of Covid related vouchers **(5.5M)**

Cost of Covid related cancellations refunded through vouchers **3.3M**

Consolidated financial statements
30 June 2021

Consolidated statement of profit or loss and other comprehensive income

in '000 EUR (for the six months ended 30 June)	Notes	2021	2020 (*)
Revenues	7	52,848	67,407
Marketing costs	8	(16,216)	(33,459)
Personnel costs	8	(20,697)	(27,607)
Other operating costs	8	(23,309)	(26,504)
Amortization and depreciation		(8,135)	(10,749)
Impairment		-	(27)
Operating Profit/(Loss)		**(15,510)**	**(30,912)**
Gains/losses from disposal of inv. and other	8	(9)	(52)
Finance income	8	-	2,026
Finance costs	8	(1,624)	(581)
Share of result of equity-accounted investees	8	(335)	(57)
Profit/(Loss) before income tax		**(17,478)**	**(29,576)**
Income tax	9	(174)	(162)
Profit/(Loss) for the period		**(17,652)**	**(29,738)**
- thereof attributable to the Shareholders of LASTMINUTE.COM NV	10	(17,607)	(29,106)
- thereof attributable to non-controlling interest		(45)	(632)
OTHER COMPREHENSIVE INCOME			
Items that will never be reclassified to profit or loss			
Remeasurements of the Employee benefits liability		(349)	(377)
Related tax		79	89
Items that will never be reclassified to profit or loss		**(269)**	**(288)**
Items that are or may be reclassified to profit or loss			
Foreign currency translation differences		574	(626)
Items that are or may be reclassified to profit or loss		**574**	**(626)**
Total other comprehensive income for the period, net of tax		**305**	**(914)**
Total comprehensive income		**(17,347)**	**(30,652)**
- thereof attributable to the Shareholders of LASTMINUTE.COM NV		(17,302)	(30,021)
- thereof attributable to non-controlling interest		(45)	(632)
EARNINGS PER SHARE			
Basic earnings per share (in EURO)	10	(1.60)	(2.64)
Diluted earnings per share (in EURO)	10	(1.60)	(2.64)

(*) 2020 figures have been restated according to paragraph Use of judgments and estimates.

Consolidated balance sheet

in '000 EUR	Notes	30 Jun 2021	31 Dec 2020
NON CURRENT ASSETS			
Property plant and equipment	14	2,261	2,902
Right of use Assets	14	8,637	11,293
Intangible assets	14	150,290	152,228
Goodwill		60,415	60,412
Non current financial assets	13	7,951	1,336
Investment in equity accounted investees		538	872
Deferred tax assets	14	14,350	14,000
TOTAL NON CURRENT ASSETS		**244,442**	**243,043**
CURRENT ASSETS			
Current financial assets	13	1,814	2,299
Current tax assets		1,068	1,221
Trade and other receivables	14	67,997	51,722
Contract assets	14	2,382	2,138
Cash and cash equivalents	13	153,586	137,618
TOTAL CURRENT ASSETS		**226,846**	**194,998**
TOTAL ASSETS		**471,288**	**438,041**
SHARE CAPITAL AND RESERVES			
Share capital	12	117	117
Capital reserves	12	76,408	101,819
Translation reserve	12	1,945	1,371
Treasury share reserve	12	(9,062)	(9,108)
Retained earnings/(losses)	12	(17,917)	(25,409)
EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF LASTMINUTE.COM NV		**51,490**	**68,790**
Non-controlling interest	12	373	292
TOTAL EQUITY		**51,863**	**69,082**
NON CURRENT LIABILITIES			
Employee benefits liabilities		9,506	8,917
Long Term Financial Liabilities	13	31,508	28,721
Long Term Lease Liabilities	13	5,365	6,767
Deferred tax liabilities	14	28,385	28,266
TOTAL NON CURRENT LIABILITIES		**74,763**	**72,671**

in '000 EUR	Notes	30 Jun 2021	31 Dec 2020
CURRENT LIABILITIES			
Current provisions	14	3,087	3,856
Short Term Financial Liabilities	13	59,477	67,236
Short Term Lease Liabilities	13	3,742	4,980
Current tax liabilities		5,589	5,757
Trade and other payables	14	272,216	213,908
Contract liabilities	14	550	550
TOTAL CURRENT LIABILITIES		**344,661**	**296,288**
TOTAL LIABILITIES		**419,424**	**368,959**
TOTAL LIABILITIES AND EQUITY		**471,288**	**438,041**

