



PRELIMINARY RESULTS

for the year ended 31 January 2022

23 MARCH 2022

SAGA

AGENDA

Overview

Euan Sutherland Group CEO

Financial performance

James Quin Group CFO

Strategy overview

Euan Sutherland

Customer insight

Lisa Edgar the Big Window CEO

Insurance

Steve Kingshott Insurance CEO

Cruise

Nigel Blanks Cruise CEO

Conclusion

Euan Sutherland



OVERVIEW

Euan Sutherland
Group CEO

SAGA

RESILIENT PERFORMANCE AND POSITIONED FOR GROWTH



- Strong progress:
 - Insurance delivered second year of policy growth; team significantly strengthened
 - Successful restart of Cruise with encouraging pipeline of bookings for 2022/23
 - Restructured Tour Operations business
- Relunched the brand, showcased through three new TV adverts and refreshed websites
- Colleague support continued with additional leave entitlements and the launch of Grandparents' Leave
- Strong financial position with £187m Available Cash
- Continued debt reduction and investment in growth for the future in spite of short-term headwinds
- Strategically positioning Saga for growth

SECOND YEAR OF POSITIVE INSURANCE MOMENTUM

TRAVEL WELL-PLACED AS WE EMERGE FROM THE PANDEMIC

47%

three-year fixed-price (2021 – 35%)

82.8%

customer retention (2021 – 80.5%)



Launched **Saga Plus**

AICL policies in force

+3%

Ranked first for Insurance customer satisfaction by



+1.4%

policies in force

£74

margin per policy (2021 – £74)

59%

new business acquired directly (2021 – 59%)



Note that all KPIs quoted represent the motor and home products.



Positive cash and EBITDA

for Cruise in the second half

31k Travel guests

68%

Cruise load factor

£299

Cruise per diem

9.1

Cruise customer satisfaction (out of 10)



Launched **Spirit of the Rhine**

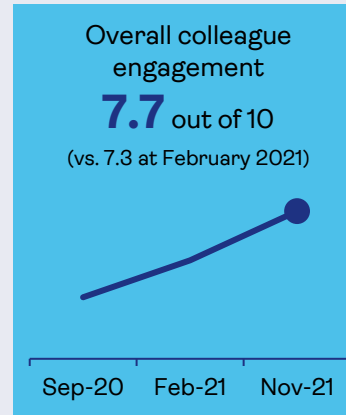


Began **Tour Operations restructure**

ESG HIGHLIGHTS

- Diverse range of ESG initiatives underway
- Recognise that there is more to do and are actively engaged in that work
- Aiming to achieve a reset that will deliver greater scale, ambition and impact
- Cruise ships already best-in-class for emissions but exploring what more can be done
- Focused on challenging the perceptions of ageing

Ambition to become
**‘Champions of Experience
 in the Workplace’**



123
 families of our
 Filipino crew
 supported
 with
 educational
 bursaries

Launched
**Grandparents’
 Leave**



£184k
 value donated to
 the community

Introduced the
**Green
 Fleet
 Car
 Scheme**

£120k
 COVID-19
 community fund

43%
 colleagues
 are female

57%
 colleagues
 are male

£206k
 charitable donations
 made by Saga

3,283
 volunteer hours
 given by colleagues





FINANCIAL PERFORMANCE

James Quin
Group CFO

SAGA

SMALL UNDERLYING LOSS BUT STRONG CASH RECOVERY

	2021/22	2020/21	Change
Revenue	£377.2m	£337.6m	12%
Underlying (Loss)/Profit Before Tax	(£6.7m)	£17.1m	(139%)
Loss before tax	(£23.5m)	(£61.2m)	62%
Available Operating Cash Flow	£75.8m	£3.4m	2,129%
Net debt	£729.0m	£760.2m	(4%)
Leverage ratio	11.7x	10.3x	1.4x

- Increased revenue following resumption of Cruise operations
- Small Underlying Loss Before Tax due to continuing impact of COVID-19 on the Travel business
- Robust Insurance result
- Much improved cash generation with Cruise cash positive, and net debt reducing by £31m

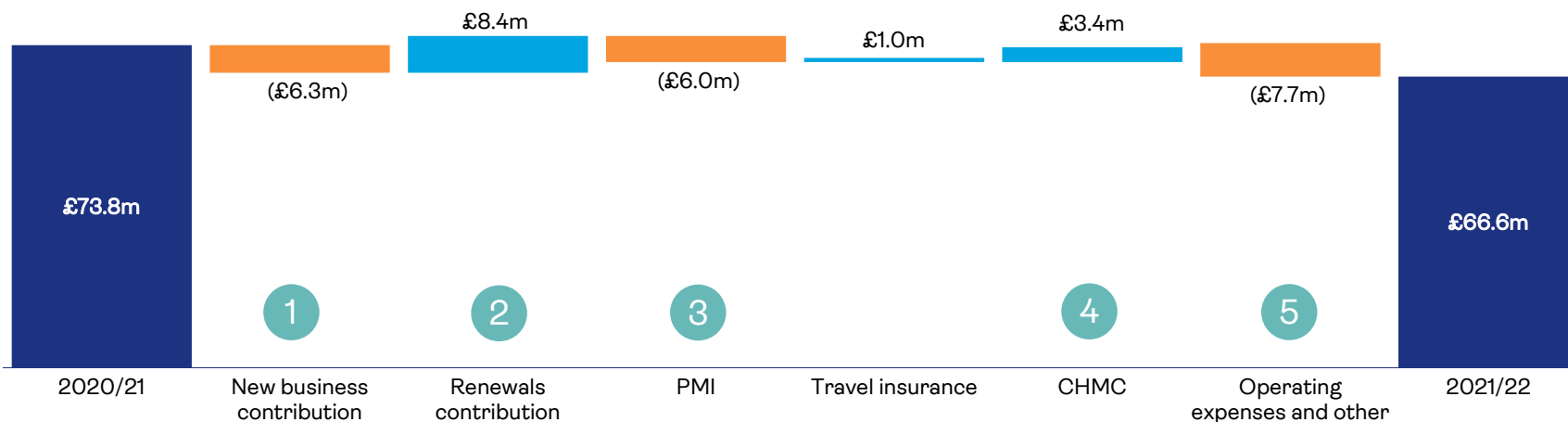
CONTINUING TO NAVIGATE PANDEMIC CHALLENGES

	2021/22	2020/21	Change
Retail Broking (written)	£66.6m	£73.8m	(10%)
Written to earned adjustment	(£0.2m)	£2.1m	(110%)
Underwriting	£54.1m	£58.7m	(8%)
Insurance	£120.5m	£134.6m	(10%)
Cruise	(£47.7m)	(£41.6m)	(15%)
Tour Operations	(£31.6m)	(£36.9m)	14%
Travel	(£79.3m)	(£78.5m)	(1%)
Other Businesses	£1.8m	£2.8m	(36%)
Central Costs	(£49.7m)	(£41.8m)	(19%)
Underlying (Loss)/Profit Before Tax	(£6.7m)	£17.1m	(139%)

- Retail Broking profit lower, mainly due to reduced PMI result and investment in advertising
- Insurance KPIs show progress in motor and home
- Continued strong Underwriting result with high reserve releases
- Higher Cruise loss due to increased marketing and incremental costs of owning two ships for the full year
- Tour Operations result benefitting from cost actions
- Increase in Central Costs mainly due to investment in brand campaign

ROBUST BROKING RESULT IN CHALLENGING MARKET ENVIRONMENT

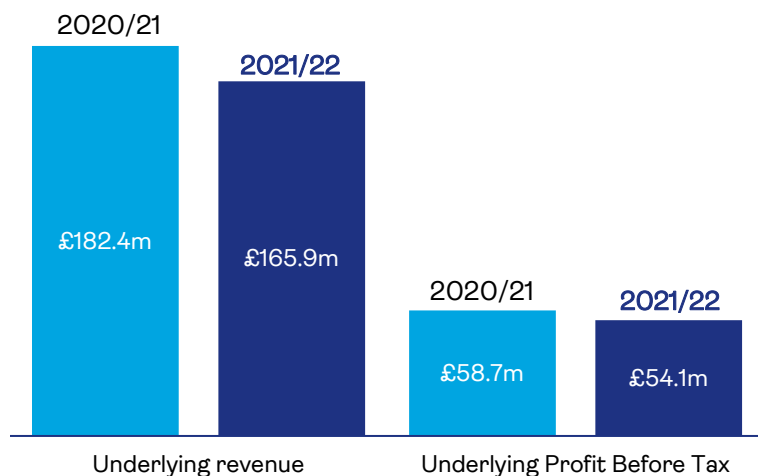
Year-on-year movement in written Retail Broking Underlying Profit Before Tax



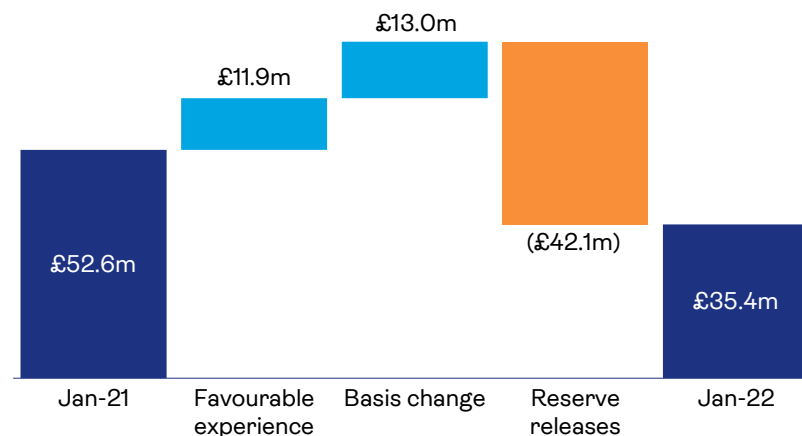
- 1 £6m ATL investment and c.£3 per policy lower net revenue per policy in competitive motor market
- 2 Roughly 25% volume related, 75% margin, supported by increased weight of 3-year product in portfolio
- 3 Reduced PMI renewal margins following pricing rule changes and lower profit share
- 4 One-off release of prudent credit hire provisions
- 5 Mainly higher staff and IT costs

UNDERWRITING AHEAD OF EXPECTATIONS

Strong result with high reserve releases



Movement in reserve margin



- Net earned premiums reduced by 12%, due to lower volumes on non-Saga panels and reduced average premiums
- Underlying current year combined operating ratio of 96.3% (versus 91.4% in 2020/21), with claims frequency in the second half broadly in line with pricing assumptions
- Reserve releases of £42m ahead of the prior year, largely due to partial release of the additional component of reserve margin held in respect of the 2020/21 accident year
- Longer-term expectations of an underlying COR of c.97% unchanged but likely to be better than this in 2022/23

CONTINUED PANDEMIC IMPACT ON TRAVEL

Financials	2021/22	2020/21	Variance
Revenue	£94.7m	£51.6m	84%
Gross profit	(£8.2m)	(£16.5m)	50%
Underlying PBT:			
Cruise	(£47.7m)	(£41.6m)	(15%)
Tour Ops	(£31.6m)	(£36.9m)	14%
Total Underlying Loss Before Tax	(£79.3m)	(£78.5m)	(1%)

- Travel loss at similar level to the prior year
- Cruise resumed operations in June 2021, was EBITDA positive in the second half and cash positive for the full year
- 2021 largely a write-off for the Tour Operations business, with customer confidence severely impacted by changing regulations and virus variants

Bookings for current year departures

- Cruise bookings ahead 46% of same point two years ago due to pent up demand
- Tour Operations bookings behind pre-pandemic levels, reflecting customer caution

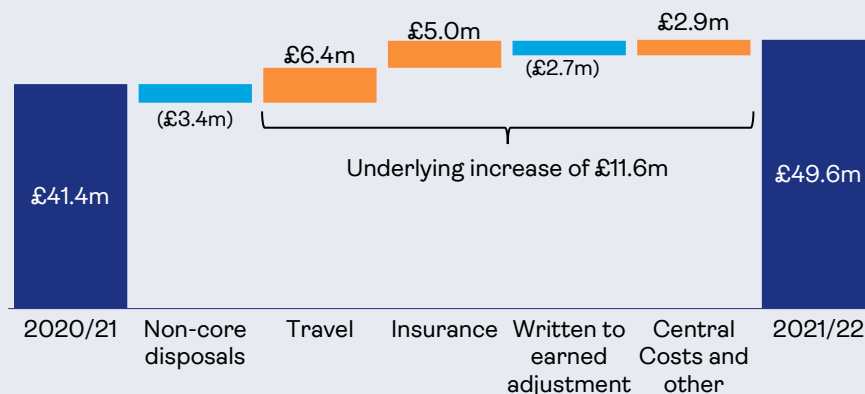
	At 20 March 2022	At 22 March 2020	Change
Cruise	£161m	£110m	46%
Tour Operations	£132m	£188m	(30%)

