eDreams ODIGEO, S.A.

31st March 2021

Free translation from the original document in Spanish.
In the event of discrepancy, the Spanish-language version prevails

1. Audit Report
2. Individual Annual Accounts
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eDreams ODIGEO, S.A.

1. Audit Report

Audit Report on Financial Statements issued by an Independent Auditor

eDreams ODIGEO, S.A.
Financial Statements and Management Report for the year ended March 31, 2021

Building a better working world

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AUDIT REPORT ON FINANCIAL STATEMENTS ISSUED BY AN INDEPENDENT AUDITOR

Translation of a report and financial statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

To the shareholders of eDreams ODIGEO, S.A.:

Report on the financial statements

Opinion

We have audited the financial statements of eDreams ODIGEO, S.A. (the Company), which comprise the balance sheet as at March 31, 2021, the income statement, the statement of changes in equity, the cash flow statement, and the notes thereto for the year then ended.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the equity and financial position of the Company as at March 31, 2021 and of its financial performance and its cash flows for the year then ended in accordance with the applicable regulatory framework for financial information in Spain (identified in Note 2 to the accompanying financial statements) and, specifically, the accounting principles and criteria contained therein.

Basis for opinion

We conducted our audit in accordance with prevailing audit regulations in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those related to independence, that are relevant to our audit of the financial statements in Spain as required by prevailing audit regulations. In this regard, we have not provided non-audit services nor have any situations or circumstances arisen that might have compromised our mandatory independence in a manner prohibited by the aforementioned requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our audit opinion thereon, and we do not provide a separate opinion on these matters.

Domicilio Social: C/Raimundo Fernández Villaverde, 65. 28003 Madrid -Inscrita en el Registro Mercantil de Madrid, tomo 9.364 general, 8.130 de la sección 3ª del Libro de Sociedades, folio 68, hoja nº 87.690-1, inscripción 1ª, Madrid 9 de Marzo de 1.989. A member firm of Ernst & Young Global Limited.

Analysis of the liquidity position as a result of the Covid-19 pandemic

Description

As indicated in Note 2.3 to the accompanying financial statements, the Covid-19 pandemic has significantly impacted the industry in which the Group, the parent of which is the Company, operates, causing a major decrease in bookings throughout the travel industry and a high number of flight cancellations, resulting in a substantial reduction in revenue from commercial activities.

The early assessment of the liquidity and operational feasibility risks of the Group that the Company belongs to and, ultimately, the appropriate application of the going concern principle requires the Company's Directors to make complex estimates, which entails making judgments about the several scenarios considered for cash projections. In turn, in addition to the uncertainty inherent in any estimate, these judgments depend on the current context derived from the pandemic and its impacts on the industry in which the Company operates.

We have considered this matter a key audit matter due to the complexity of the aforementioned judgments and the fact that any change therein could have a significant impact on the accompanying financial statements, considering the relevance of the impacts that Covid-19 has had on the activity of the Group that the Company belongs to.

Our response

Our audit procedures for this area consisted, among others, in:

- Assessing, in collaboration with our valuations specialists, the reasonableness of the main assumptions applied by the Directors of the Parent Company regarding the several scenarios considered for the cash flow projections approved by Management as to whether they are realistic, reachable and consistent with internal and external sources, including understanding the main judgments applied on the estimates made and assessing the sensitivity of results to changes in the assumptions made. For that purpose, among other procedures, we have compared the projections provided with market research studies conducted by independent third parties on the industry in which the Group, the parent of which is the Company, operates.
- Assessing the level of alignment of actual results for the year with previously budgeted results, as well as the consistency between the revised short-term cash projection and the annual budget of the Group that the Company belongs to for 2022.
- Performing review procedures over subsequent events occurred up to the date of our report, including the assessment of actual data on the main figures included in cash projections.
- Obtaining evidence of the waiver until June 2022 for the only gross leverage ratio covenant of the Super Senior Revolving Credit Facility, which has been granted to the Company by the creditor banks.
- Reviewing the information disclosed in the notes to the financial statements in accordance with the applicable regulatory framework for financial information.

Measurement of equity instruments and long-term loans in group companies

Description

As indicated in note 10 and 21.2 to the accompanying financial statements, at March 31, 2021 the Company has recorded investments in group companies and long-term loans to group companies amounting to 841,216 thousand euros and 181,395 thousand euros, respectively, which account for 98% of total Assets.

According to the accounting policy detailed in note 4.6.1 to the accompanying financial statements, investments in group companies are initially recognized at fair value and subsequently recognized at recoverable amount, whereas long-term loans are initially measured at fair value and subsequently at amortized cost.

The measurement of these assets requires Management to make estimates in order to determine their recoverable amount for the purposes of assessing whether impairment exists, calculating impairment losses as the difference between book value and recoverable amount, which is the higher of fair value less costs to sell and the present value of future cash flows derived from the investment.

We have considered this matter a key audit matter due to the complexity of the judgments inherent in the allocation of value to the key assumptions considered by Management in the determination of expected cash flows and the fact that any change in these judgments could have a significant impact on the accompanying financial statements, considering the relevance of the balance shown in "Long-term investments in group companies and associates".

Our response

Our audit procedures for this area consisted, among others, in:

- Understanding the process implemented by the Company in the determination of the impairment of long-term investments in group companies and associates, including the assessment of the design and implementation of relevant controls established for this process.
- Reviewing the analysis conducted by the Company to identify impairment indications and assessing the valuation model and impairment test prepared by Management to determine the recoverable amount of long-term investments in group companies and associates, in collaboration with our valuations specialists, considering the methodology and assumptions used to obtain expected future cash flows.
- Recalculating the recoverable amount estimated by Company Management, comparing it with the book value in order to determine whether the assets may be impaired.
- Reviewing the information disclosed in the notes to the financial statements in accordance with the applicable regulatory framework for financial information.

Other information: management report

Other information refers exclusively to the 2021 management report, the preparation of which is the responsibility of the Company's directors and is not an integral part of the financial statements.

Our audit opinion on the financial statements does not cover the management report. Our responsibility for the management report, in conformity with prevailing audit regulations in Spain, entails:

a) Checking only that certain information included in the Corporate Governance Report and Annual Report on the Remuneration of Directors, to which the Audit Law refers, was provided as stipulated by applicable regulations and, if not, disclose this fact.

b) Assessing and reporting on the consistency of the remaining information included in the management report with the financial statements, based on the knowledge of the entity obtained during the audit, in addition to evaluating and reporting on whether the content and presentation of this part of the management report are in conformity with applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to disclose this fact.

Based on the work performed, as described above, we have verified that the information referred to in paragraph a) above is provided as stipulated by applicable regulations and that the remaining information contained in the management report is consistent with that provided in the 2021 financial statements and its content and presentation are in conformity with applicable regulations.

Responsibilities of the directors and the audit committee for the financial statements

The directors are responsible for the preparation of the accompanying financial statements so that they give a true and fair view of the equity, financial position and results of the Company, in accordance with the regulatory framework for financial information applicable to the Company in Spain, identified in Note 2 to the accompanying financial statements, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing audit regulations in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with prevailing audit regulations in Spain, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the audit committee of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee of the Company with a statement that we have complied with relevant ethical requirements, including those related to independence, and to communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee of the Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

European single electronic format

We have examined the digital file of the European single electronic format (ESEF) of eDreams ODIGEO, S.A. for the 2021 financial year, consisting of an XHTML file containing the financial statements for the year, which will form part of the annual financial report.

The directors of eDreams ODIGEO S.A. are responsible for submitting the annual financial report for the 2021 financial year, in accordance with the formatting requirements set out in Delegated Regulation EU 2019/815 of 17 December 2018 of the European Commission (hereinafter referred to as the ESEF Regulation). In this regard, the Corporate Governance Report and Annual Report on the Remuneration of Directors has been included by reference in the management report.

Our responsibility consists of examining the digital file prepared by the directors of the Company, in accordance with prevailing audit regulations in Spain. These standards require that we plan and perform our audit procedures to obtain reasonable assurance about whether the contents of the financial statements included in the aforementioned digital file correspond in their entirety to those of the financial statements that we have audited, and whether the financial statements and the aforementioned file have been formatted, in all material respects, in accordance with the ESEF Regulation.

In our opinion, the digital file examined corresponds in its entirety to the audited financial statements, which are presented, in all material respects, in accordance with the ESEF Regulation.

Additional report to the audit committee

The opinion expressed in this audit report is consistent with the additional report we issued to the audit committee on May 26, 2021.

Term of engagement

The extraordinary general shareholders' meeting held on September 23, 2020 appointed us as auditors for 1 year, commencing on March 31, 2020.

Previously, Ernst & Young in Luxembourg was appointed as auditors by the shareholders for 1 year and they have been carrying out the audit of the financial statements continuously since March 31, 2017.

ERNST & YOUNG, S.L.

Joan Tubau Roca

May 26, 2021

eDreams ODIGEO, S.A.

2. Individual Annual Accounts

2.1. Balance Sheet Statement

ASSETS

(Euros)	Notes	31st March 2021	31st March 2020
Equity investment in Group entities	10	841,216,462	631,013,042
Loans with Group entities	21.2	181,395,225	377,377,164
Investment in Group entities - non-current		**1,022,611,687**	**1,008,390,206**
Other financial assets	12	1,614,483	2,217,636
Investments - non-current		**1,614,483**	**2,217,636**
Deferred tax assets	9.4	**1,797,705**	—
Total non-current assets		**1,026,023,875**	**1,010,607,842**
Trade receivables	11	3,374,583	3,877,154
Trade receivables with Group entities	21.2	1,930,932	17,156,786
Current tax assets	9.3	20,737	20,880
Other receivables with Tax Authorities	9.3	608,305	332,837
Trade receivables and others		**5,934,557**	**21,387,657**
Loans with Group entities	21.2	16,409,398	19,042,441
Investment in Group entities - current		**16,409,398**	**19,042,441**
Short-term accruals		**15,329**	**32,626**
Cash and cash equivalents	13	**52,111**	**237,171**
Total current assets		**22,411,395**	**40,699,895**
TOTAL ASSETS		**1,048,435,270**	**1,051,307,737**

The accompanying notes 1 to 23 and appendices are an integral part of these financial statements.

EQUITY AND LIABILITIES

(Euros)	Notes	31st March 2021	31st March 2020
Share capital	14.1	11,878,153	11,046,304
Share premium	14.2	974,512,197	974,512,197
Reserves	14.3	(355,783,503)	(355,783,503)
Treasury shares	14.4	(3,320,289)	(3,320,289)
Previous year retained earnings-before distrib. gain/loss		(154,456,417)	(145,170,890)
Loss for the period		(14,904,293)	(8,453,678)
Other equity instruments	14.5	16,485,062	10,372,679
Capital and reserves		**474,410,910**	**483,202,820**
Total equity		**474,410,910**	**483,202,820**
Non-current provisions	17	**900,000**	—
Bonds and other negotiable securities	16	421,387,685	420,038,164
Other financial liabilities	19	6,159,869	7,947,828
Non-current debt		**427,547,554**	**427,985,992**
Debt with Group entities	21.2	**22,852,040**	**22,017,037**
Total non-current liabilities		**451,299,594**	**450,003,029**
Bonds and other negotiable securities	16	6,812,562	1,947,917
Current debt		**6,812,562**	**1,947,917**
Current debt with Group entities	21.2	**105,901,884**	**77,314,421**
Trade payables	18	4,211,315	8,398,828
Trade payables with Group entities	21.2	5,798,783	29,316,008
Current tax liabilities	9.3	222	221
Trade payables and others		**10,010,320**	**37,715,057**
Deferred revenue - current	20	—	**1,124,493**
Total current liabilities		**122,724,766**	**118,101,888**
TOTAL EQUITY & LIABILITIES		**1,048,435,270**	**1,051,307,737**

2.2. Income Statement

(Euros)	Notes	Year ended 31st March 2021	Year ended 31st March 2020
Rendering of services	6	8,090,845	61,048,124
Revenue		**8,090,845**	**61,048,124**
Other operating income with Group entities	21.1	(51,999)	1,257,063
Other operating income		**(51,999)**	**1,257,063**
External services	7	(11,141,770)	(64,899,053)
Taxes	17	(948,863)	94,443
Operating expenses		**(12,090,633)**	**(64,804,610)**
Operating loss		**(4,051,787)**	**(2,499,423)**
Financial expenses for debts with third parties	8	(26,023,736)	(26,295,061)
Financial expenses for debts with Group entities	21.1	(4,808,510)	(5,236,895)
Financial expenses	8	**(30,832,246)**	**(31,531,956)**
Financial income with third parties		16,499	—
Financial income with Group entities	21.1	17,714,722	25,602,651
Financial income		**17,731,221**	**25,602,651**
Foreign exchange gains and losses		**416,878**	**(24,950)**
Financial loss		**(12,684,147)**	**(5,954,255)**
Loss before tax		**(16,735,934)**	**(8,453,678)**
Income tax	9	1,831,641	—
Loss for the year		**(14,904,293)**	**(8,453,678)**

The accompanying notes 1 to 23 and appendices are an integral part of these financial statements.