Consolidated statement of changes in equity

in '000 EUR	Notes	Share capital	Capital Reserves	Tran-slation Reserve	Treasury Share Reserve	Retained Earnings/ (Losses)	Equity attributable to Shareholders of LASTMINUTE.COM NV	Non-controlling interest	TOTAL EQUITY
Balance at 1 January 2021		**117**	**101,819**	**1,371**	**(9,108)**	**(25,409)**	**68,790**	**292**	**69,082**
Result for the period		-	-	-	-	(17,607)	(17,607)	(45)	(17,652)
Other comprehensive income									
- Remeasurements of the Employee benefits liability (net of tax)		-	-	-	-	(269)	(269)	-	(269)
- Foreign currency translation differences	12	-	-	574	-	-	574	-	574
Total other comprehensive income net of tax		**-**	**-**	**574**	**-**	**(269)**	**305**	**-**	**305**
Total comprehensive income net of tax		**-**	**-**	**574**	**-**	**(17,876)**	**(17,302)**	**(45)**	**(17,347)**
Transactions with shareholders									
- Allocation of results 2020	12		(25,411)			25,411	-	-	-
- Sale of treasury shares	12	-	-	-	46	82	128	-	128
- Transactions with non-controlling interests	12	-	-	-	-	(127)	(127)	127	-
Total transactions with shareholders		**-**	**(25,411)**	**-**	**46**	**25,366**	**1**	**127**	**128**
Balance at 30 June 2021		**117**	**76,408**	**1,945**	**(9,062)**	**(17,917)**	**51,490**	**373**	**51,863**

in '000 EUR (*)	Notes	Share capital	Capital Reserves	Tran-slation Reserve	Treasury Share Reserve	Retained Earnings/ (Losses)	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						(29,106)	(29,106)	(632)	(29,738)
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)**	**-**	**(29,394)**	**(30,021)**	**(632)**	**(30,652)**
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)**	**6,176**	**100,381**	**1,629**	**102,011**

(*) 2020 figures have been restated according to paragraph Use of judgments and estimates.

Consolidated cash flow statement

in '000 EUR (for the six months ended 30 June)	Notes	2021	2020 (*)
Cash flow from operating activities			
Profit/(Loss) for the period		**(17,652)**	**(29,738)**
Adjustments for:			
- Amortization and depreciation		8,135	10,749
- Net finance result	8	1,624	(1,445)
- Gains/losses from disposal of inv, and other		9	52
- Income tax expense	9	174	162
- Share of result of equity-accounted investees		335	57
Change in trade and other receivables	14	(16,275)	34,391
Change in contract assets	14	(244)	4,516
Change in trade and other payables	14	58,309	(33,004)
Change in contract liabilities	14	-	(9,803)
Change in provisions	14	(769)	(251)
Change in employee benefit liability		240	744
Interest paid		(796)	(174)
Income tax paid		(666)	(540)
Income tax refunded		337	340
Net cash (used in)/ from operating activities		**32,764**	**(23,945)**

in '000 EUR (for the six months ended 30 June)	Notes	2021	2020 (*)
Cash flow from investing activities			
Purchase of property, plant and equipment	14	(93)	(1,708)
Purchase of intangible assets	14	(3,354)	(5,023)
(Acquisition)/Proceeds of subsidiaries, net of cash acquired		-	(1,576)
(Acquisition) / Proceeds of financial assets	13	(6,130)	(782)
Net cash (used in)/from investing activities		**(9,578)**	**(9,089)**
Cash flow from financing activities			
Proceeds from borrowings	14	25,200	70,214
Repayments of borrowings	14	(30,396)	(11,926)
Repayments of lease liabilities	14	(2,234)	(3,310)
Proceeds from sale of own shares	12	128	-
(Acquisition) / Proceeds of non-controlling interests		-	(25)
Net cash (used in)/from financing activities		**(7,302)**	**54,953**
Net increase in cash and cash equivalents		**15,884**	**21,919**
Cash and cash equivalents at 1 January	**13**	**137,618**	**110,360**
Effects of currency translation on cash and cash equivalents		84	869
Cash and cash equivalents at 30 June	**13**	**153,586**	**133,148**

(*) 2020 figures have been restated according to paragraph Use of judgments and estimates.

