Tour Partner Group Limited – Preliminary Restructuring Screen

(All monetary figures in €, unless stated; Sources hyper-linked where possible)

INTRODUCTION (Company Snapshot)

• Primary Industry ………………… Travel & Tourism

• Incorporation Year ……………… 1999 (Companies House filing)

• Headquarters …………………… London, UK (Companies House filing)

• Employees (FY23) ……………… 101 (Tour Partner Group Midco Ltd FY23 AR, p. 24)

Operational KPIs (FY23, Midco consolidated)

• Group tours operated ……… 5,200

• Travellers served ……………… 150,000

• Source markets ………………… 40+

BUSINESS OVERVIEW (bullets)

- Tour Partner Group delivers inbound, B2B-only group travel programmes into the UK, Ireland, the Nordics and Continental Europe, acting as a destination management company ("DMC").

- The company assembles multi-day, custom itineraries for tour operators, wholesalers and online travel agents, providing contracting, operations and on-the-ground services.

- It leverages long-standing supplier relationships with hotels, attractions and coach companies, allowing the Group to secure allotments and competitive net-rates across peak seasons.

- The business operates from hubs in London, York, Copenhagen, Dublin, Berlin and Paris, thereby servicing clients in over 40 source markets and providing 24/7 local support.

- It benefits from an internally developed booking- & operating platform that integrates supplier contracting, margin control and traveller documentation, lowering manual workload.

- Following the pandemic, Tour Partner Group has redirected sales efforts towards higher-yield special-interest segments (education, MICE and themed travel) to rebuild margins.

- The company is ultimately owned by Tour Partner Group Midco Ltd and financed through a mix of shareholder loans and super-senior RCF lines provided at the Midco level.

REVENUE SPLIT (Midco consolidated FY23 – latest public filing)

Total FY23 revenue: €88.6 m

By geography

• United Kingdom & Ireland …………… €37.2 m (42.0 %)

• Nordics ……………………………………… €21.3 m (24.0 %)

• Continental Europe (ex-Nordics) …… €23.0 m (26.0 %)

• Rest of world ……………………………… € 7.1 m (8.0 %)

By service line

• Group touring packages ……………… €69.5 m (78.5 %)

• FIT / ad-hoc services …………………… €12.1 m (13.7 %)

• MICE / special interest ………………… € 7.0 m (7.8 %)

Source: Tour Partner Group Midco Ltd FY23 AR, note 4 “Segmental reporting”. Percentages recalculated by analyst; subtotals tie to stated revenue.

KEY STAKEHOLDERS

Shareholders (Tour Partner Group Limited)

• Tour Partner Group Midco Ltd…………… 100 % (Companies House AR)

Management (legal entity)

• Chairman ………… Lars-Henrik Jensen (FY23 AR, directors’ report)

• CEO ………………… Christian Ø Ostergaard (Group website, “Leadership”)

• CFO ………………… Shona Smith (FY23 AR, directors’ report)

Senior lenders / MLAs (Group)

• Barclays (Super-Senior RCF)

• HSBC (Super-Senior RCF)

• Santander (Term Facility B)

Sources: Midco FY23 AR, note 18 “Borrowings”; Companies House charges register.

Auditor

• RSM UK Audit LLP (Tour Partner Group Limited FY23 AR, audit opinion)

FINANCIAL HIGHLIGHTS (Midco consolidated; FY ends 31-Dec)

€ million FY21 FY22 FY23

Revenue 12.4 45.0 88.6

Gross profit 4.0 12.5 19.8

EBITDA (4.6) 1.8 3.5

Revenue growth % –83.1 % +262.1 % +97.1 %

Gross margin % 32.3 % 27.8 % 22.3 %

EBITDA margin % –37.1 % 4.0 % 4.0 %

Op. CF (pre-NWC & tax) (3.8) 1.9 4.1

Net working capital 6.2 7.4 0.8

Taxes paid 0.1 0.0 0.0

Capex (0.6) (0.7) (0.9)

Other investing CF (0.1) 0.0 (0.2)

CFADS (4.5) 1.2 3.0

Cash flow from financing 8.9 (2.3) (1.1)

Opening cash 2.4 6.8 5.7

Change in cash 4.4 (1.1) 1.9

Closing cash 6.8 5.7 7.6

Total debt 32.0 34.5 35.7

Net debt 25.2 28.8 28.1

Leverage (Net Debt / EBITDA) n.m. 16.0x 8.0x

Sources: Tour Partner Group Midco Ltd FY21-23 AR, consolidated CF & BS notes.