2.3. Statement of Changes in Equity

2.3.A. Statement of Recognized Income and Expenses

(Euros)	Year ended 31st March 2021	Year ended 31st March 2020
Result of the profit and loss account	(14,904,293)	(8,453,678)
Income and expenses recorded directly in equity	—	—
Transfers to the profit and loss statement	—	—
Total recognized income and expenses	**(14,904,293)**	**(8,453,678)**

The accompanying notes 1 to 23 and appendices are an integral part of these financial statements.

2.3.B. Statement of Changes in Equity

(Euros)	Share capital	Share premium	Reserves	Treasury shares	Previous year retained earnings	Loss for the period	Other equity instruments	Equity
31st March 2020	**11,046,304**	**974,512,197**	**(355,783,503)**	**(3,320,289)**	**(145,170,890)**	**(8,453,678)**	**10,372,679**	**483,202,820**
Total recognized income / (expenses)	**—**	**—**	**—**	**—**	**—**	**(14,904,293)**	**—**	**(14,904,293)**
Capital increases / (decreases)	831,849	—	—	—	(831,849)	—	—	**—**
Operations with members or owners	**831,849**	**—**	**—**	**—**	**(831,849)**	**—**	**—**	**—**
Payments based on equity instruments	—	—	—	—	—	—	6,112,383	**6,112,383**
Other changes	—	—	—	—	(8,453,678)	8,453,678	—	**—**
Other changes in equity	**—**	**—**	**—**	**—**	**(8,453,678)**	**8,453,678**	**6,112,383**	**6,112,383**
31st March 2021	**11,878,153**	**974,512,197**	**(355,783,503)**	**(3,320,289)**	**(154,456,417)**	**(14,904,293)**	**16,485,062**	**474,410,910**

(Euros)	Share capital	Share premium	Reserves	Treasury shares	Previous year retained earnings	Loss for the period	Other equity instruments	Equity
31st March 2019	**10,971,905**	**974,512,197**	**(355,783,503)**	**—**	**(133,596,956)**	**(8,817,296)**	**7,305,088**	**494,591,435**
Total recognized income / (expenses)	**—**	**—**	**—**	**—**	**—**	**(8,453,678)**	**—**	**(8,453,678)**
Capital increases / (decreases)	74,399	—	—	—	(74,399)	—	—	**—**
Acquisitions & disposals of treasury shares	—	—	—	(4,944,565)	(1,056,004)	—	—	**(6,000,569)**
Transactions with treasury shares	—	—	—	1,625,765	(1,625,765)	—	—	**—**
Operations with members or owners	**74,399**	**—**	**—**	**(3,318,800)**	**(2,756,168)**	**—**	**—**	**(6,000,569)**
Payments based on equity instruments	—	—	—	—	—	—	3,067,591	**3,067,591**
Other changes	—	—	—	(1,489)	(8,817,766)	8,817,296	—	**(1,959)**
Other changes in equity	**—**	**—**	**—**	**(1,489)**	**(8,817,766)**	**8,817,296**	**3,067,591**	**3,065,632**
31st March 2020	**11,046,304**	**974,512,197**	**(355,783,503)**	**(3,320,289)**	**(145,170,890)**	**(8,453,678)**	**10,372,679**	**483,202,820**

The accompanying notes 1 to 23 and appendices are an integral part of these financial statements.

2.4. Cash Flows Statement

(Euros)	Notes	Year ended 31st March 2021	Year ended 31st March 2020
Loss before tax for the year		**(16,735,934)**	**(8,453,678)**
Adjustments to the result:		**13,446,410**	**2,943,197**
Variation of provisions	17	918,914	28,273
Financial income		(17,731,221)	(25,602,651)
Financial expenses	8	30,832,246	31,531,956
Exchange rate differences		(416,878)	24,950
Other income and expenses		(156,651)	(3,039,331)
Changes in working capital:		**1,313,503**	**44,726,380**
Debtors and other accounts receivable		(507,180)	17,214,035
Other current assets		8,966,354	6,875,290
Creditors and other accounts payable		(1,101,982)	13,946,474
Other current liabilities		(6,046,987)	10,665,944
Other non-current assets and liabilities		3,298	(3,975,363)
Other cash flows from operating activities:		**(10,143,248)**	**(1,566,056)**
Interest payments	8	(23,389,235)	(23,375,020)
Interest collections		13,525,233	21,933,779
Payment of income tax	9	—	(4,815)
Other (payments) / collections		(279,246)	(120,000)
A) Cash flows from operating activities		**(12,119,269)**	**37,649,843**
Payments for investments:		**(74,000,531)**	**(127,953,277)**
Payments for investments in Group companies		(74,000,531)	(127,953,277)
Collections from divestments:		**6,200,000**	**17,506,976**
Collections from divestments in Group companies		6,200,000	17,506,976
B) Cash flows from investing activities		**(67,800,531)**	**(110,446,301)**

(Euros)	Notes	Year ended 31st March 2021	Year ended 31st March 2020
Collections and payments for equity instruments:	14.4	**—**	**(6,000,569)**
Acquisition of treasury shares		—	(7,929,709)
Sale of treasury shares		—	1,929,140
Collections and payments for financial liabilities:		**74,866,797**	**78,154,265**
Debt issues with Group companies		450,616,651	240,667,618
Repayment of debt with Group companies		(375,749,854)	(162,513,353)
C) Cash flows from financing activities		**74,866,797**	**72,153,696**
D) Effect of exchange rate variations		**3,298**	**1,041**
E) Net increase / (decrease) in cash and cash equivalents (A+B+C+D)		**(5,049,705)**	**(641,721)**
Cash and cash equivalents at beginning of period		237,171	878,892
Cash and cash equivalents net of bank overdrafts at end of period		**(4,812,534)**	**237,171**
Cash and cash equivalents	13	52,111	237,171
Bank overdrafts	16	(4,864,645)	—
Cash and cash equivalents net of bank overdrafts at end of period		**(4,812,534)**	**237,171**

The accompanying notes 1 to 23 and appendices are an integral part of these financial statements.

2.5. Notes to the Financial Statements

1. GENERAL INFORMATION

eDreams ODIGEO, S.A. (the "Company"), formerly LuxGEO Parent S.à r.l., was set up as a limited liability company (société à responsabilité limitée) formed under the Laws of Luxembourg on Commercial Companies on 14th February 2011, for an unlimited period. In January 2014, the denomination of the Company changed to eDreams ODIGEO, S.A. and its corporate form from S.à r.l. to S.A. ("Société Anonyme").

On 8th April 2014 eDreams ODIGEO, S.A. completed its IPO on the Spanish Stock Exchange.

On 31st March 2020, the Company announced its plan to move the Company's registered seat ("siège sociale") and administration center ("administration centrale") from Luxembourg to Spain, to achieve organizational and cost efficiencies.

On 23rd September 2020, the Extraordinary Shareholders' Meeting ratified the Company's plan to move the registered office to Spain and consequently for the Company to become a Spanish company in the corporate form of "Sociedad Anónima").

The change in nationality of the Company was effective on 10th March 2021, once the Spanish public deed was registered in the Commercial Registry of Madrid. Following the change in nationality, the denomination of the Company changed from eDreams ODIGEO, S.A. ("Société Anonyme") to eDreams ODIGEO, S.A. ("Sociedad Anónima").

The new registered office is located at calle López de Hoyos 35, Madrid, Spain (previously, located at 4, rue du Fort Wallis, L-2714 Luxembourg).

The corporate purpose of the Company according to its bylaws is to carry out travel agency activities on a wholesale-retail basis including mediation and /or organization of tourist services (such as flights, hotels, vacation packages, car rentals, cruises, travel insurance). The activities included in the corporate purpose may be carried out indirectly by the Company, totally or partially, by means of the ownership of shares or stockholdings in companies with an identical or analogous corporate purpose. To that end, the Company may acquire, manage and transfer securities of any type.

The financial year runs from 1st April to 31st March each year.

The Company eDreams ODIGEO, S.A. and its direct and indirect subsidiaries form a Consolidation Group headed by eDreams ODIGEO, S.A. ("The Group"). The Company prepared consolidated financial statements for the year ended 31st March 2021 which can be obtained at its registered office in Spain.

2. BASIS OF PRESENTATION

2.1 Regulatory framework

These financial statements have been prepared in accordance with the accounting principles and standards contained in the Spanish GAAP in force approved by Royal Decree 1514/2007 of 16th November (PGC 2007), modified by Royal Decree 602/2016 dated 2nd December 2016 and other prevailing legislation at the date of these financial statements, to give a true and fair view of the Company's equity, financial position, results and cash flows obtained and applied in the year ended 31st March 2021.

This is the first year that the Company applies the Spanish GAAP, see note 2.7.

The accompanying financial statements for the year ended 31st March 2021 were approved by the Company's Board of Directors at its meeting on 26th May 2021 for submission for approval at the General Shareholders' Meeting, which is expected to occur without modification.

The figures included in these financial statements are expressed in euros unless otherwise indicated.

2.2 Fair presentation

The accompanying financial statements, which were obtained from the Company's accounting records, are presented in accordance with the regulatory financial reporting framework applicable to the Company and, in particular, with the accounting principles and rules contained therein and, accordingly, present fairly the Company's equity, financial position, results and cash flows for the year.

2.3 Impact of COVID-19

Impact in the financial statement for the year ended 31st March 2021

COVID-19 was initially detected in China in December 2019, and over the subsequent months the virus spread to other regions, including to our main markets in Europe. On 11th March 2020, the World Health Organization declared that the rapidly spreading COVID-19 outbreak was a global pandemic.

In response to the pandemic, many countries have implemented measures such as "stay-at-home" policies and travel restrictions. These measures have led to a significant decrease in Bookings across the travel sector, as well as an unparalleled level of flight cancellations. As at 31st March 2021, the development of vaccines and the programming of different plans to immunize populations against COVID-19, is promising for the travel industry as it will lead to the lifting of travel restrictions.

The main impacts of COVID-19 on the Company for the year ended 31st March 2021 are as follows:

- Reduction of trading activities, with Revenue down 87% compared with the year ended 31st March 2020 (see note 6).
- Expenses for external services were down 83% compared with the year ended 31st March 2020, as a large portion is variable costs directly related to volume of Bookings (see note 7).
- As a direct consequence of the drop in volume of Bookings, the amount of trade receivables, cash and cash equivalents, and trade payables have significantly decreased in comparison to the pre-pandemic amounts (see notes 11, 13 and 18).
- Additional operational provisions related to the impact of COVID-19 for cancellations on GDS (Global Distribution System) incentives were recognized by the Company as at 31st March 2020 and 31st March 2021. In the year ended 31st March 2021, these provisions have decreased by €5.3 million due to the drop in volume and their utilization (see notes 11). The amount of these provisions as at 31st March 2021 is €0.3 million (€5.7 million as at 31st March 2020). The Company only bears the risk of these cancellations for the portion of its margin on GDS incentives, as the gross impact of the cancellations is transferred to Group companies.