INVESTMENT TO SUPPORT POST-PANDEMIC RECOVERY

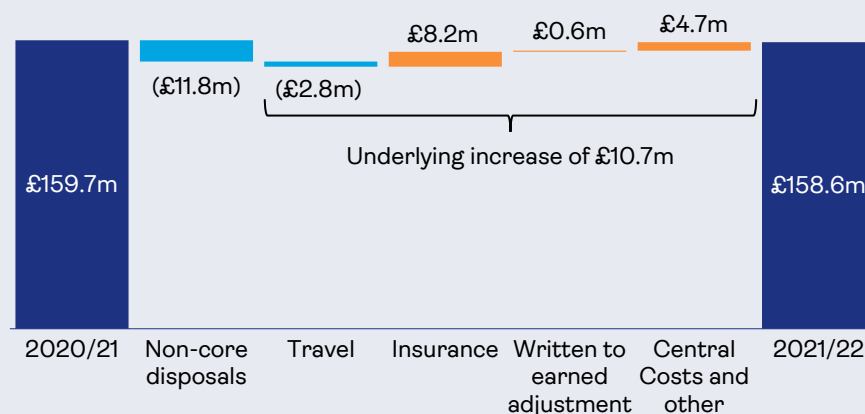
- Full year in line with expectations set at half year
- Increase in underlying marketing costs of £11.6m compared to prior year; due to TV advertising and brand relaunch, as well as returning Cruise marketing closer to pre-pandemic levels
- Underlying admin costs up by around £10m excluding written to earned adjustment, mainly £6m staff costs and £2m higher IT costs
- Increase in Central Costs due to lower recharges to Travel and investment in magazine
- Central Costs include 'plc' costs, support to business units in relation to data, digital and brand, central IT and some legacy property and pension expenses

* Administration and marketing costs are reconciled to statutory definitions on page 60

Underlying marketing costs*

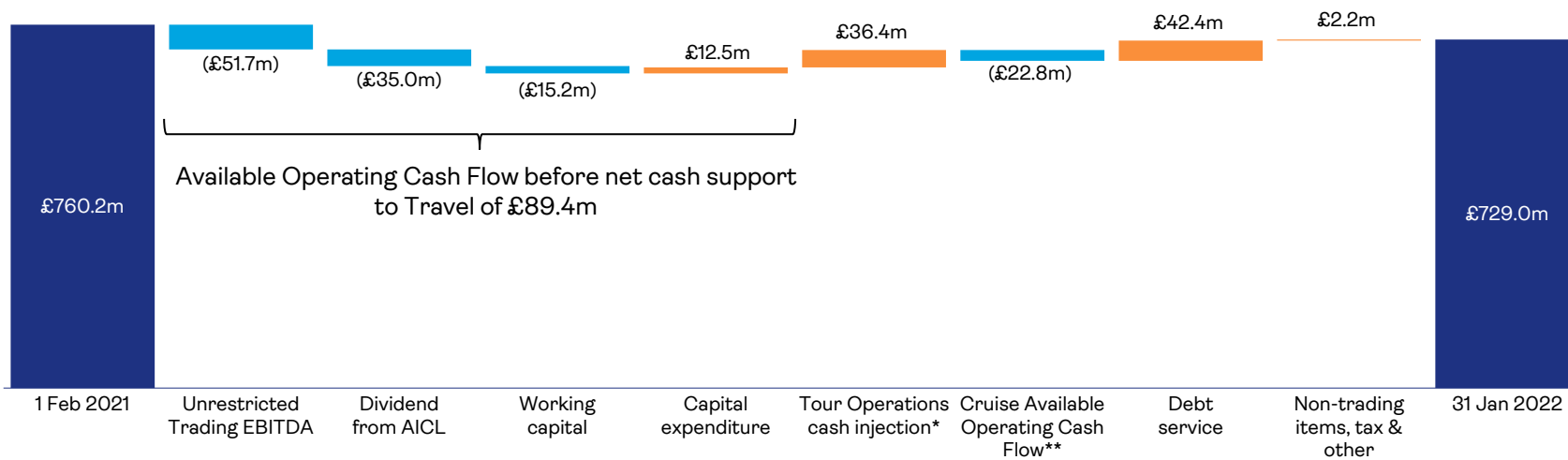


Underlying administration costs*



CONTINUED NET DEBT REDUCTION

Movement in net debt



- Available Operating Cash Flow (excluding Travel) of £89.4m, largely unchanged from the prior year and benefitting from positive working capital movements and a higher AICL dividend
- Cash provided to Tour Operations similar in H2 to H1, and much lower than £64.1m cash injection in prior year
- Cruise cash positive due to positive swing in advance customer receipts on return to service (vs. £11.5m operating cash outflow in the prior year); also cash positive after including ship debt interest costs
- Increased debt costs due to a full year of Spirit of Adventure, bond issuance costs and ship loan deferral fees

* Note that the £36.4m cash injection to the Tour Operations business is net of £1.6m restructuring costs

** Cruise cash flow represents net advance customer receipts, trading costs and capex as shown on page 69

ACTIONS TAKEN TO STRENGTHEN OUR FINANCIAL POSITION

Summary of financing facilities

- Ship debt financing to be repaid over next 11 years
- £76m of ship debt repayments deferred; to be repaid over 4-5 years, or earlier in order to restart plc dividends
- £250m new bond issued in 2021, used to repay bank debt and partially repay 2024 corporate bond
- £100m undrawn RCF

	Outstanding	Expiry
2026 Corporate bond	£250m	July 2026
2024 Corporate bond	£150m	May 2024
<i>Spirit of Discovery</i>	£235m	June 2031
<i>Spirit of Adventure</i>	£281m	September 2032
RCF	£100m available	May 2025

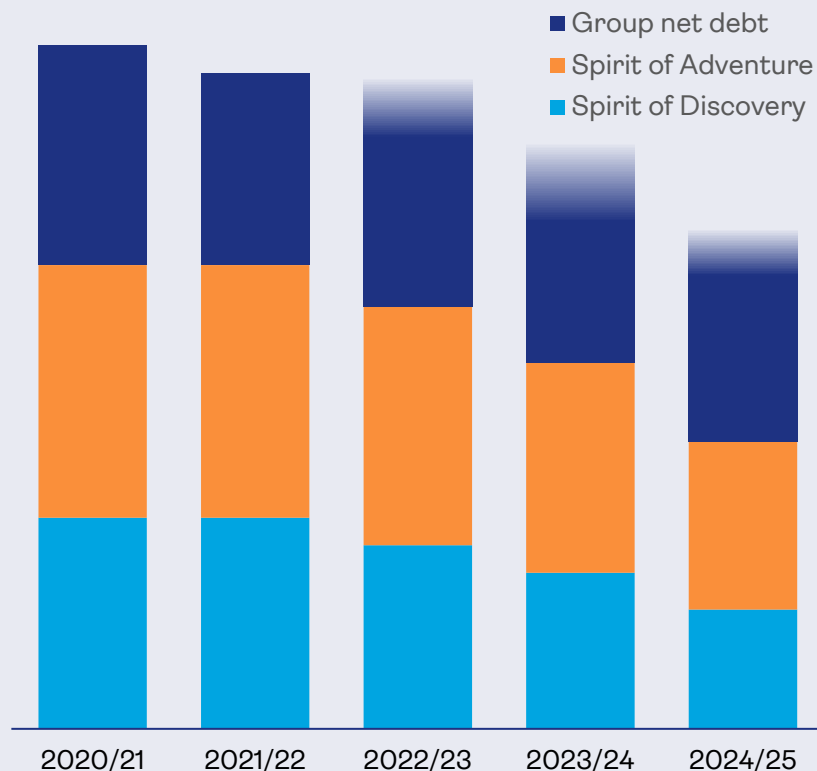
Confidence in our position

- £187m Available Cash at 31 January
- Further £32.4m cash held within the ST&H ring-fenced group, supporting £24.2m customer receipts
- No maintenance covenants in bonds
- Headroom to covenants in ship debt financing agreements in all modelled scenarios
- No debt maturities until May 2024
- Expect to repay £150m outstanding on the existing 2024 bond from Available Cash at maturity

EXPECTED ACCELERATION OF DEBT REDUCTION

- Deleveraging should pick up pace as Travel cashflows improve
- Chart on the right shows expected profile of debt reduction in a range of scenarios, including possible but remote risks such as temporary lay-ups for the ships and ongoing lower load factors
- Assumes capital repayments on Cruise debt from June 2022 including early 'catch up' payments on amounts deferred by early 2024
- Still expect to achieve goal of total leverage ratio below 3.5x by 2024 in base case scenario

Deleverage profile with updated stress test applied



OUTLOOK FOR 2022/23



- Retail Broking – wider range of uncertainty post market study; continued disciplined approach to pricing
- Underwriting – expect to see favourable reserve releases in AICL albeit lower than in 2020/21 and 2021/22
- Cruise – expect improved result with load factor >75%; around £8m one-off impact from discounts and cost of COVID safety protocols
- Tour Operations – aiming for break even, but subdued bookings and higher cancellations from mid-February
- Central Costs – investing around £4m in additional insight and innovation
- Overall, mindful of the external environment but expect return to profit while investing to support future growth



STRATEGY OVERVIEW

Euan Sutherland
Group CEO

SAGA

EXPERIENCE IS EVERYTHING... THE NEXT PHASE

- Saga is a strong brand with great people
- We are emerging from the pandemic stronger than we went in
- We have already put in place the fundamental building blocks to reset our brand and our business
- We're now focused on returning the business to growth, whilst mindful of the headwinds



“I’M NOT ‘OLD’...”



The majority of our audience don't self-identify as old, and they certainly don't want to be seen as old by others.



...I'M EXPERIENCED”

**Experience defines who you are,
and everyone wants to be experienced.
And our audience has more than anyone.
It's the one key advantage they have that
no one can argue with.**

Source: Research group 2020

**“WE ARE THE SUM OF
OUR EXPERIENCE:
GOOD AND BAD ONES”**

**“EXPERIENCE
ROUNDS PEOPLE,
IT BUILDS
CHARACTER”**

**“YOU CAN’T BUY
EXPERIENCE”**

**“I’M NOT OLD,
JUST MORE
EXPERIENCED”**

**“THAT HITS THE
NAIL ON THE HEAD”**

**ADVERTISING RESONATES
STRONGLY WITH OUR AUDIENCE**

Key quotes from our 2020 research groups

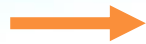
THINKING OF SOMEONE AS EXPERIENCED SHAPES HOW WE SERVE THEM

'OLD' ASSOCIATIONS

Losing faculties



In need of help



Largely ignored



Nostalgic



Easily pleased



'EXPERIENCED' ASSOCIATIONS

Sharp, savvy and discerning

Plenty to contribute

Respected and influential

In the present

Demand exceptional

EXPERIENCE IS
EVERYTHING



WHY SAGA EXISTS

Our vision

Is to help lead and create a UK where older people are valued for their experience and have greater confidence, contribution and connections.