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 2021 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 3 August 2021.

Note 2 - Basis of Preparation of Half-year Report

This condensed consolidated interim financial report for the half-year reporting period ended 30 June 2021 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 2020. 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 2020. A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2021 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 2021 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 2020.

With reference to the voucher accounting treatment, the Group has restated comparative figures in order to be consistent with accounting practices adopted at year end 2020 and enhance the computation of the effects of Covid 19 exceptional cancellations on the consolidated interim financial statements.
Depending on the cancellation policy the customers may receive a cash refund or a voucher from the Group. The refund does not change the accounting nature for the voucher issued and in accordance with IFRS 9 financial liabilities are initially measured at fair values. When the original booking is cancelled, the Group has already fulfilled its performance obligation and the traveller hasn't yet made a new booking which would give rise to a new contract under IFRS 15 and a new performance obligation as an agent.

The revised accounting practices for cancellation effects led to a significant negative impact in the consolidated statement of profit and loss for half year 2020 (net result decreased by EUR 7,042 thousand). Comparative cash flow and equity movement schedule have been updated accordingly. The related explanation notes have been updated. The main effects on the consolidated profit and loss are shown in the table below:

in '000 EUR	30 Jun 2021	30 Jun 2020	Restatement Effect	30 Jun 2020 Restated
Revenues	52,848	76,577	(9,170)	67,407
Marketing costs	(16,216)	(34,431)	972	(33,459)
Personnel costs	(20,697)	(28,041)	434	(27,607)
Other operating costs	(23,309)	(27,226)	722	(26,504)
EBITDA IFRS	**(7,374)**	**(13,121)**	**(7,042)**	**(20,163)**

Total equity of the Group has decreased by an amount of EUR 7,042 thousand from EUR 109,052 thousand to EUR 102,011 thousand.
The net increase in cash and cash equivalents disclosed in the comparative cash flow statement has not been affected by the restatement while an amount of EUR -7,042 thousand has been reclassified from net results to change in net working capital.

COVID-19

The Group has experienced two different trends in 2021. The first quarter has been very challenging for the whole travel industry. The conservative approach in sales continued for the entire quarter, primarily on Dynamic packages, taking into account the potential risk of future cancellations in a still highly uncertain scenario.
The second quarter has started to take advantage of the effects of vaccination across all our core markets. The company experienced a strong recovery starting from May in terms of bookings across all categories and all markets, except UK. The cost reduction actions and government subsidies significantly helped to reduce the net loss in the first semester.
Recovery for the travel industry, already evident in the US market, in the first quarter of 2021, is on the way also in Europe. Vaccination campaigns across the EU are now progressing at a much faster pace and, starting from May, the Group is seeing a steep sales growth trajectory in all continental markets, while the UK one is still suffering due to the high restrictions to international travel imposed by the British Government. Particularly, Holiday Packages show a positive trend and potential for a strong return of demand in summer, especially for Sun and Beach destinations.

June vs April have quadrupled revenues, so the Group can see strong signs of recovery, with around 10 thousand bookings per day on average (for the entire Group). Revenues on Dynamic Packages have boosted the Group's economics figures in the last two months. Cancellations are reducing to normal level (in June 11% of bookings, based on latest available data).

From a financial perspective, the rebound experienced from May on booking volumes has contributed to positive working capital dynamic and to higher revenue, allowing the Group to generate operating cash again. The Group reached a high score level of cash in June. Cash available stood at EUR 153.6 million and Net Financial Position reached EUR 58.1 million, from EUR 120.3 million and EUR 11.2 million respectively at the end of Q1. In general, the Group expects to continue with this positive trend in terms of booking in the coming months, considering that, even in case of new restrictions and the normal seasonality of the business, the Company has enough cash in banks to meet its obligations.
To secure the going concern of the Group for the foreseeable future the Group will continue, as done during the last fifteen months, to focus on cash management and cost reduction in order to preserve a solid financial structure. This will allow the Group to capture investment opportunities which may arise and which the Group is willing and capable to exploit. Based on the actions taken and described above and based on the last trends seen in the market during the period leading to the preparation of the Group's interim financial statements, management does not have any reason to believe that the Company is not able to continue as a going concern.