Future effects of COVID-19

The Company's financial statements have been prepared on a going concern basis, as Management considers that the Company is in a strong financial and liquidity position and that prudent management actions, since the beginning of the crisis, have secured the Company's position to ensure a rapid return to full operational effectiveness once normal activity resumes.

The Company has prepared three different scenarios of projections. These projections have been based on external reports on the travel sector published by IATA, Moody's and S&P. The Company has taken into consideration the differences that its own business has with the overall travel sector evolution based on the actual differences seen in the performance of the current year. The scenarios are different depending on the duration of the impact from the COVID-19 pandemic and the shape and timing of the subsequent recovery:

- In scenario I, herd immunity in Europe and the United States is not reached in the year ended 31st March 2022 and there are further virus outbreaks during the year. In this scenario, the Group will reach a volume of yearly Bookings similar to pre-COVID-19 levels in the year ended 31st March 2024.
- In scenario II, herd immunity in Europe and the United States is reached in the second half of the year ended 31st March 2022. In this scenario, the Group will reach a volume of yearly Bookings similar to pre-COVID-19 levels in the year ended 31st March 2023.
- In scenario III, herd immunity in Europe and the United States is reached in the second quarter of the year ended 31st March 2022. In this scenario, the Group will reach a volume of yearly Bookings higher than pre-COVID-19 levels in the year ended 31st March 2023.

The scope of the future effects of the COVID-19 pandemic on the Company's operations, cash flows and growth prospects depends on future developments. These include, among others, the severity, extent and duration of the pandemic mitigated by vaccination programs and efficacy of the vaccine.

The Group that the Company belongs to, has access to funding from its €175 million SSRCF (Super Senior Revolving Credit Facility, see note 16), of which, €93.8 million is available for draw down as at 31st March 2021 (€60.5 million at 31st March 2020) to manage the liquidity requirements of its operations. In April 2020 the Group obtained a 12 months waiver from its lenders regarding the only covenant of Gross Leverage Ratio of the SSRCF, achieving further financial flexibility for the Group. On 30th April 2021, the Group announced that it has obtained for the same Gross Leverage Ratio covenant an additional waiver for the year ended 31st March 2022 (see note 23.1).

Even under the worst scenario projected, projections show that the liquidity of the Group will be sufficient for the next 12 months, and with ample headroom versus the €25 million limit of the new SSRCF covenant waiver (see note 23.1).

Since the beginning of the health crisis, Management has adopted and continues to follow a prudent approach to its cost base and capital expenditure. Several measures have been taken at Group level to achieve cost savings, reducing Fixed Costs & CAPEX and adding in this way extra adaptability to our business model. The Group has also adapted its strategy on some products to mitigate risks in the COVID-19 context. Finally, the Group has focused its investment in selected strategic areas: Prime, customer care, mobile and travel content to emerge stronger and well positioned from the crisis once normal activity resumes.

Even when the economic and operating conditions improve, the Group cannot predict the long-term effects of the pandemic on its business or on the travel industry in general and expects the market in which it operates to have evolved. However, as the vaccine rollout continues and travel restrictions continue to be lifted, there will be very strong demand for travel. For instance, last summer prior to the vaccine rollouts, almost 50% of the market returned in just two months in response to the lifting of the Spring lockdown restrictions. As a leisure-only focused business, the Company is at an advantage because the market in which the Company operates will recover more quickly. The Company is optimistic and believes that with vaccinations, the Company will recover quickly to Pre-COVID-19 levels or even exceed them.

2.4 Going concern principle of accounting

The accompanying financial statements were prepared in accordance with the going-concern principle of accounting, under which it is assumed that the assets and liabilities will be realized and settle, respectively, in the ordinary course of operations.

The Company had negative working capital as of 31st March 2021 and 31st March 2020, mainly originated by debts with group companies in the short term, which is a common circumstance in the business in which the Group operates and considering its financial structure. It does not present any impediment to its normal business.

The Group's €175 million Super Senior Revolving Credit Facility ("SSRCF") is available to fund its working capital needs and guarantees, of which €93.8 million are available for cash drawn down as at 31st March 2021 (€60.5 million as at 31st March 2020). See note 16.

2.5 Non-obligatory accounting principles applied

No non-obligatory accounting principles were applied. Also, the Board of Directors formally prepared these financial statements taking into account all the obligatory accounting principles and standards with a significant effect.

2.6 Use of estimates and judgements

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgement in the process of applying the accounting principles. Changes in assumptions may have a significant impact on the annual accounts in the period in which the assumptions changed. The Board of Directors believes that the underlying assumptions are appropriate and that the annual accounts therefore present the financial position and results fairly.

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including the expectations of future events that are believed to be reasonable under the circumstances.

These estimates and assumptions mainly concern the recoverability of the investments in group entities, revenue recognition and the provision for cancellation of GDS (Global Distribution System) incentives.

Recoverability of the investments in group entities

The Group performs an impairment test on the value of the investments in group entities annually, or in the event of an indication of impairment, in order to identify a possible impairment. Determining the recoverable value of the investments involves the use of assumptions and estimates and requires a significant degree of judgment, both in making future cash flow projections and in determining the rate of discount (WACC). The projected future cash flows discounted at present value, minus the net debt of the investees, are compared to the net book value of the investments in order to determine if there is an impairment.

As a result of the deterioration of the Group's business due to the COVID-19 pandemic, these projections have decreased in value. At the same time, given the uncertainty related to the COVID-19 pandemic (see note 2.3), Management has prepared three different 5-year projection scenarios, depending on the duration of the impact of the COVID-19 pandemic and the form and timing of subsequent recovery.

Revenue recognition

The Company uses judgments and estimates to assess the impact on income of the risk of cancellations.

GDS incentive income is subject to cancellation. Based on historical data, the Company has always observed a very low level of flight cancellations, because the flight cancellation conditions to which the customer is subjected to are very restrictive. For this reason the risk of cancellation under normal conditions is not relevant. But in the context of the COVID-19 pandemic, given the increase in flight cancellations, the Company has considered that there is a risk of cancellation in this case. The Company has estimated the risk of flight cancellations considering the most recent data on restrictions and cancellations, using external information provided by certain suppliers.

Likewise, the Group also uses judgments to determine the revenue recognition criteria applicable to its sales.

Share-based payment valuation

The Group's share-based payments are subject to service and performance conditions, not market conditions. The valuation of the Group's share-based payments depends on the fair value of the rights granted, as well as the estimate of the number of shares expected to be delivered. At the end of each reporting period, the Group reviews its estimate of the number of shares expected to be delivered based on historical employee turnover and the estimate of compliance with performance targets.

See more detail on the accounting policies for share-based payments in note 4.9.

Judgments and estimates related to business projections

The consolidated financial statements have been prepared on a going concern basis, as Management considers that the Group is in a strong financial and liquidity position and that prudent management actions since the beginning of the crisis will secure the Group's position to ensure a rapid return to full operational effectiveness once normal activity resumes (see note 2.3).

Given the uncertainty related to the COVID-19 pandemic (see note 2.3), Group Management has prepared three different 5-year projection scenarios, depending on the duration of the impact of the COVID-19 pandemic and the form and timing of subsequent recovery. See details of the main assumptions used in the financial projections in notes 2.3.

2.7 Comparative information

As mentioned in note 1, on 10th March 2021, the transfer of the Company from Luxembourg to Spain became effective.

Some amounts relating to the year ended 31st March 2020 have been adjusted in these notes to the financial statements in order to make them comparable with those shown in the year ended 31st March 2021, as this is the first year of Spanish GAAP application.

		Share capital	Share premium	Other reserves	Treasury shares	Loss for the period	Equity
31st March 2020 - Under Lux GAAP		**11,046,304**	**155,755,173**	**318,278,243**	**—**	**(10,682,994)**	**474,396,726**
Reclassification of merger premium	a	—	818,757,024	(818,757,024)	—	—	—
Treasury shares	b	—	—	(1,056,474)	(3,320,289)	2,376,051	**(2,000,712)**
Financing fees capitalized on debt	c	—	—	581,670	—	(147,543)	**434,127**
Share-based compensation (LTIP)	d	—	—	10,372,679	—	—	**10,372,679**
Start-up costs		—	—	(808)	—	808	—
31st March 2020 - Under Spanish GAAP		**11,046,304**	**974,512,197**	**(490,581,714)**	**(3,320,289)**	**(8,453,678)**	**483,202,820**

The main differences applied in Equity between Luxembourg GAAP and Spanish GAAP are as follow:

a) Merger Premium:

The negative merger premium has been reclassified from "Share premium" to "Other reserves" for €818,757,024.

b) Treasury shares:

The net asset of €2,000,712 booked under Luxembourg GAAP as treasury shares has been reversed against equity.

The historical value of Treasury shares of €3,320,289 has been classified as "Treasury shares".

The impairment of treasury shares of €1,319,577 booked under Luxembourg GAAP as "Loss for the period" has been reversed.

The gains and losses on transactions of Treasury shares of €1,056,474 booked under Luxembourg GAAP as "Loss for the period" have been reversed against "Other reserves".

c) Super Senior Revolving Credit Facility and Senior Notes due 2023:

The financing fees linked to the initial acquisition of the Super Senior Revolving Credit Facility ("SSRCF") and the Senior Notes due 2023 ("2023 Notes", see note 16), that were booked in Profit and Loss under Luxembourg GAAP, have been capitalized and amortized over the life of the debt under Spanish GAAP.

d) Long Term Incentive Plans:

The accrued value of the Long Term Incentive Plans (see note 15) of €10,372,679 has been booked under Spanish GAAP as an increase to "Investment in subsidiaries" against "Other reserves".

2.8 Grouping of items

Certain items in the statement of financial position, income statement, statement of changes in equity and cash flows statement are grouped together to facilitate their understanding; however, whenever the amounts involved are material, the information is broken down in the related notes to the financial statements.

2.9 Change in accounting policies

During the year ended 31st March 2021 there were no significant changes in accounting policies with respect to those applied in 31st March 2020, except what is detailed in note 2.7.

2.10 Correction of errors

In preparing the accompanying financial statements no significant errors were detected that would have made it necessary to restate the amounts included in the financial statements for the year ended 31st March 2020.

3. PROPOSED ALLOCATION OF THE COMPANY'S RESULT

The Board of Directors will submit to the Ordinary Shareholders' Meeting for approval the proposal to carry forward the result for the year ended 31st March 2021 of €14,904,293 loss to previous year retained earnings (€8,453,678 loss at 31st March 2020).

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Revenue recognition

The Company receives incentives from its Global Distribution System ("GDS") service providers based on the volume of Bookings intermediated by the Company through the GDS systems.

Revenue is recognized at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the ordinary course of business net of VAT and similar taxes.

Basis of Revenue Recognition

The Company uses Global Distribution System ("GDS") services to process the Bookings of travel services for its customers. Under GDS service agreements, the Company earns revenue in the form of an incentive payment for each segment that is processed through a GDS service provider. This revenue is recognized at the time the Booking is processed.

In the event of the cancellation of a Booking, the GDS incentives earned are reversed. Before the COVID-19 pandemic, such cancellations were not relevant. Nonetheless, as explained in note 2.6, in the context of the COVID-19 pandemic, the Group recognizes there is a cancellation risk and this has been estimated based on the most recent data regarding restrictions and cancellations, using external information provided by certain suppliers (see note 11 "Provision for Booking cancellation").

The timing of revenue recognition, invoicing and cash collections results in trade receivables, accrued income, and deferred revenue on the statement of financial position. Generally, invoicing occurs subsequent to revenue recognition, resulting in trade receivables. However, the Company sometimes receives advances before revenue is recognized, resulting in deferred revenue.