Our purpose

Our purpose is:
To deliver exceptional experiences every day while being a driver of positive change in our markets and communities

Exceptional
means
“always stand out and memorable”

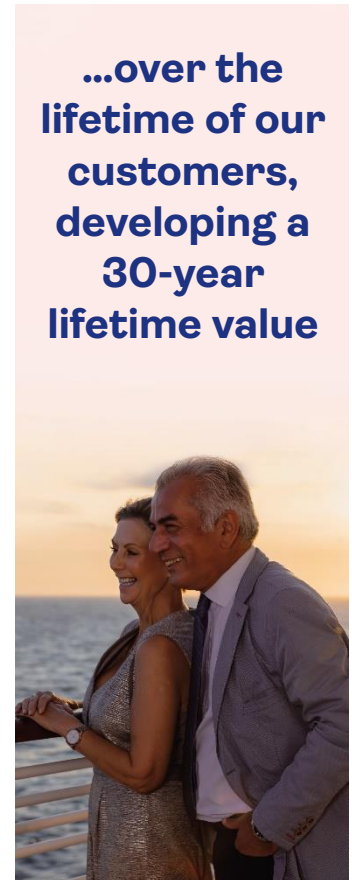
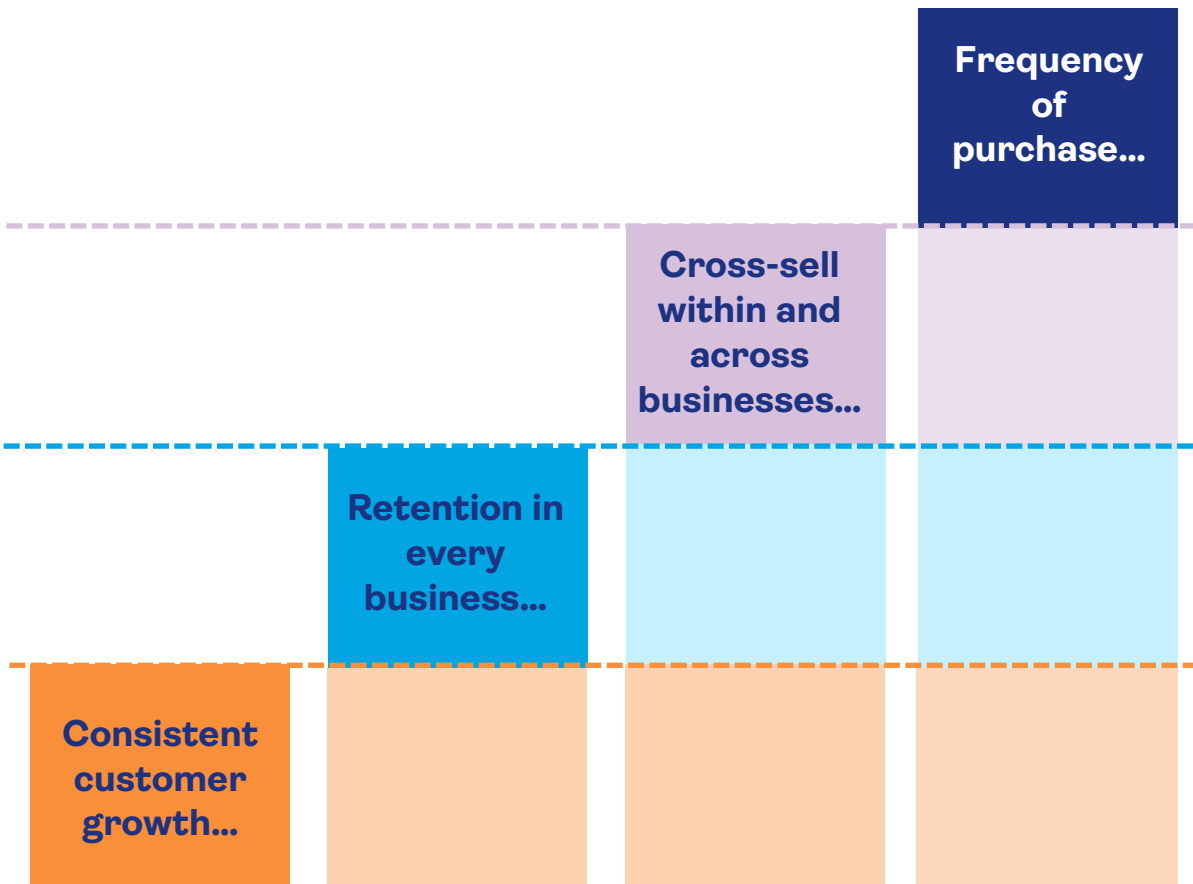
Experience
means
“an event that leaves a positive impression on someone”

Every day
means
“consistency for every customer every day”

Our positioning

Our customers want peace of mind, quality and reassurance.
They want good value from their products and services, but not necessarily the cheapest price.
Quality and care is remembered long after the price is forgotten.

OUR BUSINESS MODEL – A COMPETITIVE STRENGTH MOVING TO CAPITAL-LIGHT, HIGH-GROWTH, LIFETIME VALUE



SAGA'S BUSINESS STRUCTURE



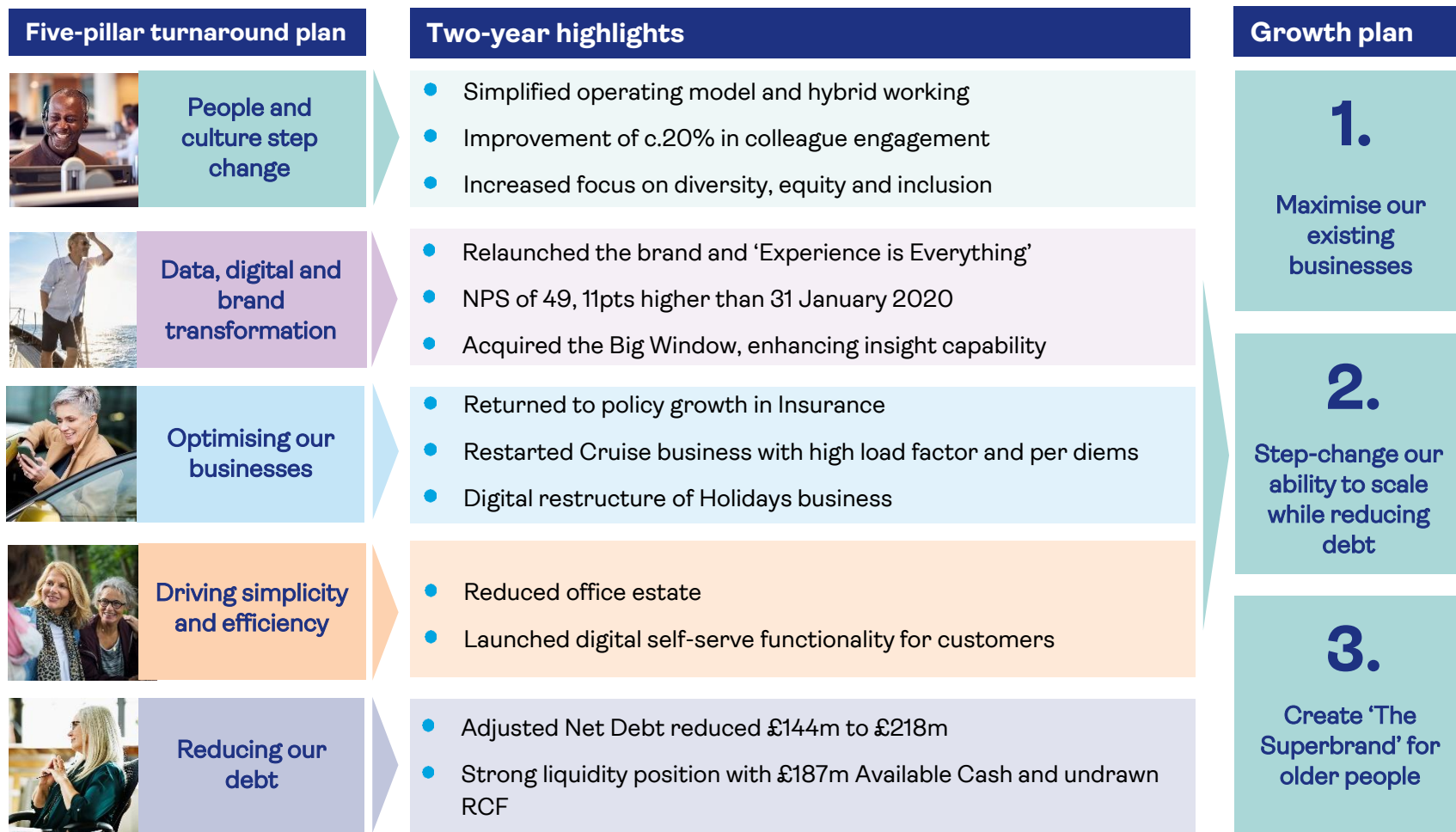
Capital-light
direct-to-customer
marketing, content and
distribution business

Brand, data, insight and
innovation are our core IP

Our businesses are
entrepreneurial, leveraging
our core IP to build deep and
long-lasting relationships
with our customers

**...enabling a 30-year lifetime
value**

FROM STABILISATION TO GROWTH



OUR GROWTH PLAN

1

Maximise our existing businesses

Specific growth plans for each business, enabling growth, accountability, efficiency and the delivery of a common brand purpose



Insurance

Move from reset to growth, focused on optimising our products and broadening the range, building CRM capability, shift distribution from PCW to direct and refocusing our product sourcing approach



Cruise

Build ocean cruise into an exceptional experience every day, whilst maximising our returns
Build a river cruise proposition that mirrors ocean



Holidays

Create a market-leading, more digital holidays business from a low-cost operating platform to accelerate growth and modernise the business



Personal Finance

Attract new customers, accelerate growth within existing equity release and savings products and add new products to deepen our customer relationships

OUR GROWTH PLAN

2 Step-change our ability to scale while reducing debt

- Grow existing businesses while reducing debt
- Developing new businesses through innovation in a capital-light way

3 Create 'The Superbrand' for older people

- Address the current brand polarisation
- Commercialise and grow our database
- Build exceptional insights, driven by the acquisition of the Big Window
- Deliver a brand repositioning where 'Experience is Everything'
- Create a content platform where we reach millions of customers every day





CUSTOMER INSIGHT

Lisa Edgar
the Big Window CEO

SAGA

AN INSIGHT VISION DRIVING A UNIQUE POSITION

Only Saga will know and understand what it means to get older and how to make it the positive experience it should be



A SOLID PLATFORM TO MOVE FORWARD WITH

We start from a very strong position

We know **who**
to target



Group-wide segmentation pin-pointing our primary targets:
**their needs
attitudes and
aspirations**

We know **what**
they want



**Extensive, engaged and
expanding customer panel,**
with representation across our
product base

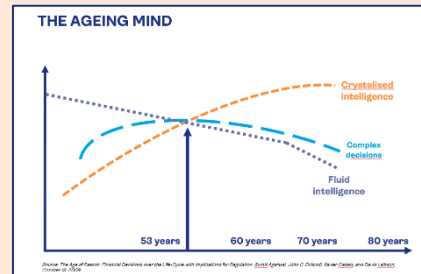
We know **what they**
respond to



Years of effective **test and
learn activity** via **targeted
direct and performance
marketing**

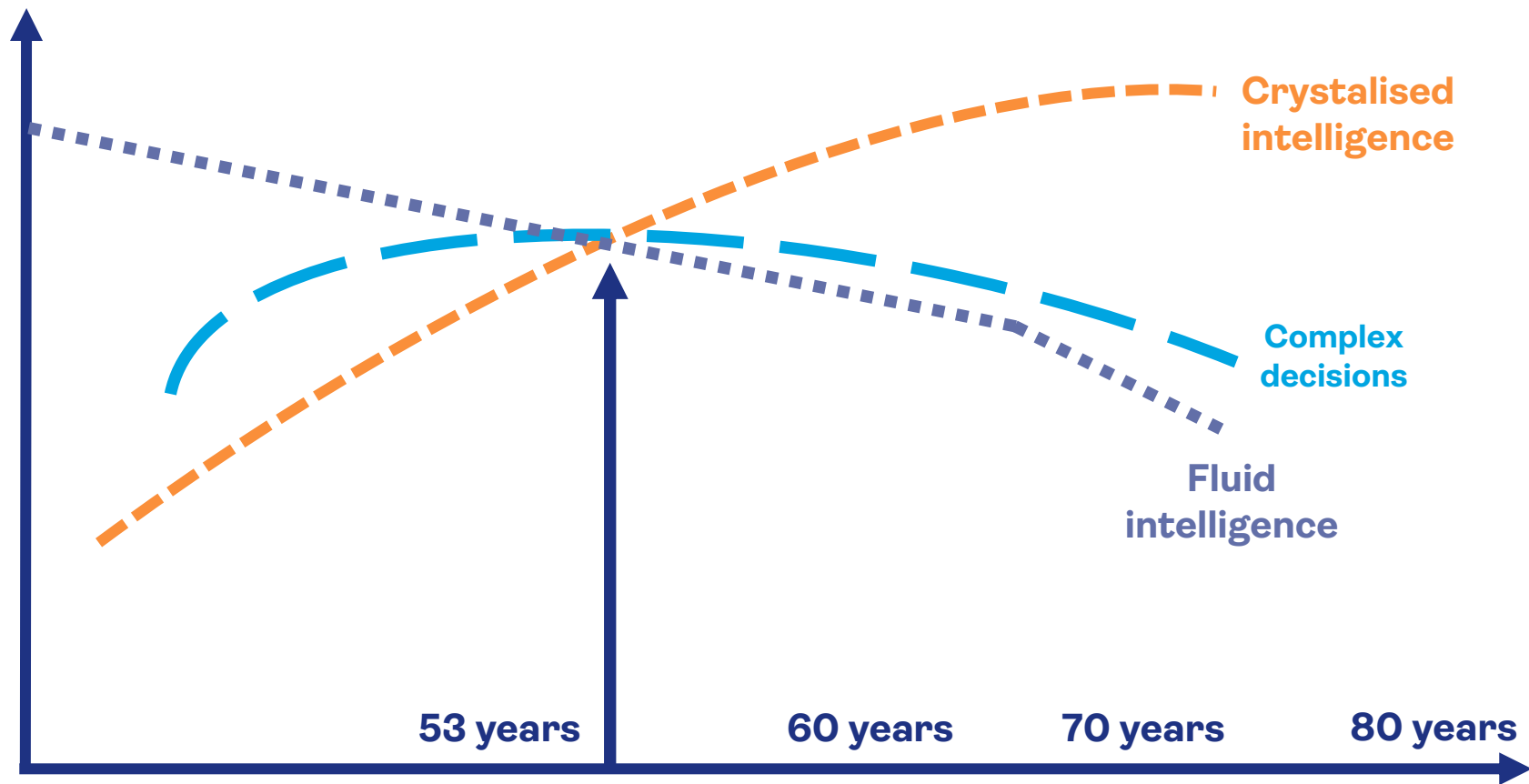
TRANSLATING UNIQUE INSIGHTS INTO CONSUMER VALUE