OTHER SIGNIFICANT EVENTS IN THE CURRENT REPORTING PERIOD

Step up in control on LM Forward

In April 2021 the Group increased its stake of control in LM Forward Ltd from 83% to 93%. Total effects of this transaction are included in the consolidated statement of changes in equity in the line transactions with non-controlling interests.

Joint venture with ISSTA

In 2020, 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, focused on the distribution of flights through meta channels, has been formed in Israel. Total consideration paid by the Group at the incorporation date, in 2021, is EUR 105 thousand. The investment is accounted for by applying the equity method. The new company sells worldwide flights from Israel, using lastminute.com's innovative technology platforms, which sell millions of flight tickets per year, coupled with Issta's localised presence, and commercial agreements in the region.

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, where the business is strongly influenced by extraordinary external factors such as the pandemic waves, the availability of vaccines and government restrictions to travel.

Note 4 - Financial Instruments

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

Financial Instruments

in '000 EUR	30 Jun 2021	31 Dec 2020
Non-current financial assets	2,829	1,336
Current financial assets (Deposits and other)	1,814	2,299
Trade and other receivables * (Current and Non Current)	60,664	45,172
Cash and cash equivalents (excl. cash on hand)	153,584	137,615
Total financial assets measured at amortised cost	**218,890**	**186,422**
Non-current financial assets	5,122	-
Total financial assets at fair value through profit and loss	**5,122**	**-**
Short term and long term financial liabilities	90,984	95,957
Short term and long term lease liabilities	9,107	11,747
Trade and other payables * (Current and Non Current)	261,737	205,686
Total financial liabilities measured at amortised cost	**361,828**	**313,390**

** "Trade and other receivables/payables" do not include credit/debit VAT position, and other non-cash items (as liabilities to employees) at 30 June 2021 and 31 December 2020*

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

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 2021, the Group held non current financial instruments assets at fair value through profit or loss for EUR 5,122 thousand. See Note 14 for further details.
The following table shows the carrying amount of non current financial instruments at fair value, including the levels in the fair value hierarchy:

in '000 EUR	Fair Value			
30 June 2021	**Level 1**	**Level 2**	**Level 3**	**Total**
Non-current financial assets	-	5,122	-	5,122

Financial Liabilities reconciliation

This section sets out an analysis and the movements in financial liabilities:

in '000 EUR	1 Jan 2021	Repayments principal + interest	Interest charges	Addition	Other non-cash movements	30 Jun 2021	Currency	Year of maturity
Uncommitted bank loans/overdraft	45,800	(27,645)	457	18,000	-	36,612	EUR	2021;2022; Undefined
Committed bank loans	21,112	(2,054)	134	-	19	19,211	EUR	2022 - 2023
Covid 19 government secured bank loan	24,941	(1,492)	117	7,200	(326)	30,440	EUR - CHF	2025 - 2027
Other Financial liabilities	4,104	-	-	590	26	4,720	Different currencies	2022
Total	**95,957**	**(31,191)**	**708**	**25,790**	**(280)**	**90,984**		

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

The interest payments on loans in the table above reflect the market interest rates at the reporting date and these amounts may change as market interest rates change.

As of 30 June 2021, the total amount of unused available cash credit lines for the Group was EUR 5,300 thousand (EUR 7,700 thousand at 31 December 2020).

Note 5 - Business Combinations

Financial year 2021
During the period there were no business combinations.

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 (i.e. Cruise).

