

LMN 1H2021 - Financial Statement Disclosure

Media Release

Ad hoc announcement pursuant to Art. 53 LR

## lm holding: Travel demand's recovery in Q2 resulted in strong cash generation and return to positive earnings in June

**Amsterdam / Chiasso, 4 August 2021** – lm holding (or the “**Company**”), the European leader in dynamic holiday packages, today releases its 2021 interim results. lm group closed the quarter and the semester significantly better than the previous year. The steep recovery experienced from May onwards, generated both a strong increase in cash and positive economic results. June Net Result of € 4.0M is in line with 2019, despite lower volumes.

*To better reflect the performance of the core business in the Group numbers and simplify the management reporting structure, the "Business EBITDA" has been abandoned and the "Adjusted EBITDA" modified accordingly\*. 2020 Figures have been restated too, in line with such a new reporting framework. In order to make the quarters and the semester comparable, 2020 has been further restated to embed the new accounting principles adopted from EOY 2020 on cancellations and vouchers treatment\*\*. All figures presented in this report refer to lm holding (including Cruise business) and show reclassified Revenue that can slightly differ from IFRS Revenue due to the treatment of some extraordinary items. The reconciliation table is available in the Financial Statements published on lm group website.*

### 2Q2021 Results in € million

	2Q2021	2Q2020	Change %
Gross Travel Value	338.2	91.5	+270%
Revenues	37.1	11.9	+213%
Adjusted EBITDA	7.1	(6.4)	NA
Net result	(5.0)	(22.8)	+78%
	30.06.2021	30.06.2020	Change %
Gross Cash available	153.6	133.1	+15.4%
Net Cash	58.1	32.9	+76.6%

**Fabio Cannavale**, CEO of lm holding, commented: “May and June showed an encouraging trend of growing economics, boosted by a recovery in travel demand. The travel industry demonstrates its resilience and elasticity again, and when things turn positive, people are ready and willing to book for holidays.

Despite remaining uncertainties about next month's 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 materialize, as proven by June results.

The Group is focusing even more on dynamic holiday packages to consolidate its leadership position in the field. We are fully licensed and bonded to sell holiday packages with proper customer protection in the five main EU countries and in other nine markets. We are well positioned to take advantage of the accelerated shift to digital and ready to capture the new business flowing from classical offline-channel Tour Operators offering."

Cannavale added: "Our shareholders have recently nominated four new Board members in their Annual General Meeting. They will bring the needed business and financial expertise to support the Group's growth plans going forward."

**Andrea Bertoli**, *CEO of lm group*, commented: "The first half of 2021 was still impacted by strict travel restrictions that influenced travel demand and the performance of the Group until April. 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)."

Andrea Bertoli added: "We will likely continue to face challenging market conditions in the near future. The recovery will take some time then to bring the total travel market at pre-COVID levels, but we expect booming demand for online leisure travel as soon as restrictions are lifted. The Group's strong focus on this segment, which is expected to rebound faster than the overall travel market, has driven our good results in June and proves that we are well fit to capture the recovery when it will take shape stronger."

**Sergio Signoretti**, *CFO of lm group* said: "During 2020, the Group undertook numerous actions to preserve cash and reduce costs. Both programs were successful and brought to concrete results, visible in the numbers released in this report. June gross and net cash stood up to € 153.6M and € 58.1M respectively, from € 120.3M and € 11.2M at the end of 1Q2021, thanks to € 78M generated by net working capital dynamics partially compensated by the reimbursement to customers and banks. For the sake of comparison, gross cash at the end of the 2019 record year was € 110.4M."

Sergio Signoretti added: "40% of total vouchers released during the pandemic have been already converted, generating a limited cash outflow compared to the inflow from new bookings, while bringing to an upsell of add-on services that produced incremental revenues.

Fixed costs decreased by € 10.5M vs. 2020 (-31%) and € 18.9M vs 2019 (-46%), partially thanks to Government subsidies. As a result, Net Earning was positive by € 4.0M on June 21, perfectly in line with June 2019.

The Company navigated the waves of the crisis effectively, left behind any potential risks for its business continuity and demonstrated to be also capable of positively capitalising the effort put in place last year and throughout the first months of 2021. Despite that, our approach to

sales is still quite conservative. We are not trying to maximize volumes, we are more interested in growing our share in the long-run.”