1. Our ever-building knowledge of the ageing mind



Building a brand campaign that successfully and meaningfully reframed age as experience

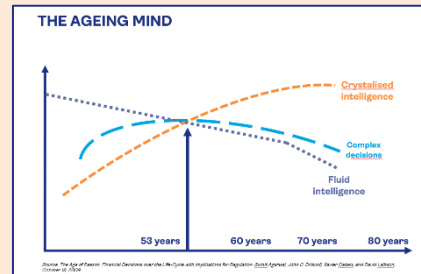
THE AGEING MIND



Source: *The Age of Reason: Financial Decisions over the Life-Cycle with Implications for Regulation*. Sumit Agarwal, John C. Driscoll, Xavier Gabaix, and David Laibson, October 19, 2009

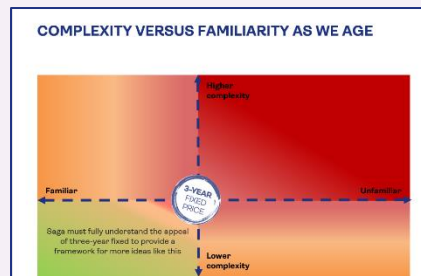
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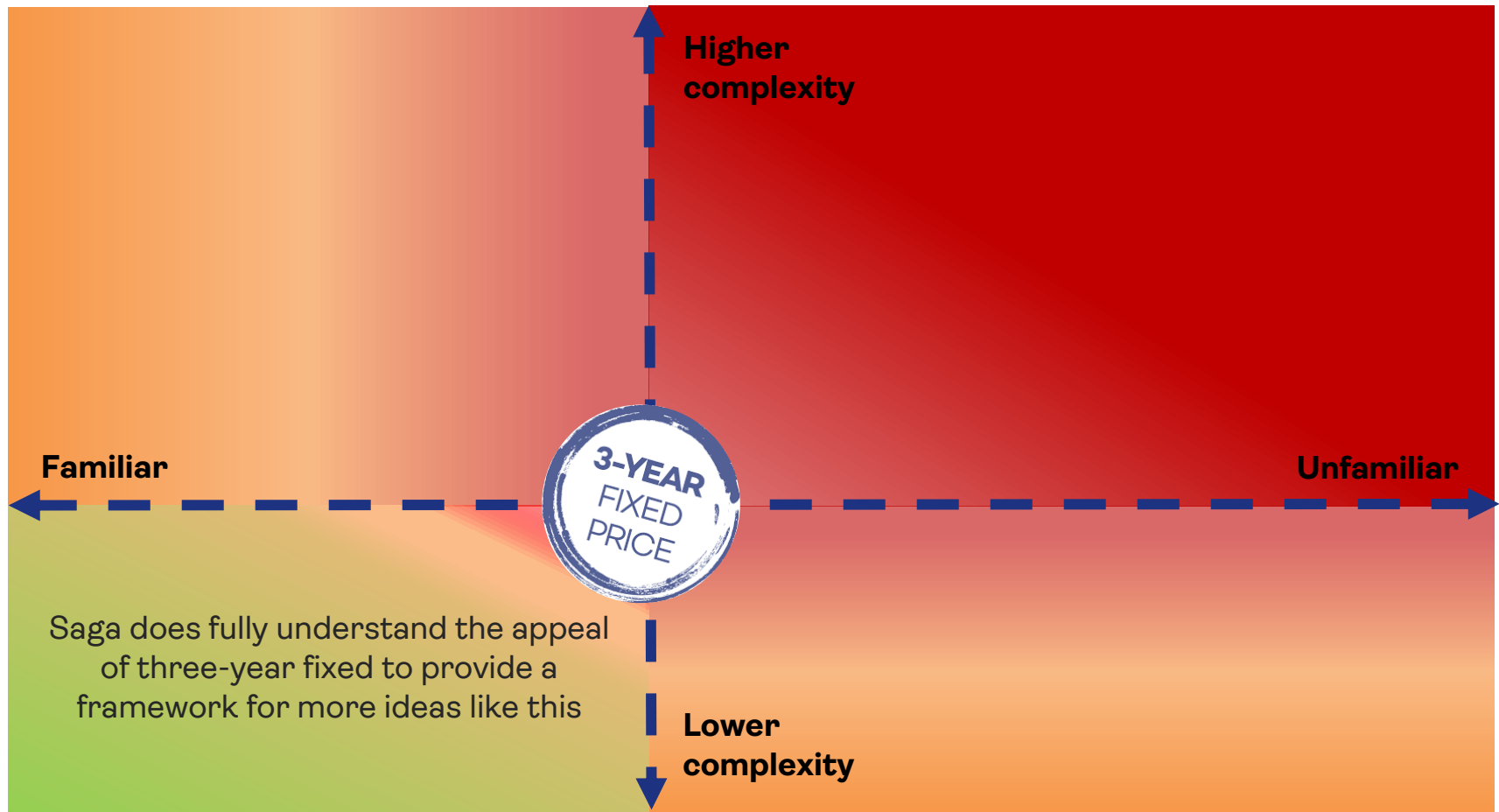
Building a brand campaign that successfully and meaningfully reframed age as experience

2. Our understanding that as we age, we seek familiarity, simplicity and predictability



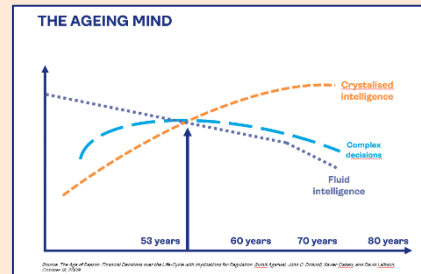
Developing products that meaningfully resonate with the process of ageing and the needs that spawn

COMPLEXITY VERSUS FAMILIARITY AS WE AGE



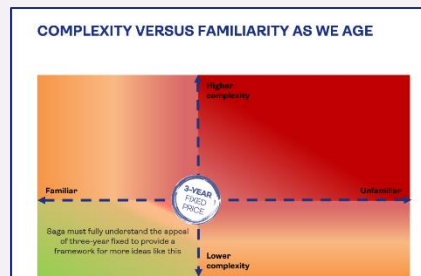
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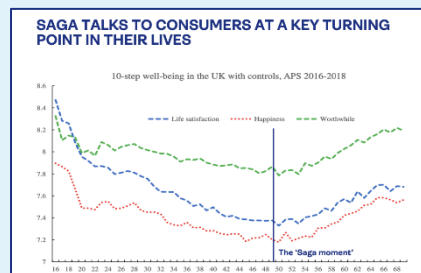
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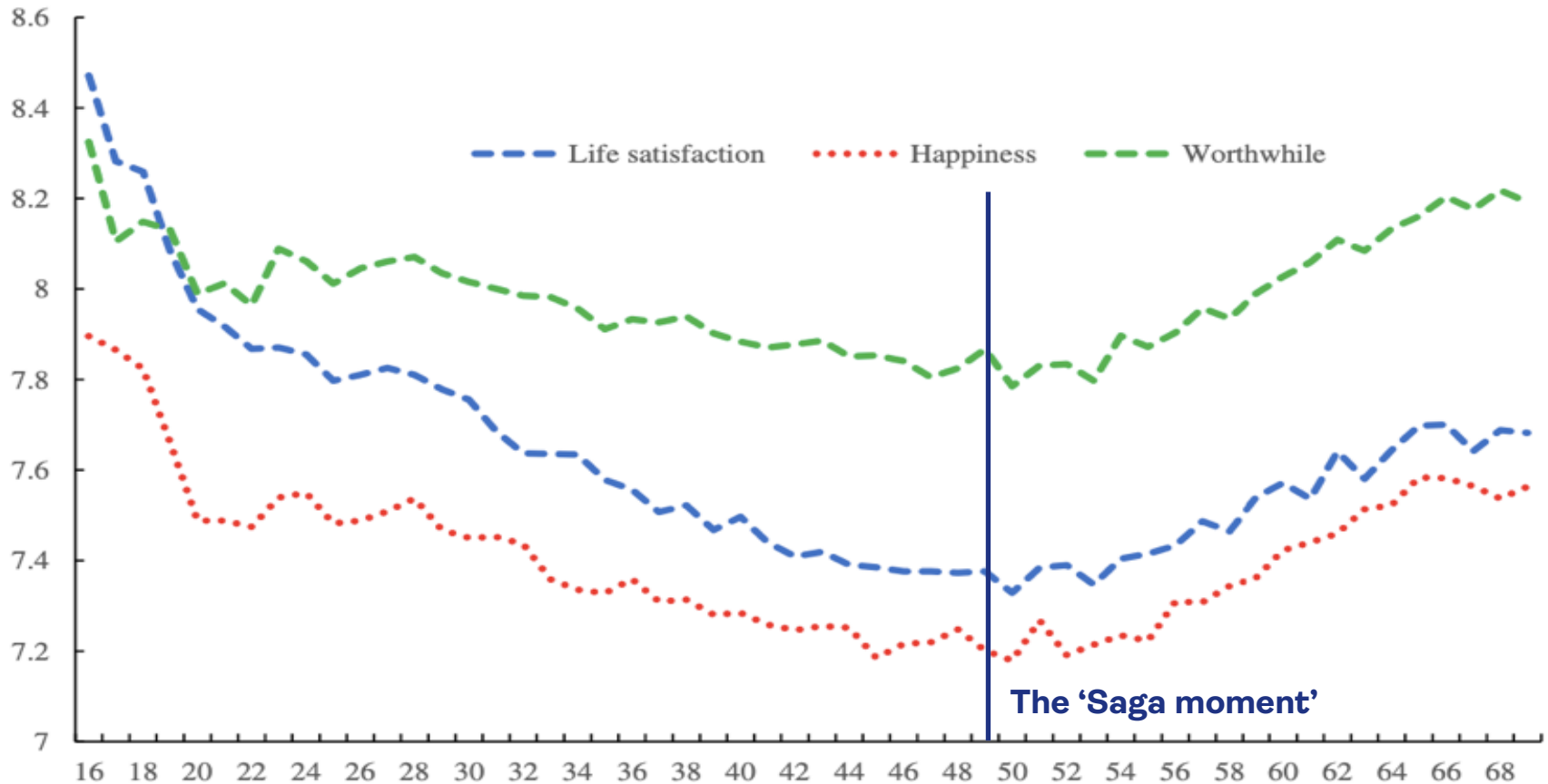
3. Saga talks to consumers at a key turning point in their lives; ageing brings a more positive in outlook, stronger sense of well-being and adaptability



We are building services that reflect rather than patronise the ageing state of mind. This includes services that reinvigorate rather than restrict