Other information that is not reportable has been combined and disclosed within "non reconciling items" which mainly includes corporate 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 2021						30 Jun 2020					
	OTA	**Metasearch**	**Media**	**Other segments**	**Non reconciling items**	**Total**	**OTA**	**Metasearch**	**Media**	**Other segments**	**Non reconciling items**	**Total**
Consolidated Revenues	**45,771**	**5,209**	**2,059**	**(191)**	**-**	**52,848**	**51,845**	**10,170**	**4,486**	**906**	**-**	**67,407**
Total Revenues	48,069	6,437	2,059	(85)	-	56,480	55,693	10,991	4,486	1,079	-	72,250
Intersegment Revenues	(2,298)	(1,228)	-	(106)	-	(3,632)	(3,848)	(821)	-	(173)	-	(4,843)
Consolidated EBITDA Adjusted*	**2,980**	**1,331**	**(467)**	**360**	**(2,655)**	**1,549**	**4,258**	**1,128**	**(1,215)**	**(1,900)**	**(2,601)**	**(1,650)**
Previous year adjustments						1,665						64
Long term incentive plans and related consultancy fees						(2,808)						-
Costs related to acquisition and integration of subsidiaries						-						(752)
Other costs/income incidental to operating activities						504						(2,262)
Restructuring costs						(2,395)						(908)
Governments grants						970						-
Bad debt not ordinary						(6,000)						-
Expired voucher not Covid related						1,292						-
Covid-19 impact						(4,385)						(17,965)
IFRS 16						2,234						3,310
Depreciation, Amortization and impairment						(8,135)						(10,749)
Profit before Interest and Income Tax						**(15,510)**						**(30,912)**

(*) As described in Note 2, comparative figures have been restated in order to be consistent with the accounting policies on vouchers.
In addition, in 2021, the Group has modified the way it determines "Ebitda Adjusted". The 2020 figures have been restated according to the new definition. The Group defines "Adjusted Ebitda" as Ebitda IFRS (Earnings before interest and income tax plus depreciation and amortization) adjusted for the effects of cancellations, vouchers not redeemed, not recurring bad debts, long term incentive plan costs and income and costs considered by management as incidental to operating activities, such as those related to acquisitions, litigations and restructuring. The reconciling amounts include also the

accounting effects of IFRS principles (i.e. IFRS 16, IAS 19) and previous year adjustments (that were previously included within the former non gaap definition of Adjusted Ebitda). The effect of margin coming from bookings made with vouchers, previously disclosed as a reconciling item between Ebitda IFRS and Ebitda Adjusted, is now included within the Ebitda Adjusted. This change in the disclosure led to higher Ebitda Adjusted compared to previous year mainly as a result of the net effect of new bookings with vouchers. In line with the new reporting framework explained above, see below the reconciliation between revenues and IFRS consolidated revenues:

in '000 EUR	30 Jun 2021	30 Jun 2020
Consolidated Revenues	**52,848**	**67,407**
Previous year adjustments	(2,005)	1,296
Covid-19 impact	1,488	13,924
Other costs/income incidental to operating activities	127	224
Governments grants	(970)	-
Expired voucher not Covid related	(1,292)	-
Revenues	**50,195**	**82,851**

Note 7 - Revenues

In the first six months of 2021, total revenues decreased by EUR 14,558 thousand, or -21.6% to EUR 52,848 thousand from EUR 67,404 thousand in the same period of 2020.
As described in Note 2, comparative figures have been restated in order to be consistent with the accounting policies on vouchers.

in '000 EUR	30 Jun 2021	30 Jun 2020
Revenue from sales of travel services	10,137	22,943
Revenue from overcommission, kickback and rebates	7,933	13,162
Other revenues	1,353	473
Revenue from advertising services	2,282	4,410
Revenue from ancillaries	23,039	21,803
Revenue post sales	1,146	3,773
Revenue from misredemption of voucher	6,958	842
Total	**52,848**	**67,407**

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 2021					30 Jun 2020				
	OTA	Metasearch	Media	Other segments	Total	OTA	Metasearch	Media	Other segments	Total
FR	9,365	1,244	403	(5)	11,007	10,671	2,393	463	24	13,551
IT	7,898	183	305	(135)	8,251	6,846	410	678	370	8,304
UK	9,540	141	552	-	10,233	7,864	633	1,509	6	10,012
ES	4,898	223	306	(52)	5,375	4,873	303	589	176	5,941
DE	12,261	241	331	-	12,833	9,437	269	486	1	10,193
OTHER	1,809	3,177	162	1	5,149	12,154	6,162	761	329	19,406
Total	**45,771**	**5,209**	**2,059**	**(191)**	**52,848**	**51,845**	**10,170**	**4,486**	**906**	**67,407**