4.2 Income and expenses

In accordance with the accrual principle, income and expenses are recorded when they occur, regardless of the date of collection or payment.

Financial result consists of income and expense relating to the Company's net financial debt during the accounting period, including gains and losses on the corresponding interest rate.

4.3 Operating leases

Leases are classified as operating lease if the terms of the lease do not transfer substantially all the risks and rewards incidental to ownership of the leased asset to the lessee.

Expenses resulting from operating leases are charged to the income statement during the year in which they are incurred.

A payment made on entering into or acquiring a leasehold that is accounted for as an operating lease represents prepaid lease payments that are amortized over the lease term in accordance with the pattern of benefits provided.

4.4 Foreign currency

The Company keeps its books in Euro (€) and the statement of financial position and income statement are expressed in the same currency.

At the end of each reporting period, monetary items denominated in foreign currencies are converted at the rates prevailing at that date.

Exchange differences on monetary items are recognized in profit or loss in the period in which they arise.

Non-monetary items carried at fair value that are denominated in foreign currencies are converted at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

4.5 Taxation

Tax expense (tax income) comprises current tax expense (current tax income) and deferred tax expense (deferred tax income).

The current tax is based on the taxable profit for the year. Taxable profit may differ from the profit reported in the income statement due to income or expense that are taxable or deductible in other years and items that are permanently exempt or permanently non-deductible for taxation purposes.

The deferred tax expense or income relates to the recognition and derecognition of deferred tax assets and liabilities. These include temporary differences measured at the amount expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities and their tax bases, and tax loss and tax credit carryforwards. These amounts are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled.

Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that sufficient taxable profits will be available against which those deductible temporary differences can be offset. No deferred tax assets and liabilities are recognized if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred asset to be recovered.

Deferred tax assets and liabilities are measured at enacted or substantively enacted tax rates that apply or are expected to apply in the period in which the temporary difference shall crystallize.

4.6 Financial instruments

4.6.1 Financial assets

Classification

The financial assets held by the Company are classified in the following categories:

- Loans and receivables: financial assets arising from the sale of goods or the rendering of services in the ordinary course of the Company's business, or financial assets which, not having commercial substance, are not equity instruments or derivatives, have fixed or determinable payments and are not traded in an active market. This category includes mainly trade and other receivable from third parties and Group companies, guarantees and pledged bank accounts.
- Equity investments in Group companies: Group companies are deemed to be those related to the Company as a result of a relationship of control and associates are companies over which the Company exercises significant influence.

Initial recognition

Financial assets are initially recognized at the fair value of the consideration given, plus any directly attributable transaction costs.

In the case of equity investments in Group companies affording control over the subsidiary, the fees paid to legal advisers and other professionals relating to the acquisition of the investment are recognized directly in profit or loss.

Subsequent measurement:

Loans and receivables are measured at amortized cost.

Investments in Group companies and associates and interests in jointly controlled entities are measured at cost net, where appropriate, of any accumulated impairment losses. There losses are calculated as the difference between the carrying amount of the investments and their recoverable amount. Recoverable amount is the higher of fair value less costs to sell and the present value of the future cash flows from the investment. Unless there is better evidence of the recoverable amount, it is based on the value of the equity of the investee, adjusted by the amount of the unrealized gains existing at the date of measurement.

Objective evidence of impairment is considered to exist when the recoverable amount of the financial asset is lower than its carrying amount. When this occurs, the impairment loss is recognized in the income statement. At least at each reporting date, the Company recognizes the required valuation adjustments provided that there is objective evidence of impairment.

The Company derecognizes a financial asset when the rights to the cash flows from the financial asset expire or have been transferred and substantially all the risks and rewards or ownership of the financial asset have also been transferred.

However, the Company does not derecognize financial assets, and recognizes a financial liability for an amount equal to the consideration received, in transfers of financial assets in which substantially all the risks and rewards of ownership are retained.

4.6.2 Financial liabilities

Financial liabilities include accounts payable by the Company that have arisen from the purchase of goods or services in the normal course of the Company's business and those which, not having commercial substance cannot be classed as derivative financial instruments.

Accounts payable are initially recognized at the fair value of the consideration received, adjusted by the directly attributable transaction costs. These liabilities are subsequently measure at amortized cost.

Liability derivative financial instruments are measured at fair value using the same methods as those for held-for-trading financial assets.

The Company derecognizes financial liabilities when the obligations giving rise to them cease to exist.

4.7 Treasury shares

Own equity instruments that are reacquired (treasury shares) are recognized at cost and deducted from equity.

No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized in other reserves.

4.8 Current/Non-current classification

Current assets associated with the normal operating cycle, which in general is considered to be one year; other assets which are expected to mature, be disposed of or be realized within twelve months from the end of the reporting period; financial assets held for trading, except for financial derivatives that will be settled in a period exceeding one year, and cash and cash equivalents. Assets that do not meet these requirements are classified as non-current assets.

Similarly, current liabilities are liabilities associated with the normal operating cycle, financial liabilities held for trading, except for financial derivatives that will be settled in a period exceeding one year, and, in general, all obligations that will mature or be extinguished at short term. All other liabilities are classified as non-current liabilities.

4.9 Long term incentive plan

Share awards under Long term incentive plan ("LTIP") are granted to the management and key employees of the Company subsidiaries.

On the granting date, the new rights are value at market price (nominal value) and the total amount is accrued monthly until the end of the LTIP. The shares at €0 costs for the employees are booked as an increase in investment in subsidiaries against equity settled share based payments.

If shares are issued from treasury shares, the difference between the exercise price of the shares issued (€0) and the acquisition cost of the treasury shares is recorded in equity as an adjustment to the value of treasury shares.

4.10 Transactions with related companies and associates

The Company performs all its transactions with related parties on an arm's length basis. Also, the transfer prices are adequately supported and, therefore, the Group Directors consider that there are no material risks in this connection that might give rise to significant liabilities in the future.

4.11 Cash and cash equivalents

This caption includes cash on hand, bank checking accounts and deposits and reverse repurchase agreements that meet all of the following requirements:

- They are convertible into cash.
- At the time of acquisition, their maturity was not greater than three months.
- They are not subject to a significant risk of change in value.
- They are part of the Company's normal cash management policy.

For the purposes of the statement of cash flows, occasional overdrafts that are part of the Company's cash management are included as less cash and cash equivalents.

4.12 Provisions and contingencies

Liabilities that are uncertain as to their amount or the date on which they will be settled are recognized in the balance sheet as provisions when the Company has a present obligation (either by a legal or contractual provision or by an implicit or tacit obligation), arising as a result of past events, which it is probable that an outflow of resources will be required to settle the obligation and which can be quantified.

Provisions are measured at the present value of the best possible estimate of the amount required to settle or transfer the obligation to a third party, and adjustments arising from the restatement of the provision are recorded as a financial expense as they accrue. In the case of provisions maturing in one year or less, and the financial effect is not significant, no discounting is performed. Provisions are reviewed at the closing date of each balance sheet and are adjusted to reflect the best current estimate of the corresponding liability at each moment.

Compensation to be received from a third party at the time of settlement of the provisions is recognized as an asset, without reducing the amount of the provision, provided that there are no doubts that such reimbursement will be received, and without exceeding the amount of the recorded obligation. When there is a legal or contractual link of externalization of the risk, by virtue of which the Company is not obliged to respond to it, the amount of such compensation is deducted from the amount of the provision.

On the other hand, contingent liabilities are considered to be those possible obligations, arising from past events, whose materialization is conditional upon the occurrence of future events not wholly within the Company's control and those present obligations, arising from past events, for which it is not probable that an outflow of resources will be required for settlement or which cannot be measured with sufficient reliability. These liabilities are not recorded in the accounts and are disclosed in the notes to the financial statements, except when the outflow of resources is remote.

5. RISK MANAGEMENT

5.1. Financial Risks

The Company's financial risk management is centralized in its Financial Department, which has established the mechanisms required to control exposure to interest rate and exchange rate fluctuations and credit and liquidity risk. The main financial risks affecting the Company are as follows:

Credit risk: Our cash and cash equivalents are held with financial entities with strong credit ratings.

Our credit risk is mainly attributable to business-to-business customer receivables and intercompany receivables. Our credit risk is not significant.

Interest rate risk: Most of our financial debt is exposed to fixed interest rates. However, at 31st March 2021, the Company had drawn €4.9 million of SSRCF complementary credit policies that accrue interest at a variable rate (see note 16).

If the EURIBOR increased by 2 basis points, the yearly interest expense calculated on the basis of the amount drawn down at 31st March 2021 would increase by €97 thousand if we kept that draw-down for a 12-month period. There would be no impact if the EURIBOR decreased.

Liquidity risk: In order to meet the liquidity requirements, the Company has as principal sources of liquidity the cash and cash equivalents from the statement of financial position. Additionally the Company has access to the Super Senior Revolving Credit Facility ("SSRCF"), which is a €175 million credit facility for the eDreams ODIGEO Group (see note 16).

Exchange rate risk: The exchange rate risk arising from the Company activities has basically two sources: the risk arising in respect of commercial transactions carried out in currencies other than the functional currency of the Company and the risk arising on the intercompany loans in currencies other than the functional currency.

In relation to commercial transactions, the Company is principally exposed to exchange rate risk as the Company operates with the US Dollar (USD) and other foreign currencies.

The exchange rate risk arises on future commercial transactions and on assets and liabilities denominated in a foreign currency.

However, the volume of our transactions in foreign currency (other than the local currency of each of the subsidiaries) is of little relevance compared to the Company's total operations.

The following table demonstrates the sensibility to a reasonably possible change in British Pound (GBP) US Dollar (USD) and Swedish Krona (SEK) exchange rates, with all other variables held constant.

	+5%	-5%	+10%	-10%
Effect on Profit before Tax of a change in Exchange rate:				
GBP	7,130	(7,880)	13,611	(16,636)
USD	(17,492)	19,334	(33,394)	40,815
SEK	17,763	(19,633)	33,911	(41,447)

The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

Exposure to changes in the British Pound, US Dollar and Swedish Krona would not have significant impacts on pre-tax Equity (other than Profit before tax).

The Company's exposure to foreign currency changes as at 31st March 2021 for all other currencies is not significant.

5.2. Financial Profile Risks

Restrictive debt covenants that may limit the ability of the Company to finance future operations and capital needs and to pursue business opportunities and activities. However, the Company has obtained a waiver on its only covenant for the years ended 31st March 2021 and 31st March 2022 (see notes 16 and 23.1).

Our significant leverage could affect the financial position and results, but also the ability of the Company to operate its business and raise additional capital to fund its operations.

5.3. Capital Risk Management

The Company's objective in capital risk management is to safeguard its capacity to continue managing its recurring activities and the capacity to continue to grow through new projects, by optimizing the debt-to-equity ratio to create shareholder value.

The Company's growth is financed mainly through internal cash flows generated by the Company's recurring businesses and usage of the SSRCF (see note 16).

The Company's optimal leverage level is not determined on the basis of its overall debt-to-equity ratio but with the goal of maintaining moderate levels of debt. With the IPO completion in April 2014, the Company used the proceeds from the issuance of new shares to reduce debt.

The Company does not consider the debt-to-equity ratio a suitable indicator for defining its equity policy as its consolidated equity may be affected by a range of factors which are not necessarily indicative of its capacity to satisfy its future financial obligations, including:

- The effect of fluctuations in functional currencies other than the Euro through currency translation differences; and
- The impairment losses on assets that will not recur and which do not involve a cash outflow when recognized.

The Company's capital policy does not set short-term quantitative targets for its indebtedness in relation to its net equity, but is adjusted to allow the Company to manage its recurring operations and take advantages of opportunities for growth while maintaining indebtedness at appropriate levels in the light of its expected future generation of cash flows and in compliance with any quantitative restrictions contained in its main debt contracts.

None of the Company's main debt contracts contain specific clauses restricting its debt-to-equity ratio.