### 1H2021 Results in € million

	1H2021	1H2020	Change yoy %
Gross Travel Value	461.0	686.4	-33%
Revenues	50.2	82.9	-39%
Adjusted EBITDA	1.5	(1.7)	NA
Net result	(17.7)	(29.9)	+41%

### Stock Appreciation Rights Plan

On August 3, 2021, the Selection Appointment and Remuneration Committee and the Group Board of Directors amended the incentive plan announced on 9 February and 10 May as Phantom Stock Options Plan.

Following the amendments the incentive plan is going to be a Stock Appreciation Rights Plan. All the features of the original plan have been confirmed with the following amendments:

- SARs will not have a specific settlement date and once vested will be exercisable by beneficiaries before the end of Year 7.
- Vesting conditions for SARs subject to Price Threshold equal or higher than CHF 40 and SARs subject to Price Threshold equal or higher than CHF 60 have been amended extending by 6 months the time for them to be vested.

### Investor and media conference call at 10.30am cet today

Andrea Bertoli, CEO lm group, Sergio Signoretti, CFO lm group and Niccolò Bossi, Investor Relator will present the interim results 2021. The conference will be held in English.

Date        Wednesday, 4 August 2021  
Time        10.30 am CET

To join the call via PC participants may connect via the following link: [HD Web Phone](#)  
To join via telephone participants may call the following numbers, 10-15 minutes before conference start:

Switzerland / Europe: 0041 22 595 47 28  
United Kingdom: 0044 1 212 818 004  
United States: 001 718 70 58 796  
Italy: 0039 02 802 09 11

**\*Notes about the move from Business EBITDA to Adjusted EBITDA**

To better reflect the performance of the core business in the Group numbers and simplify the management reporting structure, the "Business EBITDA" has been abandoned and the "Adjusted EBITDA" modified according to the following:

- Corporate costs are now included in the Adjusted Ebitda.
- Ebitda of the Cruises business is now included in the Adjusted Ebitda. Whether in the future, other ventures should be consolidated (majority stake) they will be treated in the same manner.
- Ordinary Bad Debt, not dependent on Covid-19, will be included as well in the Adjusted EBITDA.
- New bookings made through the use of vouchers issued during Covid-19 pandemic (so-called "rebookings") will be included in revenues and Adjusted EBITDA. Prior to that, they were treated and accounted as "extraordinary items" below Business EBITDA.

All the other effects arising from Covid-19 pandemic (i.e. cancellations or vouchers misredemption) will be consistently treated as extraordinary items, accounted below the Adjusted Ebitda as it was already until today.

**\*\*Notes about the restatement of 1H2020 figures**

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.

**The Interim Report 2021 and IR presentation are available for download at:**

<https://lmgrouplastminute.com/investor-relations/reports.html>

<https://lmgrouplastminute.com/investor-relations/reports/presentations.html>

\*\*\*

**Financial calendar**

15/16 September 2021	Investora Conference Zurich
12 November 2021	3Q2021 Trading Update

\*\*\*

**About [lm holding](#)**

lm holding is among the worldwide leaders in the online travel industry and operates a portfolio of well-known brands such as [lastminute.com](#), [Volagratis](#), [Rumbo](#), [weg.de](#), [Bravofly](#), [Jetcost](#) and [Hotelscan](#). The Group's mission is to be the most relevant and inspiring travel company, committed to enriching the lives of travellers. Every month, the Group touches 60 million users across all its websites and mobile apps (in 17 languages and 40 countries) that search for and book their travel and leisure experiences with us. More than 1,200 people enjoy working with us and contribute to providing our audience with a comprehensive and inspiring offering of travel related products and services. lastminute.com N.V. is a publicly traded company listed under the ticker symbol LMN on SIX Swiss Exchange.

**Press contacts**

lm group  
[corporatepr@lastminute.com](mailto:corporatepr@lastminute.com)

**Press contacts**

IRF  
 Elisabeth Wallimann  
 direct: +41 43 244 81 41  
 mob.: +41 77 401 18 71  
[lmn@irf-reputation.ch](mailto:lmn@irf-reputation.ch)

**Investor contact**

lm group  
 Niccolò Bossi  
 mob.: +41 76 392 56 99  
[investor.relations@lastminute.com](mailto:investor.relations@lastminute.com)