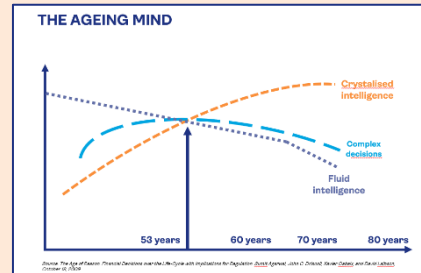
SAGA TALKS TO CONSUMERS AT A KEY TURNING POINT IN THEIR LIVES

10-step well-being in the UK with controls, APS 2016-2018



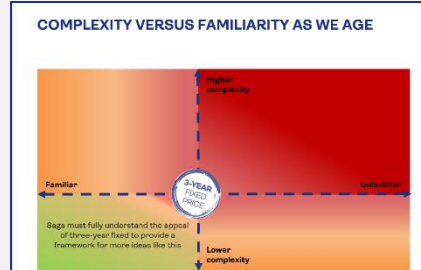
TRANSLATING UNIQUE INSIGHTS INTO CONSUMER VALUE

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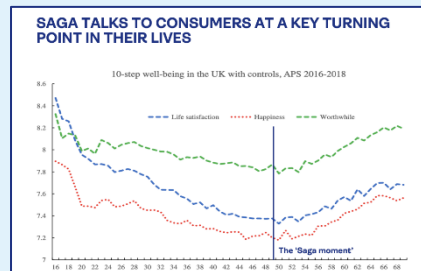
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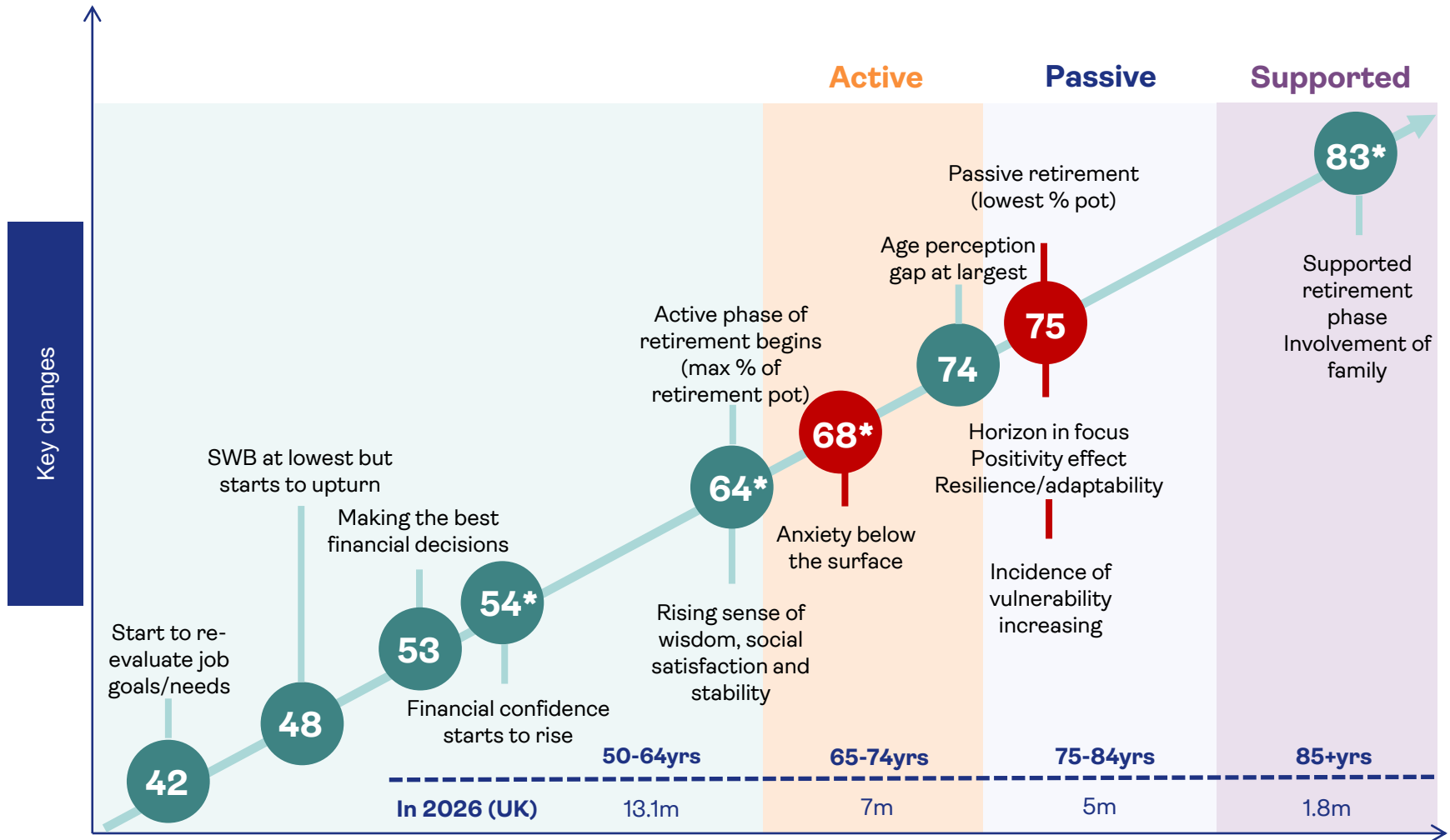
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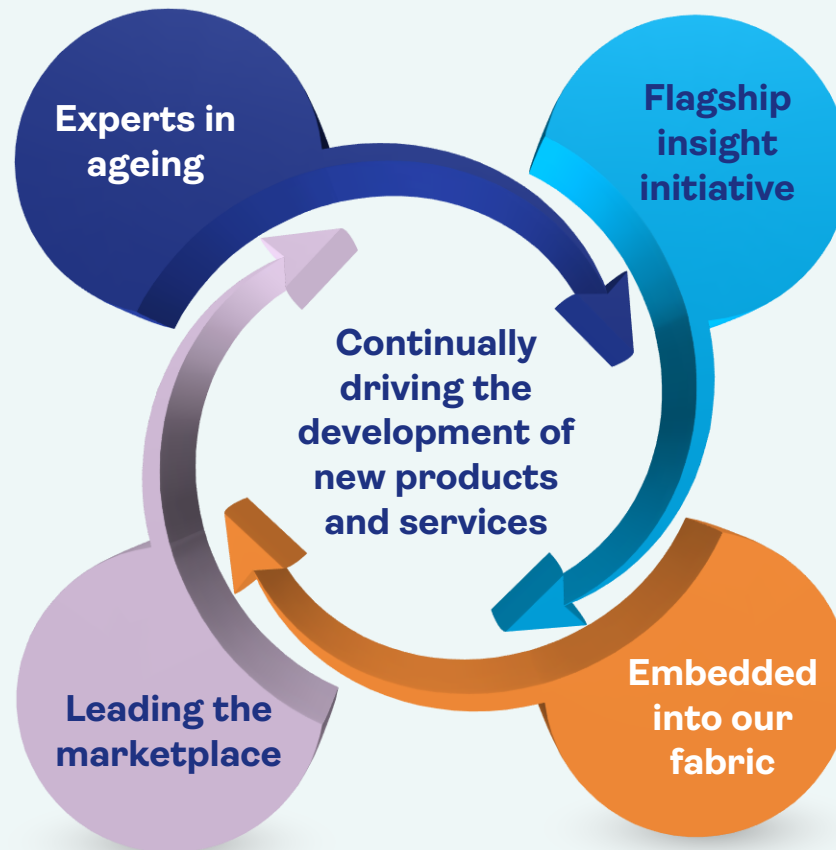
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A LIFETIME MAP OF CONSUMERS' EXPERIENCE OF AGEING



A PLAN FOR LEADING THE WAY

An ageing unit capable of applying the best expertise in ageing to real consumer solution



Opening-up the funnel of consumer needs through the lens of ageing

Saga will continually attract the best minds and input by being the thought leaders all want to follow

Building our expertise into a colleague engagement programme and business decisions



INSURANCE

Steve Kingshott
Insurance CEO

SAGA

THE SAGA DIFFERENCE AND WHAT IT MEANS FOR INSURANCE

Saga has unique competitive assets, which we will leverage to drive growth :

- ✓ Brand heritage amongst older people
- ✓ Enhanced brand positioning through 'Experience is Everything' campaign
- ✓ Unique data and insight into ageing from the Big Window and other Saga businesses



THE FOUNDATIONS ARE ALREADY IN PLACE..

Proposition

- ✓ Introduced Saga Plus enhanced three-year fixed-price cover
- ✓ Relaunched the brand, showcased through three new television adverts

Data and digital

- ✓ Implemented Radar live pricing system, enabling pricing agility and footprint expansion
- ✓ Website changes to improve customer journey

Service

- ✓ Improved net promoter score (49 vs. 43 a year ago)
- ✓ Awarded recommended provider for motor and home insurance by Which?
- ✓ Rated as the best insurance brand in the UK for customer satisfaction by the Institute of Customer Service
- ✓ Retained Best Home and Best Big Insurer in the Insurance Choice Awards



Technology

- ✓ Motor and home live on Guidewire, enabling us to evolve our core propositions and broaden our digital capabilities

INSURANCE WITH THE NEEDS OF OLDER PEOPLE AT ITS HEART

Saga customers have very clear needs when it comes to insurance:

Reassurance

Can I make a claim with minimum fuss and great service?

Ease

Can I buy the insurance I want in the easiest and best way for me?

Certainty

Can I buy insurance and not worry about it until I need it?

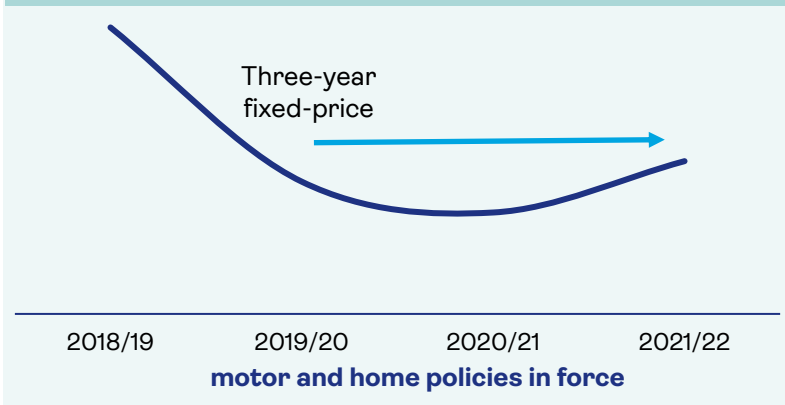
Trust

Is the policy going to pay out when it should, and when I need it to?

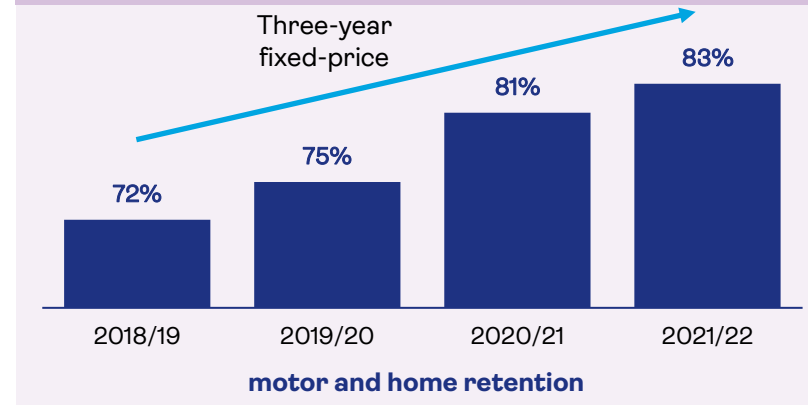
We deliver
quality insurance products
and
exceptional experiences every day
at
great value for money
to
serve older customers better than anyone else
and
promote direct, long-lasting and deep relationships.

BUILDING DIRECT LONG-LASTING AND DEEP CUSTOMER RELATIONSHIPS

Our three-year fixed-price product meets customer needs and has driven policy growth...



...and helped us keep customers longer, with 8 out of 10 staying with us at renewal...