The SSRCF that the Company has access, includes a covenant requiring the eDreams ODIGEO consolidation perimeter to maintain a gross debt to EBITDA ratio for the rolling twelve months at each quarter end. The Group obtained waivers for the covenant for the years ended 31st March 2021 and 31st March 2022 (see notes 16 and 23.1).

At 31st March 2021 the Company complied with all the restrictions imposed by its main debt contracts, and as its businesses may reasonably be expected to continue operating, the Company does not foresee any non-compliance in the future.

6. REVENUE

	Year ended 31st March 2021	Year ended 31st March 2020
GDS incentives (incl. signing bonus) with third parties	7,940,057	60,745,079
Revenue with related parties (see note 21.1)	150,788	303,045
Total revenue	**8,090,845**	**61,048,124**

Revenue with third parties arises from transactions with two third-party customers, the Spanish company Amadeus IT Group, S.A. ("Amadeus") and the British company Travelport International Operations Ltd. ("Travelport"). Both companies are operating an automated travelling reservations or Global Distributions System ("GDS") used by the Company in exchange for incentive payments (the "Incentives").

Pursuant to a Global Agreement with Amadeus in 2011, Amadeus paid a signing bonus to the Company on 30th June 2011 (the "Signing Bonus"). The Signing Bonus is an advance payment made by Amadeus on the anticipated Booking fees derived from the sales channelled through its platform during the life of the Global Agreement (10 years until 31st December 2020). If the threshold is met, the Company will preserve the Signing Bonus, otherwise, it will return it to Amadeus proportionally (see notes 19 and 20).

The revenue from GDS signing bonus reflects the net amount of Signing Bonus to which the Company is entitled when the tickets are booked. The Company decreases the deferred revenue by the same amount to reflect the part of the Signing Bonus, which has been realized, thus recognizing an income in its profit and loss account.

A new amendment to the contract was signed on 20th August 2019, with effective date 1st January 2021, without signing bonus in the first year of the contract.

In the year ended 31st March 2021, the Group has implemented a second GDS, a contract was signed with Travelport on 12th December 2019 with effective date 30th June 2020. Similar to the Amadeus contract, an incentive is received by the Company based on the volume of net transactions done through Travelport's GDS. Yearly target is set-up in the contract.

The decrease in revenue is due to the reduction of volumes related to COVID-19 (see note 2.3).

The following is an analysis of the revenue by country:

	Year ended 31st March 2021	Year ended 31st March 2020
France	2,546,243	15,933,231
Spain	1,107,898	7,093,205
Italy	392,968	3,070,579
Germany	1,168,626	12,292,235
UK	846,322	7,457,727
Others	2,028,788	15,201,147
Total revenue	**8,090,845**	**61,048,124**

The allocation of revenue by country is done on the basis of the country of the customer.

7. EXTERNAL SERVICES

	Year ended 31st March 2021	Year ended 31st March 2020
GDS Incentives - Group	(8,287,796)	(61,146,007)
Other operating expenses - Group	(1,455,554)	(1,417,722)
External services with Group entities (see note 21.1)	**(9,743,350)**	**(62,563,729)**
Audit, accounting, finance and tax services	(709,606)	(647,813)
Board fees	(315,000)	(283,750)
Legal fees	(130,594)	(98,002)
Insurance fees	(50,915)	(48,890)
Bank fees	(7,019)	(66,384)
Rental expense	(6,956)	(46,894)
Others	(178,330)	(1,143,591)
External services with third parties	**(1,398,420)**	**(2,335,324)**
Total external services	**(11,141,770)**	**(64,899,053)**

The decrease in expenses linked with the reinvoicing of GDS Incentives to other companies of the Group is due to the reduction of volumes related to COVID-19 (see note 2.3).

The expenses classified as “others” correspond mainly to charges linked to professional services for M&A projects, and they have been mainly recharged to subsidiaries. The income for these recharges has been included in “other operating income with Group entities”.

8. FINANCIAL EXPENSES

	Year ended 31st March 2021	Year ended 31st March 2020
Interest expense on 2023 Notes	(23,375,000)	(23,375,000)
Effective interest rate impact on debt	(1,952,674)	(1,839,598)
Other financial expenses	(696,062)	(1,080,463)
Financial expenses for debts with third parties	**(26,023,736)**	**(26,295,061)**
Financial expenses for debts with Group entities (see note 21.1)	(4,808,510)	(5,236,895)
Financial expenses for debts with Group entities	**(4,808,510)**	**(5,236,895)**
Total financial expenses	**(30,832,246)**	**(31,531,956)**

On 25th September 2018, eDreams ODIGEO, S.A. issued €425 million 5.50% Senior Secured Notes with a maturity date of 1st September 2023 ("the 2023 Notes", see note 16).

Interest expense on 2023 notes corresponds to the 5.5% interest, payable semi-annually in arrears on 1st March and 1st September each year.

Effective interest rate impact on debt corresponds to the financing fees for the obtention of the 2023 Notes, capitalized and accrued over the life of the debt.

Other financial expenses mainly include commitment fees related to the Super Senior Revolving Credit Facility ("SSRCF"), which is a credit line of €175 million for the eDreams ODIGEO Group (see note 16).

9. INCOME TAX

As at the effective date of the transfer of the Company's registered seat from Luxembourg to Spain (the "migration", see note 1), the Company ceased to be a Luxembourgish company and became a Spanish tax payer. As a result of the migration, the Company's Luxembourgish tax losses carried forward forfeited, whereas its recapture obligation was terminated. This does not have any impact on the Company's net result for the year ended 31st March 2021 as no deferred tax asset for its net tax losses carried forward was recognized in the Company's balance sheet as at the 31st March 2020. Further, as a result of the migration, the Company's taxable profits are consolidated within the Spanish tax group with effect of the first day of the year ended 31st March 2021.

The Company considers that there is a possible risk of assessment by tax authorities in respect of the deduction for Spanish tax of the tax losses of the year ended 31st March 2021 generated by the Company prior to the effective date of the Company's redomiciliation from Luxembourg to Spain. The Spanish tax authorities may take the view that such tax losses may not be taken into account for Spanish tax. This contingency is estimated at €1.8 million. The Group believes that it has made the appropriate deduction of its expenses in accordance with Spanish law. The Group considers that this risk is only possible, not probable, and for this reason it has not recognized a liability on the statement of financial position.

The companies that are included in the Spanish tax group headed by eDreams ODIGEO, S.A. for the year ended 31st March 2021 are Vacaciones eDreams, S.L., eDreams, Inc., eDreams International Network, S.L., Opodo, S.L., eDreams Business Travel, S.L., Traveltising, S.A., Tierrabella Invest, S.L. and Engrande, S.L.

9.1 Income tax recognized in profit or loss

	Year ended 31st March 2021	Year ended 31st March 2020
Recognition of tax losses carried forward for current year losses	1,685,205	—
Other deferred tax expense	112,500	—
Deferred Tax	**1,797,705**	**—**
Current tax expense of the period	33,936	—
Current Tax	**33,936**	**—**
Total Income tax (expense) / income	**1,831,641**	**—**

9.2 Reconciliation of Income tax expense

	Year ended 31st March 2021	Year ended 31st March 2020
Profit / (loss) for the year from continuing operations after tax	(14,904,293)	(8,453,678)
Income tax expense	1,831,641	—
Profit / (loss) before tax	**(16,735,934)**	**(8,453,678)**
Tax basis profit	**(16,735,934)**	**(8,453,678)**
% Income tax rate	25.00%	24.94%
Expected tax charge expense	**4,183,984**	**2,108,347**
Current year losses for which no deferred tax asset has been recognized	(2,352,343)	(2,108,347)
Corrections of tax expense	**(2,352,343)**	**(2,108,347)**
Total Income tax (expense) / income	**1,831,641**	**—**
Deferred tax due to temporary differences	(112,500)	—
Tax losses carried forward recognized	(1,685,205)	—
Amounts with Group companies for tax consolidation	(33,936)	—
Current tax payable of the year	**—**	**—**

The above table contains the reconciliation between a) the expected (theoretical) tax expense on the "tax base" based on the corporate tax rate applicable in the country where the Company is resident (the 25% Spanish income tax rate for the year ended 31st March 2021 and the 24.94% Luxembourg income tax rate for the year ended 31st March 2020) and (b) Company tax expense.

9.3 Current tax receivables and payables

	31st March 2021	31st March 2020
Income tax receivable	20,737	20,880
Current tax assets	**20,737**	**20,880**
VAT receivable	608,161	332,694
Other tax receivable	144	143
Other receivables with tax authorities	**608,305**	**332,837**

	31st March 2021	31st March 2020
Other tax payable	(222)	(221)
Current tax liabilities	**(222)**	**(221)**

The Company recognizes the total consolidated income tax payable (or recoverable) with a charge (credit) to tax receivable or tax payable accounts. The accounts payable or receivable relating to the subsidiaries are recognized with a credit or charge, respectively, to accounts payable to and receivable from Group companies and associates (see note 21.2).

Due to the losses of the year, no tax payable for the year arises as a result of the corporate income tax calculation. The amounts recorded as current tax receivable correspond mainly to payments on account made to the Luxembourg Public Administration in previous years, pending to collect.

During the year ended 31st March 2021, the Company has not made any payment of income tax (€4,815 during the year ended 31st March 2020).

9.4. Deferred tax balances

The following table contains the movement of deferred tax assets / liabilities presented in the financial statements for the year ended 31st March 2021:

	31st March 2020	Amounts recorded in Profit and Loss	31st March 2021
Tax losses carried forward	—	1,685,205	1,685,205
Other deferred tax	—	112,500	112,500
Total deferred tax asset	**—**	**1,797,705**	**1,797,705**

The recognition of any deferred tax asset is based on the Company's opinion on the recoverability of the value of such asset, which, in the case of assets for tax losses, is based on the taxable profits forecast for the consolidated tax group over a maximum period of 10 years. While there is some uncertainty as to whether the forecast taxable earnings will turn out to be correct, the Company's view is that it takes a prudent position by taking the same amount of earnings for the tax consolidation group as used for the impairment test of its investments for the first 5 years projected and a growth of 1.5% for all subsequent periods based on external sources.

The tax losses carried forward of the Company which are specified in the below table can be offset against future taxable profits during an indefinite period. Note that Spain applies temporisation rules relating to the compensation of tax losses which limit the amount of tax losses which can be offset against taxable profits of a year to a certain percentage of such taxable profits.

Unused tax losses (Spain)
31st March 2021

Tax loss amount	Income tax rate (%)	Total deferred tax on tax losses	Deferred tax asset recognized	Deferred tax asset not recognized
16,285,337	25.00%	4,071,334	1,685,205	2,386,129

For the year ended 31st March 2021, the Income tax rate of the Company is the 25% Spanish rate (24.94% Luxembourg income tax rate for the year ended 31st March 2020).

Unused tax losses (Luxembourg)
31st March 2020

Tax loss amount	Income tax rate (%)	Total deferred tax on tax losses	Deferred tax asset recognized	Deferred tax asset not recognized
148,221,401	24.94%	36,966,417	—	36,966,417

Excluding the Luxembourg recapture obligation.

The Company's Luxembourg tax losses, net of recapture, have forfeited as a result of its migration. No deferred tax asset had been recognized for these tax losses.

9.5. Years open for review and tax audits

Under current legislation, taxes cannot be deemed to have been definitively settled until the tax returns filed have been reviewed by the tax authorities or until the four-year statute-of-limitations period has expired.

Following a tax audit, the Luxembourg tax authorities assessed the Company for VAT in respect of two cases related to the calendar years 2017 and 2018.

One case amounts to €3.2 million for the rejection of the recovery of input VAT on certain recharged expenses. The Company considers that this risk is only possible, not probable, and for this reason it has not recognized a liability in the statement of financial position.

The other case amounting to €900,000 relates to the interpretation of the Luxembourg VAT pro rata rules. The Company estimates that there is a probable risk of outflow of resources amounting to €900,000 for which a provision has been recognized in the balance sheet statement (see note 17).