in '000 EUR	30 Jun 2021					30 Jun 2020				
	OTA	Meta-search	Media	Other segments	Total	OTA	Meta-search	Media	Other segments	Total
Flight	27,446	-	-		27,446	33,396	-	-	-	33,396
Dinamic Package	9,404	-	-		9,404	11,766	-	-	-	11,766
Hotel	2,770	-	-		2,770	1,883	-	-	-	1,883
Tour Operator	3,365	-	-		3,365	2,258	-	-	63	2,321
Selfcatering	82	-	-		82	238	-	-	-	238
Cruise	-	-	-	(191)	(191)	-	-	-	843	843
Experiences	36	-	-		36	351	-	-	-	351
Car	63	-	-		63	70	-	-	-	70
Media	-	-	2,059		2,059	-	-	4,486	-	4,486
Co-Marketing	1,437	-	-		1,437	1,495	-	-	-	1,495
Other	1,168	-	-		1,168	388	-	-	-	388
Metasearch	-	5,209	-		5,209	-	10,170	-	-	10,170
Total	**45,771**	**5,209**	**2,059**	**(191)**	**52,848**	**51,845**	**10,170**	**4,486**	**906**	**67,407**

Note 8 - Other Costs

Marketing costs
Marketing costs decreased by EUR 17,243 thousand (51.5%) from EUR 33,459 thousand in the first half-year 2020 to EUR 16,216 thousand in the first half-year 2021 mostly as a result of revenue contraction and cost reduction program. The non variable portion of marketing costs has been reduced following the costs protection plan put in place by the Group's management.

Personnel costs
Personnel costs decreased by EUR 6,910 thousand (-25.0%) from EUR 27,607 thousand in the first half-year 2020 to EUR 20,697 thousand in the first half-year 2021.
The decrease is mainly 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 10,788 thousand.
Personnel costs as a percentage of revenues increased in 2021 compared to 2020 (39.2% vs 41.0%).

Other operating costs
Other operating costs decreased by EUR 3,194 thousand (-12.1%) from EUR 26,504 thousand in the first half-year 2020 to EUR 23,309 thousand in the first half-year 2021 mostly due to the actions put in place to offset the effect of the crisis.
The cost decrease is mainly driven by lower call center operation costs (-3,424 thousand), Credit card processing fees (-1,206 thousand) and a general reduction of consultancy costs, service costs, IT fixed costs, operating lease costs and office fix costs (-2,872 thousand as a whole). The reduction is partially compensated by the increase in overhead (3,523 thousand) mainly due to the accrual to bad debt on flight/hotel suppliers, as disclosed in Note 6.

Net Financial result
The net financial result decreased by EUR 3,304 thousand (>-100 %) from a positive effect of EUR 1,336 thousand in the first half-year 2020 to a negative effect of EUR 1,968 thousand in the first half-year 2021.

in '000 EUR	30 Jun 2021	30 Jun 2020	Delta	Delta %
Gains/losses from disposal of inv. and other	(9)	(52)	43	-82.4%
Net interest effects	(917)	(548)	(369)	67.3%
Net FX Exchange effects	(696)	2,026	(2,722)	-134.3%
Other	(11)	(33)	22	-66.7%
Share of result of equity-accounted Investees	(335)	(57)	(278)	487.5%
Net financial result	**(1,968)**	**1,336**	**(3,304)**	**-247.3%**

Net FX exchange effects decreased by EUR 2,722 thousand, from EUR 2,026 thousand in 2020 to EUR -696 thousand in the first half-year 2021, due to the devaluation of assets held in British Pound against the Euro.
Net interests effects increased by EUR 369 thousand, from EUR -548 thousand in 2020 to EUR -917 thousand in 2021, due to the interests accrued on new financings obtained during the second half of 2020.
Share of result of equity-accounted investees increased due to recognition of the loss of the period of Destination business.

Foreign exchange impact
Since the result of the Group is expressed in Euro, the Group's exposure to movements in foreign currencies has an impact on consolidated statements of profit and loss. Below a table summarising the key figures:

	30 Jun 2021	Average to 30 June 2021	30 Jun 2020	Average to 30 June 2020
1 CHF	1.10	1.09	1.07	1.06
1 GBP	0.86	0.87	0.91	0.87
1 INR	88.32	88.41	84.62	81.70
1 USD	1.19	1.21	1.12	1.10

Starting from February 2021 the British Pound has gained value against the Euro. The exchange rate GBP/ EUR has strengthened from 0.90 at the beginning of January to 0.86 at the end of June. This change has led to a negative impact in the Consolidated statement of profit and loss of about EUR 500 thousand.