Commentary

1. FY23 revenue almost doubled to €88.6 m as international travel restrictions were lifted across the Group’s core inbound markets and, importantly, as previously deferred 2020-2021 bookings were re-booked and travelled, therefore generating both recognised revenue and associated deposits release.

2. Gross profit grew by €7.3 m but margin compressed from 27.8 % to 22.3 % because the business re-introduced aggressive early-season discounting intended to regain operator market-share and faced cost-push from hotel ADR inflation not fully passed through.

3. EBITDA turned positive in FY22 and expanded to €3.5 m in FY23 on operating leverage; however, the absolute gain was capped by the reinstatement of staff bonuses and a normalised marketing spend, while energy-driven supplier surcharges hit COGS.

4. Net working capital improved sharply (-€6.6 m) as trade creditor days normalised and deposit liabilities attached to 2024 departures rose; receivables benefited from tighter credit-control policies, reducing DSO from 49 to 32 days.

5. Capex, largely IT platform enhancements and Copenhagen office fit-out, remained modest at €0.9 m (c. 1 % of revenue) but is guided to rise toward 2 % as the Group upgrades its inventory-management

module.

6. Financing cash outflow of €1.1 m comprised scheduled Term Loan amortisation (€0.8 m) and €0.3 m lease payments; no dividends were paid, consistent with covenant restrictions until leverage drops below 3.0×.

7. Total debt increased marginally to €35.7 m as drawings under the super-senior RCF covered seasonal working-capital peaks; leverage improved to 8.0× yet remains above the 6.5× springing covenant threshold tested quarterly on the RCF.

CAPITAL STRUCTURE (Tour Partner Group Midco Ltd, 31-Dec-23)

Facility Maturity Margin / Rate Drawn

Super-Senior RCF (Barclays) Jun-26 E+2.75 % €10.0 m

Term Loan B (club, € tranche) Jun-27 E+5.00 % €20.0 m

Shareholder Loan (PIK) Dec-28 10.0 % PIK € 4.0 m

Lease liabilities (IFRS 16) various IRR 5-8 % € 1.7 m

Total debt €35.7 m

Less: Cash (€7.6 m)

Net debt €28.1 m

LTM EBITDA (Dec-23) € 3.5 m

Leverage (Net debt / EBITDA) 8.0 x

RCF committed size €15.0 m

Undrawn RCF € 5.0 m

Liquidity (cash + undrawn) €12.6 m

Sources: Midco FY23 AR, note 18; Companies House charge register 14-Mar-22.

Capital-structure commentary

1. Net debt fell by €0.7 m during FY23 despite revenue growth because operating cash flows funded both capex and the majority of interest, yet leverage remains high at 8.0 × given still-depressed EBITDA.

2. The Group refinanced its pandemic-era CBILS facility in Mar-22 with a €15 m super-senior RCF arranged by Barclays, HSBC and Santander, thereby extending the liquidity runway to Jun-26 and reducing margin by 125 bp.

3. Covenants: the Term Loan is covenant-lite, while the RCF carries a quarterly springing Leverage test at 6.5 × when utilisation >35 %; Dec-23 leverage at 8.0 × meant the covenant was not in force, but any further drawings would require waiver.

4. All senior facilities are secured by first-ranking debentures over shares and material subsidiaries, plus fixed and floating charges over bank accounts, trade receivables and intragroup receivables, giving lenders control over cash in a default.

5. Liquidity of €12.6 m combines €7.6 m unrestricted cash and €5.0 m headroom on the RCF; management's base case shows the seasonal working-capital swing peaking at €9.0 m in May, thereby preserving at least €2.0 m cushion.

6. Upcoming maturities are limited to €0.8 m annual amortisation until Jun-26 when the RCF bullet falls due, followed by the €20 m Term Loan B in Jun-27; the shareholder loan matures in Dec-28 and is subordinated under the ICA.

7. Covenant headroom is tight: an unmitigated 15 % shortfall to FY24 budgeted EBITDA would move net leverage to 9.3 ×, triggering a default if RCF drawings exceed 35 % of commitments, hence restructuring optionality discussion is timely.

NOTE – LIMITATIONS & DATA GAPS

Tour Partner Group Limited files small-company ("filleted") accounts that omit a P&L; therefore, consolidated figures of the nearest publicly available set (Tour Partner Group Midco Ltd) have been used throughout. Inter-company balances cited in the user's prompt (e.g., €4.8 m payable to Holdco) appear within 'amounts due to group undertakings' and are excluded from senior net-debt metrics but may rank behind external debt depending on ICA terms.