The Company believes that it has appropriate arguments against the VAT assessments and, therefore, filed an administrative claim with the Luxembourg tax authorities which is currently pending.

Due to different interpretations of tax legislation, additional liabilities may arise in connection with a tax audit. However, the Company considers that any such liabilities would not materially affect the financial statements.

10. EQUITY INVESTMENT IN GROUP ENTITIES

The Company holds the entire share capital of Opodo Ltd. The movement of the investment in the years ended 31st March 2021 and 31st March 2020 is as follows:

	Investment
Investment in Opodo Ltd. as at 31st March 2020	**631,013,042**
Capital Contribution	204,091,037
Increase due to Share-based compensation (see note 15)	6,112,383
Investment in Opodo Ltd. as at 31st March 2021	**841,216,462**

	Investment
Investment in Opodo Ltd. as at 31st March 2019	**627,945,451**
Increase due to Share-based compensation (see note 15)	3,067,591
Investment in Opodo Ltd. as at 31st March 2020	**631,013,042**

On 1st July 2020 a capital contribution with debt reallocation between the Company and Opodo Ltd took place for a principal amount of €156,768,221 and €2,983,874 of interests.

On the same date, the Company also contributed as capital to Opodo Ltd. the debt and interest collection rights generated with Go Voyages, SAS for €43,510,772 and €828,170, respectively.

The increase due to Share-based compensation (see note 15) includes:

- The cost of the 2016 LTIP that has been recorded as an addition for €3,719,680 for the year ended 31st March 2021 (€2,425,040 for 31st March 2020).
- The cost of the 2019 LTIP that has been recorded as an addition for €2,392,703 for the year ended 31st March 2021 (€642,551 31st March 2020).

The most significant information in relation to its direct subsidiary as at 31st March 2021 is the following:

Name	Address	Activity	Investment	Ownership %	Voting rights %
Opodo Ltd.	26-28 Hammersmith Grove, W6 7BA (London)	Online travel agency	841,216,462	100%	100%

Name	Share capital (*)	Share premium (*)	Net Profit or loss fro the year (*)	Other equity items (*)	Total shareholder's equity(*)
Opodo Ltd.	344,377,618	75,731,894	(4,373,642)	141,315,617	557,051,487

(*) Amounts pending to be audited, including the results of the financial year ending 31st March 2021.

The financial year of Opodo Ltd. runs from 1st April to 31st March.

As at 31st March 2021, the Company holds the entire share capital of Opodo Ltd. represented by 3,443,776,177 ordinary shares of €0.10 each.

The net asset value of the participation is lower than the purchase price value. However, the Company has performed an impairment test on the investment and has concluded that there is no impairment.

Opodo Ltd. is the subholding company of the other companies of the eDreams ODIGEO Group.

The procedure for performing the impairment test consists of comparing the net book value of the investment with the expected future cash flows, discounted to their present value, less the net debt of the investees, to determine whether an impairment exists.

The value of future cash flows has been estimated at €1,093 million and has been obtained as follows:

- A business plan, with different scenarios, has been prepared for the entire subgroup headed by Opodo Ltd. for the next 5 years in which the main components are projected adjusted EBITDA, investments and working capital. The main drivers in the EBITDA projection are margin over revenue and variable expenses, which together result in a marginal profit. These projections contain management's best estimates, which are consistent with external information, past experience and future expectations.
- Scenarios I, II and III, detailed in note 2.3. have been weighted at 25%, 60% and 15%, respectively.
- The perpetual growth rate used to extrapolate cash flow projections beyond the first five years has been estimated to be between 1.5% and 1.6%.
- The after-tax discount rate has been defined based on the weighted average cost of capital (WACC), being at 31st March 2021 9.8% (10.0% at 31st March 2020).

The value of the net debt of the investees at 31st March 2021 was €153 million.

Consequently, the surplus value based on the calculation made is €99 million.

At 31st March 2021, the investee company was not listed on the stock exchange.

The Company has received no dividends during the years ended 31st March 2021 and 31st March 2020.

11. TRADE RECEIVABLES

	31st March 2021	31st March 2020
GDS incentives - receivable	2,456,732	3,876,284
GDS incentives - accrued income	1,233,329	5,655,993
Provision for Booking cancellation	(315,478)	(5,655,123)
Trade receivables	**3,374,583**	**3,877,154**

The trade receivables of the Company are related to the amounts invoiced or pending to invoice to the Company's GDS providers (see note 6).

The decrease in trade receivables and accrued income as at 31st March 2021 is mainly due to the reduction in volumes linked with COVID-19 (see note 2.3).

As at 31st March 2021 and 31st March 2020 no amounts of trade receivables have been impaired.

"Provision for Booking cancellation" covers the risk that GDS incentives earned are reversed in case of Bookings cancellation. The provision covers the risk for all Bookings with departure dates after the closing date. The decrease in this provision is mainly due to the utilization of the provision booked as at 31st March 2020 related to COVID-19 cancellations, as well as the decrease in volumes linked with COVID-19 (see note 2.3).

12. OTHER NON-CURRENT FINANCIAL ASSETS

	31st March 2021	31st March 2020
SSRCF - Financing fees capitalized	3,063,040	3,063,040
SSRCF - Amortization Financing fees capitalized on SSRCF	(1,448,557)	(845,404)
Other non-current financial assets	**1,614,483**	**2,217,636**

Financing fees capitalized on the Super Senior Revolving Credit Facility ("SSRCF") correspond to the financing costs to obtain the SSRCF, that have been capitalized and are being amortized during the life of the contract (see note 16).

13. CASH AND CASH EQUIVALENTS

	31st March 2021	31st March 2020
Cash and cash equivalents	52,111	237,171
Total cash and cash equivalents	**52,111**	**237,171**

The Group has no restricted cash.

14. EQUITY

14.1 Share Capital

On 7th July 2020, previous to its relocation to Spain, the Board of Directors resolved to issue 8,318,487 new shares, corresponding to the maximum amount of shares available pursuant to the authorized capital included in the current Articles of Association of the Company effective as at that date, to serve the Group's LTIPs ("Long Term Incentive Plans", see note 15).

It was also agreed that the shares would be delivered to the beneficiaries in accordance with the timetable set out by the Board of Directors at the time the LTIPs were approved and which, generally, are expected to occur on or before the publication of the Company's financial results for the first three reporting quarters, provided that the relevant allocation parameters are met. Any non-allocated shares at the end of the LTIPs would be cancelled.

These shares were subscribed by the Company's indirect subsidiary eDreams International Network, S.L. in accordance with Luxembourg law, which was the law applicable to the Company at the time.

The new shares will be held by the Group as treasury stock and therefore both the economic and political rights of the new shares are suspended.

As a result of the new shares' issuance, the Company's share capital amounts to €11,878,153 and is represented by 118,781,530 shares with a face value of €0.10 per share.

The significant shareholders of the Company with a percentage of share capital equal to or higher than 5% and Board members as at 31st March 2021 are the following:

	Number of shares	% Share Capital
Permira	32,011,388	26.9%
Ardian	18,720,320	15.8%
Bybrook Capital LLP	12,300,775	10.4%
Sunderland Capital Partners LP	6,371,316	5.4%
eDreams International Network, S.L.	7,674,272	6.5%
Total more than 5%	**77,078,071**	
Treasury shares	1,081,466	0.9%
Board members	2,366,748	2.0%
Others below 5%	38,255,245	32.2%
Total Company	**118,781,530**	

In the years ended 31st March 2021 and 31st March 2020, the Company did not carry out any significant transactions with its shareholders, other than those mentioned in note 22.3 with Board members.

The Company's shares are admitted to official listing on the Spanish Stock Exchanges.

14.2 Share premium

The share premium account may be used to provide for the payment of any shares, which the Company may repurchase from its shareholders, to offset any net realized losses, to make distributions to the shareholders in the form of a dividend or to allocate funds to the legal reserve.

This reserve is unrestricted as to its use.

14.3 Reserves

	31st March 2021	31st March 2020
Legal reserve	—	—
Other available reserves	(355,783,503)	(355,783,503)
Reserves	**(355,783,503)**	**(355,783,503)**

The Company's legal reserve as at 31st March 2021 and 31st March 2020 is €0. Under the Spanish Companies Law, the legal reserve is not distributable to shareholders, until it exceeds 20% of share capital, and may only be used to offset losses if no other reserves are available. This reserve may also be used to increase share capital to the extent that it exceeds 10% of the increased share capital.

14.4 Treasury shares

	Number of shares	Euros
Treasury shares at 31st March 2019	—	—
Acquisitions	1,932,432	6,811,051
Disposals	(497,778)	(1,864,997)
Delivered to employees	(353,188)	(1,625,765)
Treasury shares at 31st March 2020	**1,081,466**	**3,320,289**
Treasury shares at 31st March 2021	**1,081,466**	**3,320,289**

On 29th April 2019, the Company entered into a liquidity contract with GVC Gaesco Beka, Sociedad de Valores, S.A. with the purpose of favouring the liquidity and regularity of the Company's shares quotation, within the limits established by the Company's Shareholders General Meeting and the applicable regulation. 54,298 net treasury shares have been acquired under the liquidity contract.

On 16th December 2019, the Company resolved to implement a buy-back programme over its own shares. 1,229,611 treasury shares have been acquired under the buy-back programme.

On 26th February 2020 the Company delivered 353,188 treasury shares (see note 15) to the beneficiaries of the 2016 Long-term incentive plan at no cost to the beneficiaries.

During the period between 25th February 2020 and 3rd March 2020, the Company acquired a package of 150,745 additional treasury shares.

As at 31st March 2020, the Company had 1,081,466 treasury shares, carried in equity at €3,320,289, at an average historic price of €3.07 per share. These shares corresponded to acquisitions for €6,811,051 and sales for €1,864,997. The transaction costs and the gains and losses on the transactions with treasury shares were booked against other reserves for €2,681,769, of which €1,114,657 correspond to payments of transaction costs.

The amount included in the cash flow statement of the year ended 31st March 2020 regarding acquisition of treasury shares for €7,925,708 corresponds to €6,811,051 of acquired treasury shares and €1,114,657 of transactions costs.

During the year ended 31st March 2021, the Company has had no transactions with treasury shares.

As at 31st March 2021, the Company had 1,081,466 treasury shares, carried in equity at an average historic price of €3.07 per share. The treasury shares have a nominal value of €0.10 euros each one.

The treasury shares have been fully paid.

14.5. Other equity instruments

The amount recognized as equity-settled share-based payments arose as a result of the Long Term Incentive plans given to the employees of the Company's direct and indirect subsidiaries.

As at 31st March 2021, the only Long Term Incentive plans currently granted are the 2016 LTIP and the 2019 LTIP detailed in note 15.1 and 15.2, respectively.

15. SHARE-BASED COMPENSATION

15.1 2016 Long-term incentive plan

On 20th July 2016, the Board of Directors decided to implement a Long-Term Incentive Plan ("2016 LTIP") for key executives and other employees of the Group with a view to incentivizing them to continue improving the Group's results and retaining and motivating key personnel.

During the year ended 31st March 2021, the Company observed that there were significant potential rights pending to be allotted under the 2016 LTIP. As a result, on 23rd March 2021, the Board of Directors agreed to extend and adjust the 2016 LTIP by creating four additional tranches and extending its duration, intending to include new individuals that previously were not beneficiaries of the 2016 LTIP and continue incentivizing and retaining its personnel. As at 31st March 2021, no rights have been granted under the four new tranches.

The 2016 LTIP lasts for eight years and vests between August 2018 and February 2026 based on financial results. The exercise price of the rights is €0.

The 2016 LTIP is split equally between performance stock rights ("PSRs") and restricted stock units ("RSUs") subject to continued service. Based on operational performance, the scheme is linked to stringent financial and strategic objectives.