.....and they come direct and hold more products

Saga Plus
1.4
products per customer

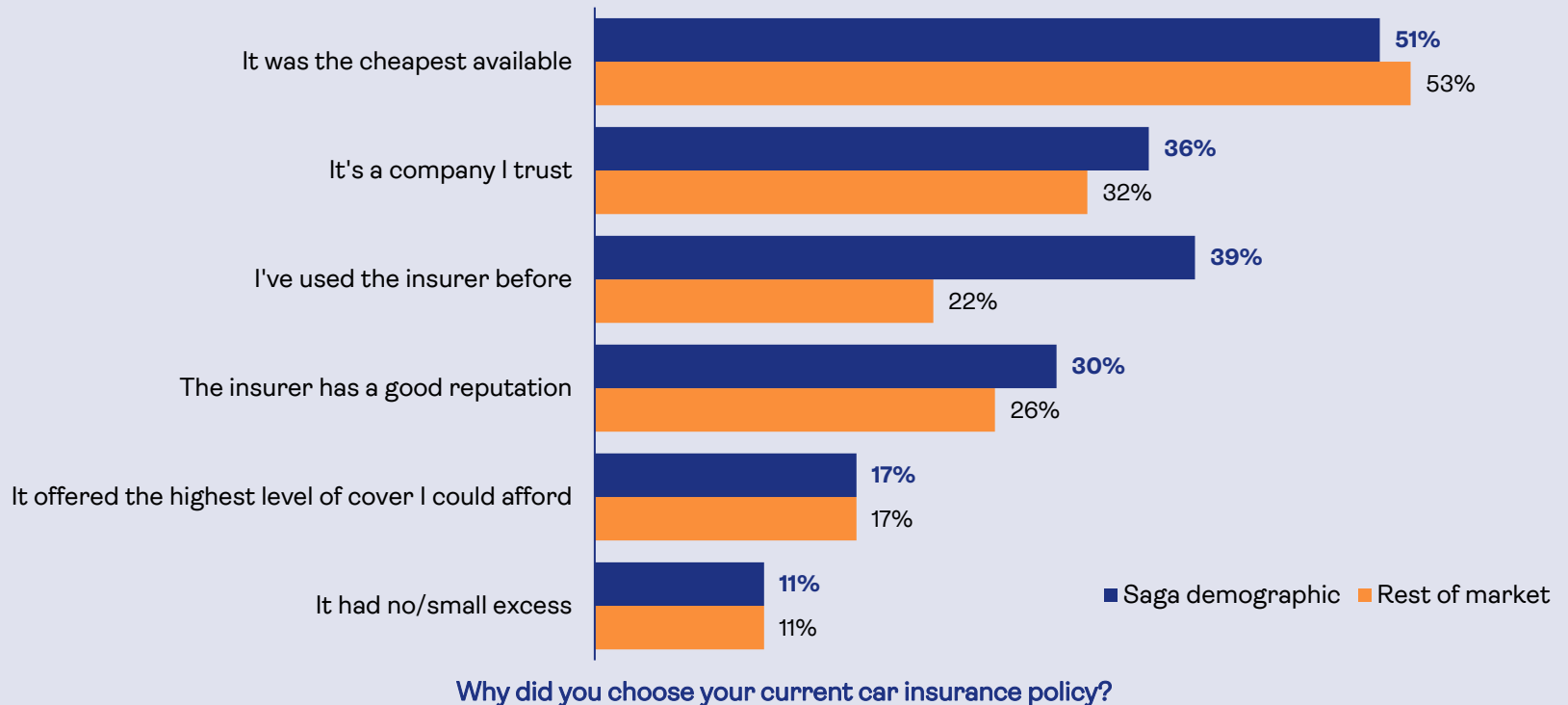
vs.

PCW
1.1
products per customer

59%
customers come to us
direct

THE FCA PRICING REFORMS – POSITIVE IN THE MEDIUM TERM

Saga's target customers are more likely to purchase based on trust, loyalty and reputation...



Source: Mintel, EY analysis (based on 1,099 internet users who shopped around or purchased a first/first policy for some time)

WE WILL EXPAND OUR PRODUCT RANGE AND RELATIONSHIP MARKETING CAPABILITIES...

1

Product range and innovation

Optimisation of current product offerings, widening the product range and innovating distinct offerings

2

World-class CRM capabilities

Accelerating the build of an acquisition and customer relationship marketing and sales capability

3

Distribution shift from PCW to direct

Shifting distribution from price-comparison websites to direct with increased focus on digital channels

4

Optimising our product sourcing approach

Ensuring product sourcing approach is capital efficient and aligns with service targets

Supported by 3 enabling capabilities

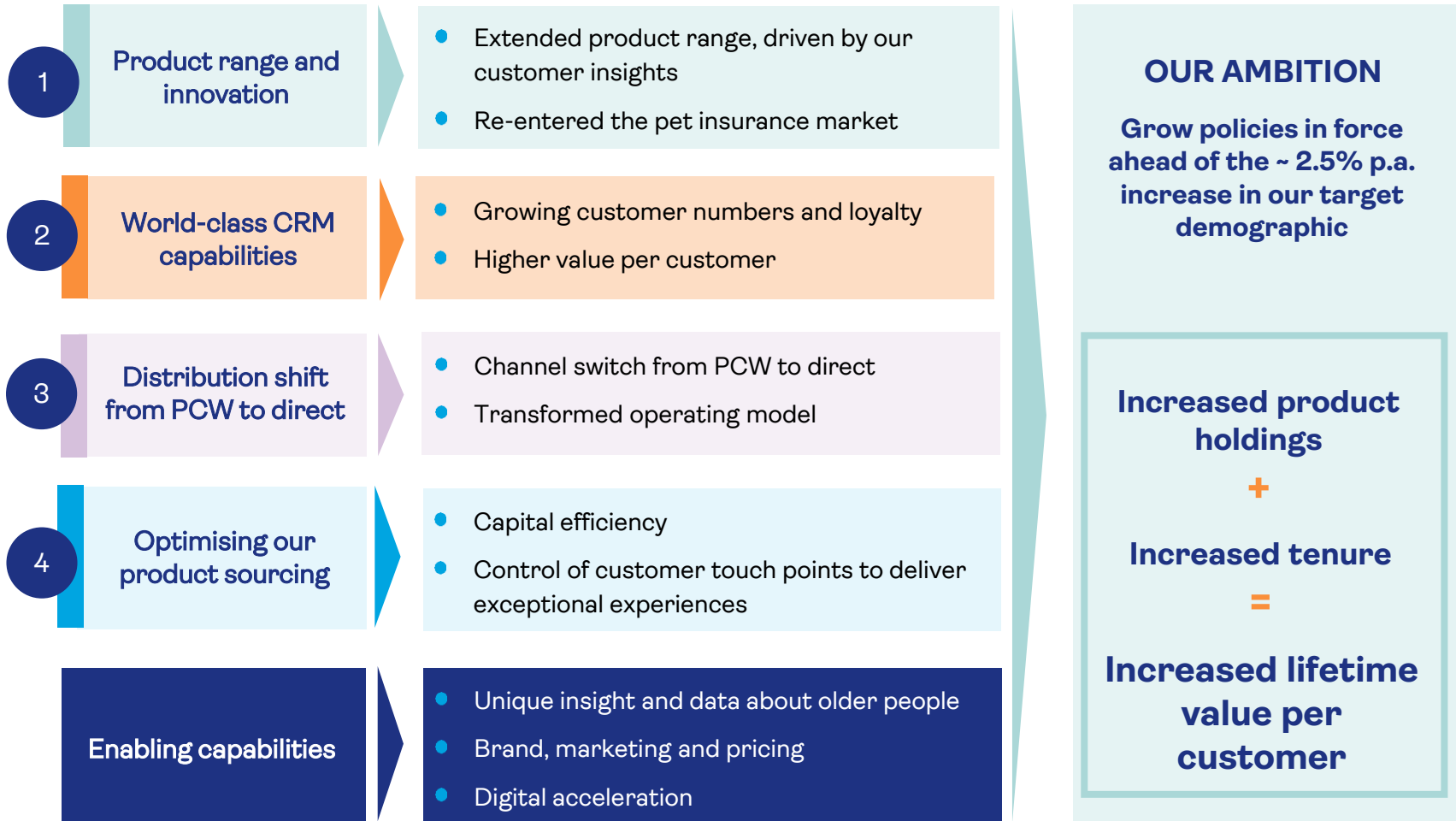
Continue to build on investment in Insurance team

Creating an effective operating model

Technology investment priorities

... AND DELIVER EXCEPTIONAL CUSTOMER SERVICE

HOW WE WILL MEASURE SUCCESS





CRUISE

Nigel Blanks
Cruise CEO

SAGA

THE SAGA DIFFERENCE – A UNIQUE BOUTIQUE CRUISE OFFER

Saga's unique offering is tailored for older people in the UK:

- ✓ Ships and cruises specifically tailored for our customer segment
- ✓ Two new, state-of-the-art ships; 987 guest capacity; greater space per guest
- ✓ All-inclusive pricing
- ✓ Exceptional customer service levels; higher crew to guest ratio
- ✓ Balconies in every cabin
- ✓ 20% single-occupancy cabins
- ✓ Industry-leading health and safety protocols

This approach results in industry-leading customer satisfaction and loyalty levels

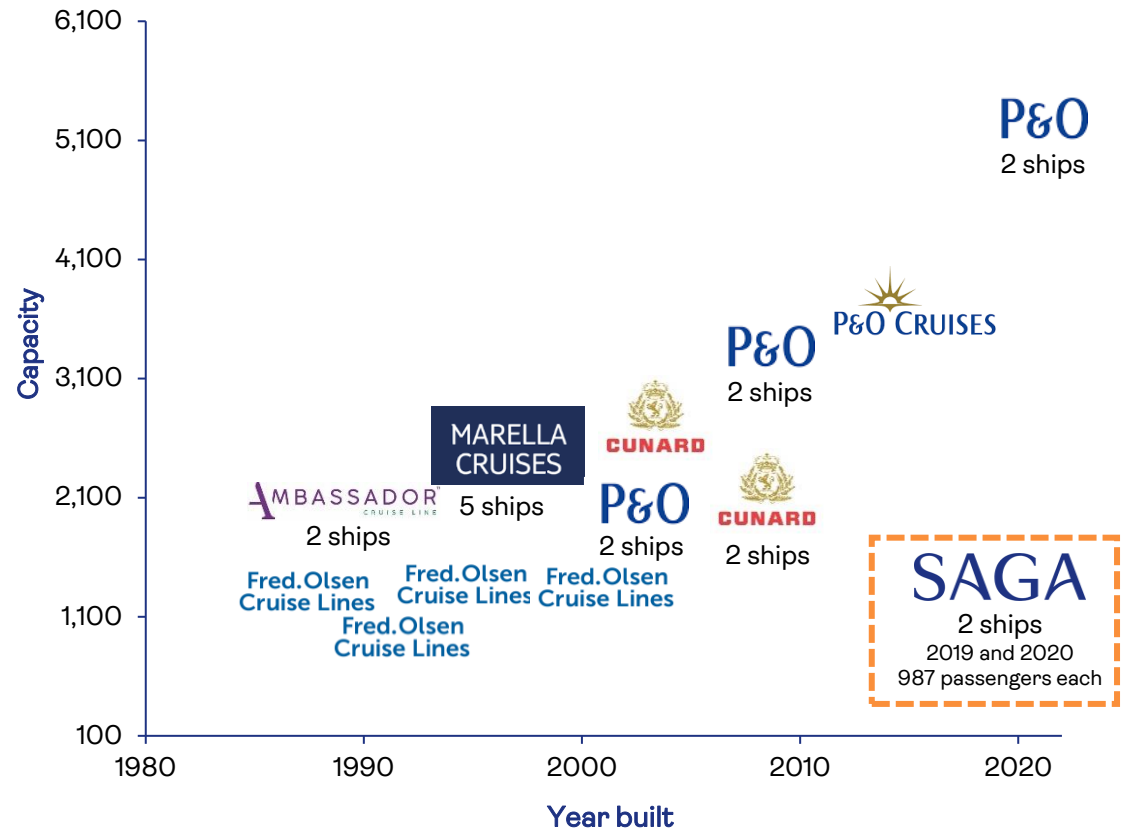


UNIQUE OFFER LEAVES US WELL-PLACED

Our approach means we are ideally positioned for operating post-pandemic

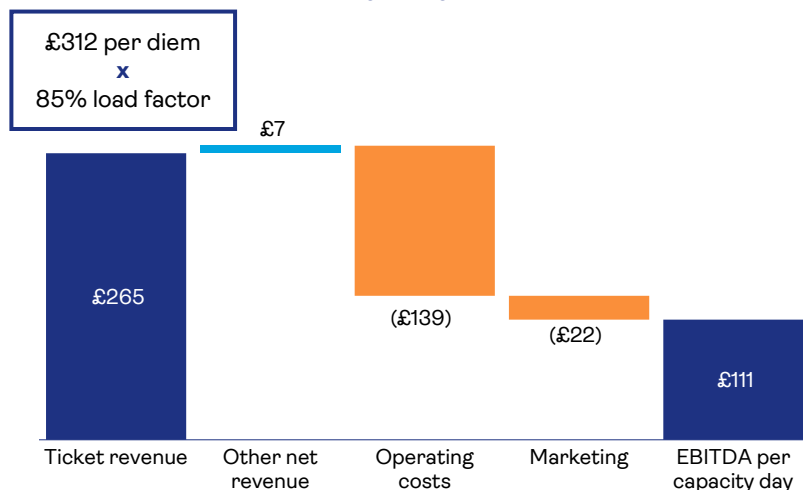
- Newer, smaller ships (popular with guests and ports)
- Enhanced air conditioning
- Expanded medical facilities
- UK to UK sailings
- Led the industry with approach to vaccination for guests and crew
- Increasingly nimble approach; leveraging learnings from cancellations
- Customer base with time to travel; saved money through lockdowns