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 -174 thousand as at 30 June 2021, compared with EUR -162 thousand at the end of June 2020 with an increase of EUR 12 thousand.

As of 30 June 2021 management has recognised deferred tax assets on losses carryforward for EUR 11,993 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.

Note 10 - Earnings per Share

Basic earnings per share

The table below shows basic earnings per share for the first half of 2021 and 2020:

in '000 EUR (for the six months ended 30 June)	2021	2020
Profit/ (Loss) for the period attributable to the shareholders of LMN Group NV (in EURO/000)	(17,607)	(29,106)
Weighted-average number of ordinary shares outstanding during the year (in thousand)	11,017	11,012
Basic profit/(loss) per share (in EUR)	**(1.60)**	**(2.64)**

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

Number of shares	2021	2020
Issued ordinary shares at 1 January	11,664	11,664
Treasury shares hold	(647)	(652)
Ordinary shares outstanding at 1 January	**11,017**	**11,012**
Effect of cancellations of the year	-	-
Effect of shares buy back of the year	-	-
Weighted-average number of shares (Basic) at 30 June	**11,017**	**11,012**

Diluted earnings per share

The table below shows diluted earnings per share for the first half of 2021 and 2020:

in '000 EUR (for the six months ended 30 June)	2021	2020
Profit/ (Loss) for the period attributable to the shareholders of LMN Group NV (in EURO/000)	(17,607)	(29,106)
Weighted-average number of ordinary shares outstanding during the year (in thousand)	11,017	11,012
Diluted profit/(loss) per share (in EUR)	**(1.60)**	**(2.64)**

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

Number of shares	2021	2020
Weighted-average number of ordinary shares (Basic)	11,017	11,012
Effect of share options in issue	-	-
Weighted-average number of shares (Diluted) at 30 June	**11,017**	**11,012**

Note 11 - Share-Based Payment Arrangements

Employee share option plan

No employee share option plans are in place as of 30 June 2021 and 30 June 2020.

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 2021, the liability recorded in relation to the cash settled obligation in relation to the plan amounted to EUR 1,354 thousand (year end 2020: EUR 1,637 thousand), while the receivables recorded in relation to the financing part granted to limited partners amounted to EUR 1,979 thousand (year end 2020: EUR 1,807 thousand). The liability is included in the Employee benefits liability line within the consolidated balance sheet. The receivables related to the share-based plan are included in the current and non current financial assets line within the consolidated balance sheet.
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 2021 and 31 December 2020:

in '000 EUR	30 Jun 2021	31 Dec 2020
Share capital	117	117
Capital reserves	76,408	101,819
Currency translation reserve	1,945	1,371
Treasury share reserve	(9,062)	(9,108)
Retained earnings / (losses)	(17,917)	(25,409)
Equity attributable to shareholders of LASTMINUTE.COM NV	**51,490**	**68,790**
Non-controlling interest	373	292
Total Equity	**51,863**	**69,082**

Capital reserves

As approved during the annual shareholder meetings the Capital reserves decreased for the allocation of a portion of the results of the financial year ended 31 December 2020 for a total amount of EUR 25,409 thousand.

Currency translation reserve

The translation reserve includes all the 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 2021, the Group held 644 thousand shares for the total value of EUR 9,062 thousand (648 thousand shares as of 31 December 2020). During the period the group sold treasury shares for a total amount of EUR 128 thousand. Consequently the treasury reserves have decreased for EUR 46 thousand while the gain from sale for EUR 82 thousand has been recorded as accumulated profits.

Retained earnings / (losses)

Retained earnings / (losses) as of 30 June 2021 amounted to EUR -17,917 thousand (31 December 2020: EUR -25,409 thousand) and include the losses related to the current period as well as amounts booked in relation to the remeasurements of the employee benefits liabilities.
As approved during the annual shareholder meetings retained earnings were used to cover a portion of the results of the financial year ended 31 December 2020 for a total amount of EUR 35,797 thousand.