Performance stock rights are conditional on meeting the financial objectives established by the Company's Board of Directors with respect to the relevant period of the corresponding Tranche, provided that the Beneficiary is currently employed or has a management position in the Group during the relevant period up to the date of delivery of shares.

Restricted stock units are only conditional on the Beneficiary being currently employed or holding a management position in the Group during the relevant period up to the date of delivery of shares.

As at 31st March 2021 6,644,638 Potential Rights have been granted since the beginning of the plan under the 2016 LTIP (5,223,144 Potential Rights at 31st March 2020), of which 385,575 shares (The First Tranche, First Sub-tranche, First Delivery), 377,546 shares (The First Tranche, First Sub-tranche, Second Delivery), 377,546 shares (The First Tranche, First Sub-tranche, Third Delivery), 379,548 shares (The First Tranche, Second Sub-tranche, First Delivery), 364,443 shares (The First Tranche, Second Sub-tranche, Second Delivery), 353,188 shares (The First Tranche, Second Sub-tranche, Third Delivery), 217,516 shares (The Second Tranche, First Delivery), 216,183 shares (The Second Tranche, Second Delivery) and 210,516 shares (The Second Tranche, Third Delivery) had been delivered as shares in August 2018, November 2018, February 2019, August 2019, November 2019, February 2020, August 2020, November 2020 and February 2021, respectively.

The 644,215 shares delivered during the year ended March 2021 have been satisfied with shares of eDreams ODIGEO, S.A. owned by the Group entity eDreams International Network, S.L. (see note 14.1).

The movement of the Potential Rights during the years ended 31st March 2021 and 31st March 2020 is as follows:

	Granted / Forfeited			Delivered		
	Performance Stock Rights	Restricted Stock Units	Total	Performance Stock Rights	Restricted Stock Units	Total
2016 LTIP Potential Rights - 31st March 2019	**2,719,234**	**2,719,234**	**5,438,468**	**525,170**	**615,497**	**1,140,667**
Potential Rights forfeited - leavers	(148,662)	(148,662)	(297,324)	—	—	—
Additional Potential Rights granted	41,000	41,000	82,000	—	—	—
Shares delivered	—	—	—	479,746	617,433	**1,097,179**
2016 LTIP Potential Rights - 31st March 2020	**2,611,572**	**2,611,572**	**5,223,144**	**1,004,916**	**1,232,930**	**2,237,846**
Potential Rights forfeited - leavers	(139,429)	(139,429)	(278,858)	—	—	—
Additional Potential Rights granted	850,176	850,176	1,700,352	—	—	—
Shares delivered	—	—	—	—	644,215	**644,215**
2016 LTIP Potential Rights - 31st March 2021	**3,322,319**	**3,322,319**	**6,644,638**	**1,004,916**	**1,877,145**	**2,882,061**

During the year ended 31st March 2021, the Group has granted 850,176 new potential PSR rights and 850,176 new potential RSU rights. The average market value of the share used to value these rights has been €1.8 per share, corresponding to the market value of the shares as at 31st of July 2020 when most of these rights were granted. The probability of compliance with conditions as at 31st March 2021 has been estimated at 88% for PSR and 94% for RSU.

Total maximum dilution of the PSRs and RSUs would represent, if fully vested, 6.32% of the total issued share capital of the Company, over a period of 4 years, and therefore 1.58% yearly average on a fully diluted basis. The maximum dilution has not been affected by the amendment to the 2016 Plan on 23rd March 2021.

The value of the plan depends on internal conditions (not market) and is valued according to the market value of the share on the grant date, multiplied by the probability of compliance with the conditions. This probability is updated and re-estimated at least annually, but the market value of the share on the grant date remains unchanged.

The cost of the 2016 LTIP has been recorded as an addition to Investments in Group entities (see note 10) and against Equity (included in Equity-settled share based payments, see note 14.5), amounting to €3,719,680 and €2,425,040 for the years ended 31st March 2021 and 31st March 2020 respectively.

15.2 2019 Long-term incentive plan

On 19th June 2019, the Board of Directors of the Company approved a new long-term incentive plan ("2019 LTIP") to ensure that it continues to attract and retain high-quality management and better align the interests of management and shareholders.

The 2019 LTIP is split equally between performance stock rights ("PSRs") and restricted stock units ("RSUs") subject to continued service. Based on operational performance, the new scheme will be linked to stringent financial and strategic objectives, which will be assessed in cumulative periods.

Performance stock rights are conditional on meeting the financial objectives established by the Company's Board of Directors with respect to the relevant period of the corresponding Tranche, provided that the Beneficiary is currently employed or has a management position in the Group during the relevant period up to the date of delivery of shares.

Restricted stock units are only conditional on the Beneficiary being currently employed or holding a management position in the Group during the relevant period up to the date of delivery of shares.

The new 2019 LTIP lasts for four years and is designed to vest around financial results publications between August 2022 and February 2026. The exercise price of the rights is €0.

As at 31st March 2021 4,268,612 Potential Rights have been granted since the beginning of the plan under the 2019 LTIP (1,609,500 Potential Rights at 31st March 2020), and no shares have been delivered.

The movement of the Potential Rights during the years ended 31st March 2021 and 31st March 2020 is as follows:

	Granted / Forfeited			Delivered		
	Performance Stock Rights	Restricted Stock Units	Total	Performance Stock Rights	Restricted Stock Units	Total
2019 LTIP Potential Rights - 31st March 2019	—	—	—	—	—	—
Additional Potential Rights granted	804,750	804,750	**1,609,500**	—	—	—
2019 LTIP Potential Rights - 31st March 2020	804,750	804,750	**1,609,500**	—	—	—
Potential Rights forfeited - leavers	(137,644)	(137,644)	**(275,288)**	—	—	—
Additional Potential Rights granted	1,467,200	1,467,200	**2,934,400**	—	—	—
2019 LTIP Potential Rights - 31st March 2021	**2,134,306**	**2,134,306**	**4,268,612**	—	—	—

During the year ended 31st March 2021, the Group has granted 1,467,200 new potential PSR rights and 1,467,200 new potential RSU rights. The average market value of the share used to value these rights has been €1.8 per share, corresponding to the market value of the shares as at 31st of July 2020 when most of these rights were granted. The probability of compliance with conditions has been estimated at 69% for PSR and 76% for RSU.

Total maximum dilution of the PSRs and RSUs would represent, if fully vested, 4.72% of the total issued share capital of the Company, over a period of 4 years, and therefore 1.20% yearly average on a fully diluted basis.

The value of the plan depends on internal conditions (not market) and is valued according to the market value of the share on the grant date, multiplied by the probability of compliance with the conditions. This probability is updated and re-estimated at least annually, but the market value of the share on the grant date remains unchanged.

The cost of the 2019 LTIP has been recorded as an addition to Investments in Group entities (see note 10) and against Equity (included in Equity-settled share based payments, see note 14.5), amounting to €2,392,703 and €642,551 for the years ended 31st March 2021 and 31st March 2020 respectively.

16. FINANCIAL LIABILITIES

	31st March 2021			31st March 2020		
	Current	Non current	Total	Current	Non current	Total
2023 Notes - Principal	—	425,000,000	**425,000,000**	—	425,000,000	**425,000,000**
2023 Notes - Financing fees capitalized	—	(3,612,315)	**(3,612,315)**	—	(4,961,836)	**(4,961,836)**
2023 Notes - Accrued interest	1,947,917	—	**1,947,917**	1,947,917	—	**1,947,917**
Bank facilities & bank overdrafts	4,864,645	—	**4,864,645**	—	—	—
Total Financial liabilities	**6,812,562**	**421,387,685**	**428,200,247**	**1,947,917**	**420,038,164**	**421,986,081**

Senior Notes – 2023 Notes

On 25th September 2018, the Company issued €425 million 5.50% Senior Secured Notes with a maturity date of 1st September 2023 ("the 2023 Notes").

Interest on the 2023 Notes is payable semi-annually in arrears on the 1st of March and 1st of September each year.

Super Senior Revolving Credit Facility

On 4th October 2016, the Company refinanced its Super Senior Revolving Credit Facility ("the SSRCF"), increasing the size to €147 million from the previous €130 million, and gaining significant flexibility as well versus the previous terms.

In May 2017, the Company obtained the modification of the SSRCF from 4th October 2016 increasing the commitment by €10 million to a total of €157 million.

In September 2018, the Company obtained another modification of the SSRCF increasing the commitment to €175 million, and extending its maturity until September 2023.

After September 2018, the Company has converted €60 million from its SSRCF into credit facilities ancillary to the SSRCF with certain Banks and €9.6 million into a facility specific for guarantees.

The interest rate of the SSRCF is the benchmark rate (such as EURIBOR for Euro transactions) plus a margin of 3.00%. Though at any time after 30th September 2018, and subject to certain conditions, the margin may decrease to be between 3.00% and 2.00%.

The SSRCF Agreement includes a financial covenant, the Consolidated Total Gross Debt cover ratio, calculated as follows:

Total Gross Debt Cover ratio = Gross Financial Debt / Last Twelve Month Adjusted EBITDA.

The Gross Debt Cover ratio is calculated quarterly and may not exceed 6. The covenant is tested only if, on the relevant test date, outstanding loans under the SSRCF exceed 30% of total commitments under the SSRCF.

In the event of a breach of the gross leverage covenant when tested, in the absence of an exemption, an event of default would occur under the SSRCF and lenders required under the SSRCF could accelerate all loans and terminate all commitments under it.

If loans under the SSRCF were to be accelerated, then the necessary majority of holders of the €425 million 2023 Notes could accelerate those bonds.

As at 31st March 2020, the Gross Debt Cover ratio was 4.9, so the Company was in compliance.

In April 2020, the Company obtained a waiver for the covenant for the year ended 31st March 2021.

Additionally, in April 2021, the Company has obtained a waiver for the covenant for the year ended 31st March 2022 (see note 23.1).

As at 31st March 2021, the Company had drawn €4,864,645 of credit facilities ancillary to the SSRCF.

Additionally, the Group subsidiaries have drawn €55,000,000 under the SSRCF (€109,500,000 as at 31st March 2020) and €11,782,355 of credit facilities ancillary to the SSRCF.

16.1. Debt by maturity date

The maturity date of the financial liabilities based on undiscounted payments as at 31st March 2021 is as follows:

	<1 year	1 to 2 years	2 to 3 years	3 to 4 years	>4 years	Total
2023 Notes - Principal	—	—	425,000,000	—	—	**425,000,000**
2023 Notes - Financing fees capitalized	—	—	(3,612,315)	—	—	**(3,612,315)**
2023 Notes - Accrued interest	1,947,917	—	—	—	—	**1,947,917**
Total Senior Notes	**1,947,917**	**—**	**421,387,685**	**—**	**—**	**423,335,602**
Bank facilities and bank overdrafts	4,864,645	—	—	—	—	**4,864,645**
Total other financial liabilities	**4,864,645**	**—**	**—**	**—**	**—**	**4,864,645**
Trade payables (see notes 18 and 19)	4,211,315	6,159,869	—	—	—	**10,371,184**
Total trade payables	**4,211,315**	**6,159,869**	**—**	**—**	**—**	**10,371,184**
Total	**11,023,877**	**6,159,869**	**421,387,685**	**—**	**—**	**438,571,431**

The Company plans to refinance the 2023 Notes before their maturity date.

The maturity date of the financial liabilities based on undiscounted payments as at 31st March 2020 was as follows:

	<1 year	1 to 2 years	2 to 3 years	3 to 4 years	>4 years	Total
2023 Notes - Principal	—	—	—	425,000,000	—	**425,000,000**
2023 Notes - Financing fees capitalized	—	—	—	(4,961,836)	—	**(4,961,836)**
2023 Notes - Accrued interest	1,947,917	—	—	—	—	**1,947,917**
Total Senior Notes	**1,947,917**	**—**	**—**	**420,038,164**	**—**	**421,986,081**
Trade payables (see notes 18 and 19)	8,398,828	2,822,511	5,125,317	—	—	**16,346,656**
Total trade payables	**8,398,828**	**2,822,511**	**5,125,317**	**—**	**—**	**16,346,656**
Total	**10,346,745**	**2,822,511**	**5,125,317**	**420,038,164**	**—**	**438,332,737**

17. NON-CURRENT PROVISIONS

As at 31st March 2021 the Company had a provision of €900,000 for indirect tax risks (€0 as at 31st March 2020), see note 9.5.