Our ships are positioned ideally for operating today – newer, smaller ships with greater space per guest



WE REMAIN COMMITTED TO OUR TARGETS

EBITDA per capacity day per ship



x 987 berths
x 365 days

=

£40m EBITDA per ship per annum*

* Excluding the cost of current enhanced COVID-19 health and safety protocol

Indicative Underlying Profit Before Tax (per ship, per annum)

EBITDA per ship	£40m
Depreciation and amortisation	(£10m)
Finance costs	(£8m)
Central Cruise overheads	(£6m)
Underlying Profit Before Tax per ship	£16m

2022/23 bookings (at 20 March 2022)

Load factor

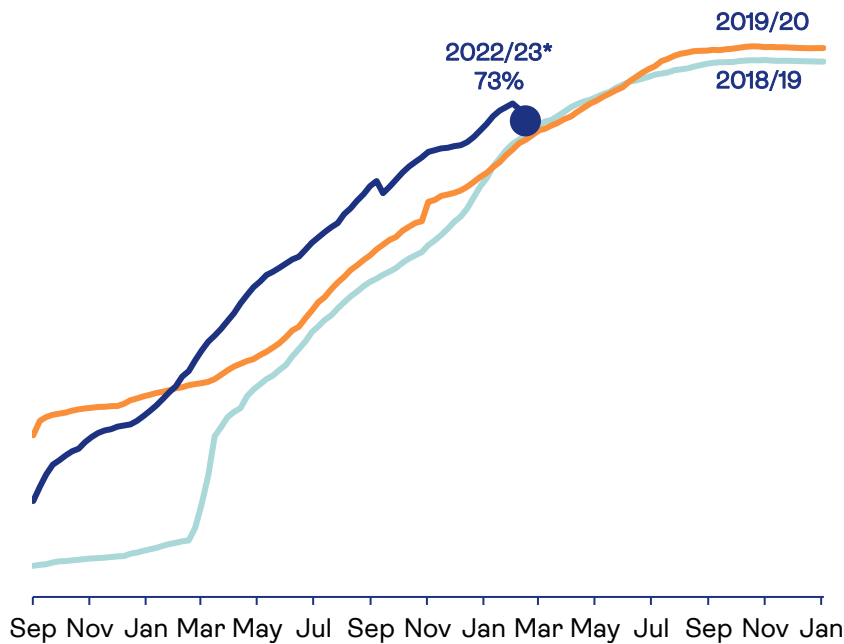
73%

Per diem

£319

LOAD FACTOR AHEAD OF PRE-PANDEMIC LEVELS

Load factor evolution and sensitivities



+/- 1% load factor =

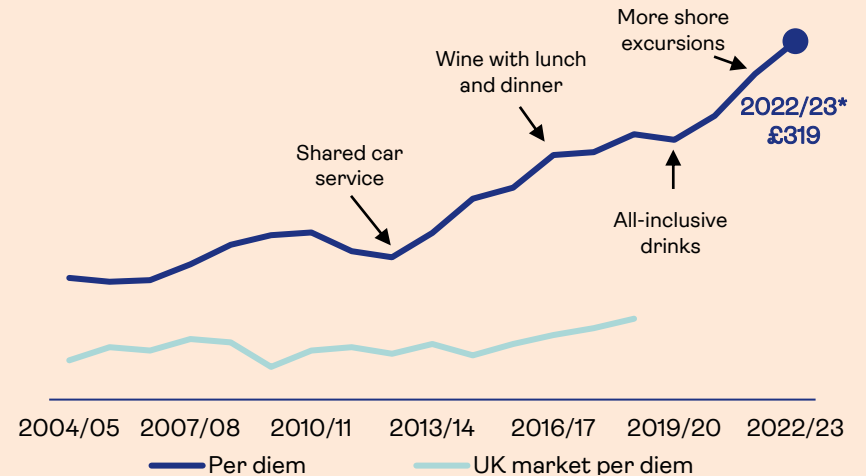
£0.9m
per ship per annum

* Bookings data for 2022/23 at 20 March 2022

PER DIEMS DRIVEN BY DIFFERENTIATED OFFER

Per diem evolution and sensitivities

- Achieved per diem growth in excess of wider UK market
- Increasing revenues supported by adding selected inclusions and investment into the product



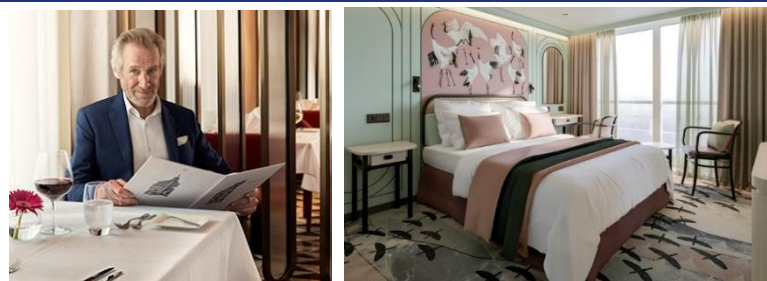
+/- £1 per diem =

£0.3m
per ship per annum

KEY PRIORITIES FOR CRUISE IN 2022/23

Creating a centre of excellence across both cruise propositions

- On track to achieve £40m per ship EBITDA target from 2023/24
- Drive value-for-money credentials in ocean with additional inclusion
- Leverage integration of ocean and river operations:
 - Create a centre of excellence across propositions
 - River proposition to more consistently mirror ocean experience
 - Driving capital-light river expansion and greater returns
- Opportunities for cross-selling across both propositions





CONCLUSION

Euan Sutherland
Group CEO

SAGA

ALL BUSINESS UNITS POSITIONED FOR GROWTH



- Addressed legacy issues and navigated the pandemic, bringing stability to the business
- Refocused vision, purpose and positioning will underpin future success
- All business units well-positioned for growth
- Group IP of data, insight, brand and culture and innovation will support business units with building longer and deeper customer relationships
- Enhanced ESG focus with leadership in supporting the UK ageing workforce and state of the art cruise ships
- Expect to return to profit for 2022/23 in all scenarios, with faster debt pay down and investment to support growth



APPENDIX

SAGA

SAGA PLC CONSOLIDATED INCOME STATEMENT

	2021/22	Change	2020/21
Revenue	£377.2m	12%	£337.6m
Underlying (Loss)/Profit Before Tax			
Total Retail Broking (earned)	£66.4m	(13%)	£75.9m
Underwriting	£54.1m	(8%)	£58.7m
Total Insurance	£120.5m	(10%)	£134.6m
Travel	(£79.3m)	(1%)	(£78.5m)
Other Businesses and Central Costs	(£29.3m)	(31%)	(£22.4m)
Net finance costs	(£18.6m)	(12%)	(£16.6m)
Total Underlying (Loss)/Profit Before Tax	(£6.7m)	(139%)	£17.1m
Net fair value (losses)/gains on derivatives (Impairment)/profit on disposal of assets	(£2.7m) (£4.3m)		£1.7m £2.0m
Restructuring costs	(£6.3m)		(£30.8m)
Charge on closure of defined benefit pension scheme	(£2.0m)		-
Foreign exchange gains on river cruise ship leases	£0.9m		-
Costs incurred for ship debt holiday	(£2.4m)		-
Net profit on disposal of businesses	-		£8.6m
Impairment of Travel goodwill	-		(£59.8m)
Loss before tax	(£23.5m)	62%	(£61.2m)
Tax expense	(£4.5m)	32%	(£6.6m)
Loss after tax	(£28.0m)	59%	(£67.8m)
Basic earnings per share:			
Underlying (Loss)/Earnings Per Share	(11.1p)	(184%)	13.2p
Loss per share	(20.1p)	70%	(67.0p)

UNDERLYING TO STATUTORY MARKETING AND ADMINISTRATION COSTS

	2021/22	2020/21
Total underlying marketing and administration costs (page 13)	£208.2m	£201.1m
Restructuring costs	£6.3m	£21.3m
IAS 19 charge	£1.6m	£2.6m
Costs ceded under quota share reinsurance	(£6.9m)	(£7.7m)
Charge on closure of defined benefit pension scheme	£2.0m	-
Foreign exchange gains on river cruise ship leases	(£0.9m)	-
Costs incurred for ship debt holiday	£2.4m	-
Write-off Destinology current assets	-	£4.4m
Write-off <i>Saga Sapphire</i> technical stocks	-	£2.6m
Other	£0.1m	(£0.1m)
Statutory marketing and administration costs	£212.8m	£224.2m

INSURANCE RETAIL BROKING INCOME STATEMENT

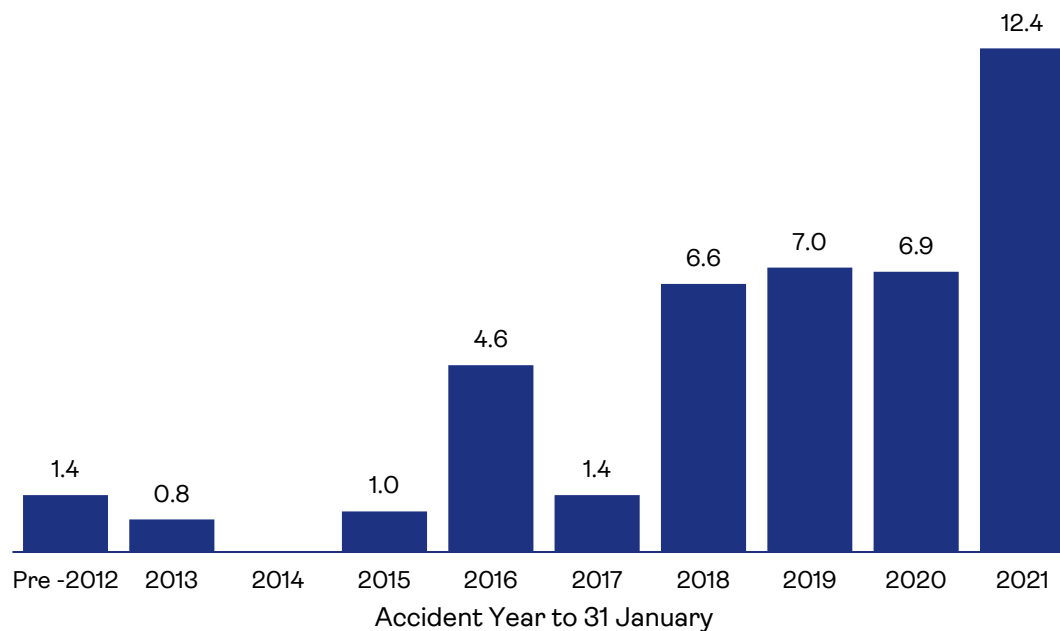
	Motor Broking	Home Broking	Other Broking	Total 2021/22	Change	Total 2020/21
Broked	£105.0m	£153.2m	£96.5m	£354.7m	(5%)	£373.4m
Underwritten	£205.5m	-	£3.4m	£208.9m	-	£208.1m
Gross written premiums	£310.5m	£153.2m	£99.9m	£563.6m	(3%)	£581.5m
Broker revenue	£43.2m	£29.0m	£33.2m	£105.4m	3%	£102.5m
Instalment revenue	£6.6m	£3.2m	-	£9.8m	(12%)	£11.1m
Add-on revenue	£11.0m	£10.9m	-	£21.9m	(13%)	£25.2m
Other revenue	£27.4m	£17.1m	£2.1m	£46.6m	(13%)	£53.5m
Written revenue	£88.2m	£60.2m	£35.3m	£183.7m	(4%)	£192.3m
Written gross profit	£85.6m	£60.2m	£35.6m	£181.4m	(2%)	£185.5m
Marketing expenses	(£17.5m)	(£7.1m)	(£3.6m)	(£28.2m)	(8%)	(£26.0m)
Written gross profit after marketing expenses	£68.1m	£53.1m	£32.0m	£153.2m	(4%)	£159.5m
Other operating expenses	(£38.0m)	(£27.9m)	(£20.7m)	(£86.6m)	1%	(£85.7m)
Written Underlying PBT	£30.1m	£25.2m	£11.3m	£66.6m	(10%)	£73.8m
Written to earned adjustment	(£0.2m)	-	-	(£0.2m)	(110%)	£2.1m
Earned Underlying PBT	£29.9m	£25.2m	£11.3m	£66.4m	(13%)	£75.9m
Saga-branded policies in force	884k	682k	129k	1,695k	3%	1,652k
Third-party panel share	30.1%					