Dividends

During the first half of 2021 and 2020 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 292 thousand in 2020 to EUR 373 thousand in 2021 is mainly related to the following effects:

- The loss of the period pertaining to Non controlling interests for EUR -45 thousand;
- In 2021 the Group increased its percentage of participation to the share capital of LM Forward.

As a consequence, the Group also increased its participation to the previous years' losses for EUR -128 thousand.

Note 13 - Net Financial Position

The table below represents the net financial position for the Group as of 30 June 2021 and 31 December 2020:

in '000 EUR	30 Jun 2021	31 Dec 2020
Current financial assets	1,814	2,299
Cash and cash equivalents	153,586	137,618
Short Term Financial Liabilities	(59,477)	(67,236)
Short Term Lease Liabilities	(3,742)	(4,980)
Net Financial Position within 12 months	**92,181**	**67,701**
Non current financial assets	2,829	1,336
Long Term Financial Liabilities	(31,508)	(28,721)
Long Term Lease Liabilities	(5,365)	(6,767)
Net Financial Position over 12 months	**(34,044)**	**(34,152)**
Total Net Financial Position	**58,137**	**33,549**

The Net Financial Position for the Group was respectively EUR 58,137 thousand at 30 June 2021 and EUR 33,549 thousand at 31 December 2020.
When calculating the Net Financial Position the Group does not include EUR 5,122 thousand of shares acquired during the period included in the Non current financial assets. See Note 14 for further details.
Cash and cash equivalents increased during the first six months of 2021 due to the positive effect on net working capital coming from the combination of cost saving programs and restart of the business, in particular from the month of May, partially compensated by net cash out from financing and investing activities.
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 in the first six months of the year have been affected by the repayment of financing obtained in the previous years partially compensated by new financing obtained and credit lines drawn during the period.

Note 14 - Balance Sheet

In the first six months of the year compared with year-end 2020, Intangible Assets decreased by EUR 1,938 thousand (-1.3%) from EUR 152,228 thousand to EUR 150,290 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.
The Group management did not identify any impairment indicators within the first half of 2021. The final Impairment Test exercise on goodwill and indefinite life intangible assets will be performed at year end 2021.

Property plant and equipment decreased by EUR 641 thousand (-22.1%) mainly due to depreciation of the period.

Right-of-use assets decreased by EUR 2,656 thousand (-23.5%) 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.

Non-current financial assets increased by EUR 6,615 thousand (>100%) mainly due to the acquisition of Freesailors Cooperatief U.A shares (4.8%) in the context of the exit of Fedro SA from the shareholding agreement. Deferred tax assets increased by EUR 350 (2.5%) thousand from EUR 14,000 thousand to EUR 14,350 thousand. The change is due to the combined effect of the movements on deferred tax assets on employee benefits liabilities and losses carry 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 2021 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, increased by EUR 41,790 thousand (26.0%) from EUR -160,598 thousand as of 31 December 2020 to EUR -202,388 thousand as of 30 June 2021. The increase is mainly due to the restart of the business from the 2Q of 2021, that lead to an increase in payables and a corresponding increase in cash and cash equivalents.

As of 30 June 2021 the Group has an exposure towards airlines and hotels companies for about EUR 25 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 77.6 million as of 30 June 2021 (EUR 108.1 million as of 31 December 2020).

During the first six months of 2021 the Group has recognised further EUR 6 million of Bad debt provision to face risk related to receivables especially towards airlines and hotels partners.

Long term financial liabilities, amounting to EUR 31,508 thousand, include the non current portion of the borrowings received during 2020 and the first half of 2021. For more information see Note 13.

Current provision decreased by EUR 769 thousand from EUR 3,856 thousand as of 31 December 2020 to EUR 3,087 thousand as of 30 June 2021 mainly due to the reduction in provision for fraudulent credit card transactions that compensated the increase in redundancy provision and the accrual made for future cancellations for EUR 984 thousand.

Short term financial liabilities decreased by EUR 7,759 thousand from EUR 67,236 thousand to EUR 59,477thousand. For more information see Note 13.

Long and short-term lease liabilities decreased by EUR 2,640 thousand (-22.4%) 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 2021, 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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