INSURANCE UNDERWRITING INCOME STATEMENT

		Reported 2021/22	Quota Share	Underlying 2021/22	Change	Underlying 2020/21
Net earned premium		£51.5m	(£110.0m)	£161.5m	(12%)	£183.4m
Other revenue		£33.2m	£28.8m	£4.4m	540%	(£1.0m)
Revenue	A	£84.7m	(£81.2m)	£165.9m	(9%)	£182.4m
Claims costs	B	(£44.3m)	£87.7m	(£132.0m)	5%	(£138.3m)
Reserve releases	C	£18.3m	(£23.8m)	£42.1m	12%	£37.6m
Other cost of sales	D	(£3.9m)	£12.7m	(£16.6m)	7%	(£17.8m)
	E	(£29.9m)	£76.6m	(£106.5m)	10%	(£118.5m)
Gross profit		£54.8m	(£4.6m)	£59.4m	(7%)	£63.9m
Operating expenses	F	(£4.2m)	£6.9m	(£11.1m)	(5%)	(£10.6m)
Investment return		£3.5m	(£4.3m)	£7.8m	(6%)	£8.3m
Quota share net cost		-	£2.0m	(£2.0m)	31%	(£2.9m)
Underlying Profit Before Tax		£54.1m	-	£54.1m	(8%)	£58.7m
Reported loss ratio	(B+C)/A	30.7%		54.2%	(1.0ppt)	55.2%
Expense ratio	(D+F)/A	9.6%		16.7%	1.1ppt	15.6%
Reported COR	(E+F)/A	40.3%		70.9%	0.1ppt	70.8%
Current year COR	(E+F-C)/A	61.9%		96.3%	4.9ppt	91.4%
Number of earned policies				711k	(7%)	764k

RESERVE RELEASES

2021/22 Total Group motor reduction in best estimate claim costs and COVID-19 surplus by accident year (£'m)

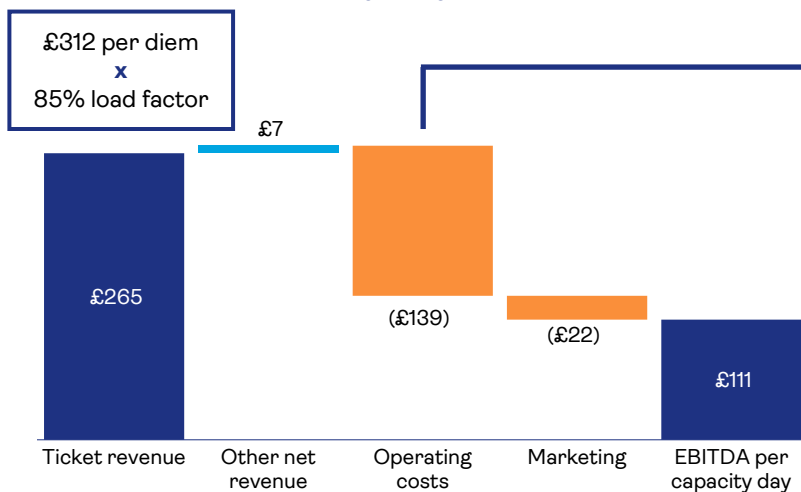


TRAVEL INCOME STATEMENT

	2021/22			Change	2020/21		
	Tour Operations	Cruising	Total Travel		Tour Operations	Cruising	Total Travel
Revenue	£12.2m	£82.5m	£94.7m	84%	£32.7m	£18.9m	£51.6m
Gross loss	(£0.5m)	(£7.7m)	(£8.2m)	50%	(£2.6m)	(£13.9m)	(£16.5m)
Marketing expenses	(£8.7m)	(£12.1m)	(£20.8m)	(40%)	(£7.8m)	(£7.1m)	(£14.9m)
Other operating expenses	(£21.7m)	(£9.2m)	(£30.9m)	8%	(£26.4m)	(£7.3m)	(£33.7m)
Investment return	-	£0.1m	£0.1m	(50%)	-	£0.2m	£0.2m
Finance costs	(£0.7m)	(£18.8m)	(£19.5m)	(43%)	(£0.1m)	(£13.5m)	(£13.6m)
Underlying Loss Before Tax	(£31.6m)	(£47.7m)	(£79.3m)	(1%)	(£36.9m)	(£41.6m)	(£78.5m)
Ave. revenue per passenger	£1,356	£3,750	£3,055	12%	£2,515	£3,150	£2,716
Holidays passengers ('000)	9		9	(31%)	13		13
Cruise passengers ('000)		22	22	267%		6	6
Cruise passenger days ('000)		274	274	349%		61	61
Load factor		68%	68%	(15ppt)		83%	83%
Per diem		£299	£299	24%		£241	£241

CRUISE OPERATING COSTS

EBITDA per capacity day per ship



x 987 berths
x 365 days

=

£40m EBITDA per ship per annum*

* Excluding the cost of current enhanced COVID-19 health and safety protocol

Approximate breakdown of operating costs

Crew	c.25%
Hotel costs (food and consumables)	c.15%
Fuel oil**	c.12%
UK car service	c.10%
Port costs	c.10%
Technical and communications	c.8%
Entertainment	c.5%
Other (incl. insurance, tour operating)	c.15%
Total	100%

** Based on oil price of Platts index price assumption for HSFO (high sulphur fuel oil) of USD 429 per metric tonne

OTHER BUSINESSES AND CENTRAL COSTS

	2021/22	2020/21	Change
Revenue	£17.3m	£18.0m	(4%)
Gross profit	£9.1m	£9.3m	(2%)
Operating expenses	(£36.8m)	(£29.1m)	(26%)
IAS 19R pension charge	(£1.6m)	(£2.6m)	38%
Net finance costs	(£18.6m)	(£16.6m)	(12%)
Underlying Loss Before Tax	(£47.9m)	(£39.0m)	23%

Of which:

Other Businesses	£1.8m	£2.8m	(36%)
Central Costs	(£49.7m)	(£41.8m)	(19%)

Central Costs

- Around £60m gross cost in central areas, much of which is recharged to BUs, and with increasing focus on decentralisation
- Expect net central costs for 2022/23 to be around £35m, broadly split:
 - £15m ELT, plc and central oversight
 - £6m investment in data, digital, innovation and insight
 - £11m retained central services relating to some IT and other activities such as training, colleague welfare, payroll, accounts payable
 - £3m legacy property and defined benefit pension costs

OTHER BUSINESSES AND CENTRAL COSTS INCOME STATEMENT

	2021/22			Change	2020/21		
	Other Businesses	Central Costs	Total		Other Businesses	Central Costs	Total
Revenue							
Personal Finance	£5.9m	-	£5.9m	(2%)	£6.0m	-	£6.0m
Healthcare	-	-	-	(100%)	£0.9m	-	£0.9m
Printing and media	£9.9m	-	£9.9m	9%	£9.1m	-	£9.1m
Other	-	£1.5m	£1.5m	(25%)	-	£2.0m	£2.0m
Total revenue	£15.8m	£1.5m	£17.3m	(4%)	£16.0m	£2.0m	£18.0m
Gross profit	£5.7m	£3.4m	£9.1m	2%	£5.6m	£3.7m	£9.3m
Operating expenses	(£3.9m)	(£32.9m)	(£36.8m)	(26%)	(£2.8m)	(£26.3m)	(£29.1m)
IAS 19R pension charge	-	(£1.6m)	(£1.6m)	38%	-	(£2.6m)	(£2.6m)
Net finance costs	-	(£18.6m)	(£18.6m)	(12%)	-	(£16.6m)	(£16.6m)
Underlying Profit/(Loss) Before Tax	£1.8m	(£49.7m)	(£47.9m)	(23%)	£2.8m	(£41.8m)	(£39.0m)

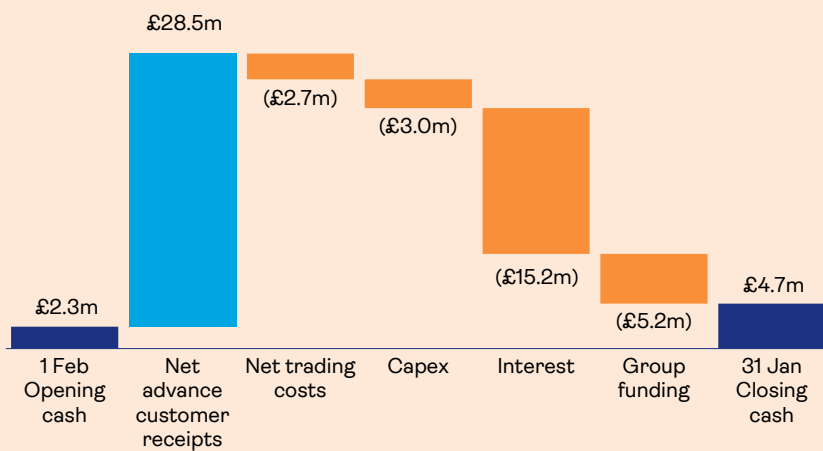
CASH FLOW AND LIQUIDITY

	2021/22	Change	2020/21
Retail Broking Trading EBITDA	£73.2m	(10%)	£81.6m
Other Businesses and Central Costs Trading EBITDA	(£21.5m)	(115%)	(£10.0m)
Trading EBITDA from unrestricted entities	£51.7m	(28%)	£71.6m
Dividends paid by Underwriting business	£35.0m	43%	£24.5m
Working capital and non-cash items	£15.2m	117%	£7.0m
Capital expenditure funded with Available Cash	(£12.5m)	(16%)	(£10.8m)
Available Operating Cash Flow before injections to Travel operations	£89.4m	(3%)	£92.3m
Cash injection into Tour Operations	(£36.4m)	43%	(£64.1m)
Cruise Available Operating Cash Flow	£22.8m	192%	(£24.8m)
Available Operating Cash Flow	£75.8m	2,129%	£3.4m
Restructuring costs paid	(£1.7m)	(93%)	(£23.0m)
Interest and financing costs	(£42.4m)	(55%)	(£27.3m)
Business and property disposals	£4.5m	(85%)	£30.1m
Tax receipts	£5.7m	104%	£2.8m
Other payments	(£10.7m)	(5%)	(£10.2m)
Change in cash flow from operations	£31.2m	229%	(£24.2m)
Net proceeds from capital raise	-	(100%)	£138.7m
Change in bond debt	£150.0m	100%	-
Change in bank debt	(£70.0m)	13%	(£80.0m)
Cash at 1 February	£75.4m	84%	£40.9m
Available Cash at 31 January	£186.6m	147%	£75.4m

TRAVEL CASH FLOWS

Cruise cash flow

- Overall Cruise Available Operating Cash Flow, after accounting for customer receipts, of £22.8m
- Significant increase in advance customer receipts in the lead up to resumption
- Trading costs include the benefit of cash received in relation to departed cruises
- Interest costs reflect two ships for the full year



Tour Operations cash flow

- £38.0m cash support provided vs. £70.3m in the prior year due to:
 - shift to trust accounting, with customer advance receipts fully ring-fenced
 - lower supplier payments and
 - actions to reduce expenses
- £32.4m cash supports £24.2m customer receipts