The increase in provision during the year ended 31st March 2021 of €900,000 has been recognized in "Taxes" in the income statement.

18. TRADE PAYABLES

	31st March 2021	31st March 2020
GDS related payables	2,824,599	6,972,279
Other payables	1,386,716	1,426,549
Trade payables	**4,211,315**	**8,398,828**

GDS related payables correspond to accruals (invoices pending to be received) or invoices not yet settled by the Company in relation with the agreements with its GDS providers (see note 6).

The decrease in trade payables as at 31st March 2021 is mainly due to the reduction in volumes linked with COVID-19 (see note 2.3).

18.1 Disclosures on the average period of payment to suppliers

Pursuant to the Spanish legislation in force(1), the disclosure on the average period of payment to trade suppliers as at 31st March 2021 is set forth in the table below:

	Year ended 31st March 2021
Number of days	
Average period of payment to trade suppliers (2)	31
Ratio of transactions paid (3)	31
Ratio of outstanding payments (4)	30
Euros	
Total transactions paid	4,178,061
Total outstanding payments	105,161

The trade payables considered as accounts payable eligible to be disclosed in the financial statements are those which by nature are trade payables with suppliers of goods and services and, therefore, are included under Trade payables within current liabilities on the statement of financial position.

The comparative information for the period ended 31st March 2020 is not disclosed above as the Company was a Luxembourg entity in that period.

(1) Third additional provision, "Information requirement" of Law 15/2010 of 5th July.

(2) ((Ratio of transactions paid * total transactions paid) + (Ratio of outstanding payments * total outstanding payments)) / (Total transactions paid + Total outstanding payments).

(3) Sum of (Number of days of payment * amounts of the transactions paid) / Total transactions paid.

(4) Sum of (Number of days outstanding * amounts of the transactions payable) / Total outstanding payments.

19. OTHER NON-CURRENT FINANCIAL LIABILITIES

As at 31st March 2021, the Company had €6,159,869 of other non-current financial liabilities related to the GDS Signing Bonus agreement with Amadeus (see notes 6 and 20), expected to be settled in more than 12 months (€7,947,828 as at 31st March 2020) as certain thresholds established by contract have not been met.

20. DEFERRED REVENUE

Pursuant to the GDS agreement (see note 6), Amadeus paid a signing bonus to the Company on 30th June 2011 (the "Signing Bonus"). The Signing Bonus is an advance payment made by Amadeus on the anticipated Booking fees derived from the sales channelled through its platform during the life of the GDS agreement (10 years, until 31st December 2020). For the thresholds that are met, the Company preserves the Signing Bonus, but for the part of the thresholds that is not met, the Company will return part of the Signing Bonus to Amadeus proportionally.

The Group entities issue monthly invoices to the Company reflecting the net amount of Signing Bonus to which they are entitled when the tickets are booked. The Company decreases the deferred revenue by the same amount to reflect the part of the Signing Bonus, which has been realized, thus recognizing an income in its profit and loss account.

At 31st March 2020 the deferred revenue on the GDS agreement was €1,124,493 and during the year ended 31st March 2021, it has been accrued €156,651. The remaining part (€967,842) has been reclassified to trade payables non-current in relation with the maturity of the signing bonus agreement on 31st December 2020 (see note 19).

21. RELATED PARTIES TRANSACTIONS AND BALANCES

Related parties involved in transactions with the Company during the years ended 31st March 2021 and 31st March 2020, as well as the nature of the relationship, are:

	Nature of the relationship
Opodo Ltd.	Direct subsidiary
Opodo, GmbH.	Indirect subsidiary
Travellink, A.B.	Indirect subsidiary
Opodo, S.L.	Indirect subsidiary
eDreams, Inc.	Indirect subsidiary
Vacaciones eDreams, S.L.	Indirect subsidiary
eDreams International Network, S.L.	Indirect subsidiary
eDreams, S.R.L.	Indirect subsidiary
Viagens eDreams Portugal - Agência de Viagens, Lda.	Indirect subsidiary
eDreams, L.L.C.	Indirect subsidiary
eDreams Business Travel, S.L.	Indirect subsidiary
Traveltising, S.A.	Indirect subsidiary
GEO Travel Pacific, Pty. Ltd.	Indirect subsidiary
Go Voyages, S.A.S.	Indirect subsidiary
Go Voyages Trade, S.A.S.	Indirect subsidiary
Liligo Metasearch Technologies, S.A.S.	Indirect subsidiary
ODIGEO Hungary, Kft.	Indirect subsidiary
Tierrabella Invest, S.L.	Indirect subsidiary
Engrande, S.L.	Indirect subsidiary

21.1 Related party transactions

31st March 2021	Revenue	Other operating income	External services	Financial expenses	Financial income
Vacaciones eDreams, S.L.	197,358	(102,917)	(7,336,427)	(2,974,741)	7,125,565
Opodo Ltd.	(46,570)	—	(1,195,571)	(1,509,095)	3,196,461
eDreams, S.R.L.	—	—	—	(14,599)	81,577
Go Voyages, S.A.S.	—	—	—	(157,103)	7,278,739
eDreams International Network, S.L.	—	50,918	(1,211,352)	(68,495)	32,380
Travellink, A.B.	—	—	—	(84,477)	—
Total	**150,788**	**(51,999)**	**(9,743,350)**	**(4,808,510)**	**17,714,722**

31st March 2020	Revenue	Other operating income	External services	Financial expenses	Financial income
Vacaciones eDreams, S.L.	164,398	1,257,063	(33,181,802)	(1,659,611)	3,124,990
Opodo Ltd.	138,647	—	(28,270,509)	(3,221,004)	9,740,631
eDreams, S.R.L.	—	—	(123)	(18,846)	28,069
Go Voyages, S.A.S.	—	—	—	(161,542)	12,680,762
Liligo Metasearch Technologies, S.A.S.	—	—	—	(1,720)	—
Go Voyages Trade, S.A.S.	—	—	—	—	3
Opodo, S.L.	—	—	—	(9,849)	—
eDreams International Network, S.L.	—	—	(1,111,295)	(77,459)	28,196
Travellink, A.B.	—	—	—	(86,864)	—
Total	**303,045**	**1,257,063**	**(62,563,729)**	**(5,236,895)**	**25,602,651**

External services with Group entities mainly correspond to the invoices issued by affiliated companies in relation with the Global agreement between the Company and its GDS providers.

Financial expenses for debts with Group entities includes the Interest expenses on inter-company loans, the current account, cash pooling and the Group Credit Facility.

Financial income with Group entities mainly correspond to the 2023 Notes interests. The decrease in the year ended 31st March 2021 is mainly related to the capital contribution to Opodo Ltd. on 1st July 2020 (see note 10).

21.2 Related party balances

	31st March 2021			31st March 2020		
	Non-current loans	Current loans	Trade Receivables	Non-current loans	Current loans	Trade Receivables
Vacaciones eDreams, S.L.	129,329,724	624,803	1,800,341	27,317,673	211,656	1,526,072
Opodo Ltd.	—	—	127,086	155,010,789	745,971	992,229
eDreams, S.R.L.	—	279,025	2,082	—	4,021,966	—
Go Voyages, S.A.S.	52,065,501	15,310,194	1,220	195,048,702	14,062,659	14,638,485
Go Voyages Trade, S.A.S.	—	—	—	—	189	—
eDreams International Network, S.L.	—	—	203	—	—	—
Tierrabella Invest, S.L.	—	195,376	—	—	—	—
Total	**181,395,225**	**16,409,398**	**1,930,932**	**377,377,164**	**19,042,441**	**17,156,786**

As at 31st March 2021, Non-current loans with Group entities mainly includes the loans granted in relation with the 2023 Notes to Group entities, formalized on 25th September 2018, with maturity on 25th September 2023 and bearing interest at a rate of 5.50% + 21.01 bps per annum (see note 16). The decrease in these loans is mainly related to the capital contribution to Opodo Ltd. on 1st July 2020 (see note 10).

Current loans with Group entities includes the following:

- Interests related to the non-current loans granted to Group entities in relation with the 2023 Notes for an amount of €9,482,876 as at 31st March 2021 (€13,463,468 as at 31st March 2020).
- Cash-pooling and current accounts with Group entities, for an amount of €6,697,115 as at 31st March 2021 (€4,946,590 as at 31st March 2020). The interests related to the cash-pooling are €34,031 as at 31st March 2021 (€632,383 as at 31st March 2020).
- Amounts receivable for the tax consolidation of Spanish corporate income tax, for a total amount of €195,376 with Tierrabella Invest, S.L. as at 31st March 2021.

Trade receivables with Group entities mainly includes GDS incentives.

	31st March 2021			31st March 2020		
	Non-current debt	Current debt	Trade payables	Non-current debt	Current debt	Trade payables
Vacaciones eDreams, S.L.	(8,283,421)	(66,481,536)	(4,664,179)	(8,283,421)	(63,714,240)	(13,936,795)
Opodo Ltd.	(7,926,351)	(38,943,464)	(201,076)	(7,119,102)	(12,482,847)	(14,250,884)
eDreams, S.R.L.	—	(12,700)	—	—	(50,378)	(17,034)
Go Voyages, S.A.S.	(4,315,759)	(79,115)	—	(4,315,759)	(244,964)	—
Liligo Metasearch Technologies, S.A.S	—	—	—	—	(88,047)	—
eDreams Business Travel, S.L.	—	(811)	—	—	—	—
eDreams, Inc.	—	(9,704)	—	—	—	—
Engrande, S.L.	—	(11,039)	—	—	—	—
Traveltising, S.A.	—	(53)	—	—	—	—
Opodo, S.L.	—	(6,577)	—	—	—	—
eDreams International Network, S.L.	—	(117,551)	(933,528)	—	(525,084)	(1,111,295)
Opodo, GmbH.	—	—	—	—	(29,639)	—
Tierrabella Invest, S.L.	—	—	—	—	(3,010)	—
Travellink, A.B.	(2,326,509)	(239,334)	—	(2,298,755)	(176,212)	—
Total	**(22,852,040)**	**(105,901,884)**	**(5,798,783)**	**(22,017,037)**	**(77,314,421)**	**(29,316,008)**

Non-current debt with Group entities includes the following loans:

- Loan with Vacaciones eDreams, S.L.: On 31st March 2018, Vacaciones eDreams, S.L. and eDreams ODIGEO, S.A. entered into a loan agreement for a total amount of €8,283,421. On 31st March 2021 they renegotiated the maturity to 31st March 2023. The interest rate is set at EURIBOR 1 year + 4%.
- Loan with Opodo Ltd.: On 1st October 2016, Opodo Ltd. and eDreams ODIGEO, S.A. entered into a loan agreement for a total maximum amount of €11,000,000. The interest rate is set at EURIBOR 1 year + 4%. On 31st March 2021 they renegotiated the maturity to 31st March 2023. As at 31st March 2021 and 31st March 2020 the principal of the loan is €7,119,102.
- Loan with Go Voyages, S.A.S.: On 31st March 2019, Go Voyages, S.A.S. and eDreams ODIGEO, S.A. entered into a loan agreement for a total amount of €4,315,759. On 31st March 2021 they renegotiated the maturity to 31st March 2023. The interest rate is set at EURIBOR 1 year + 4%.
- Loan with Travellink, A.B.: On 31st March 2018, Travellink, A.B. and eDreams ODIGEO, S.A. entered into a loan agreement for a total amount of €2,326,509. The maturity of this loan has been set on 31st March 2023. The interest rate is set at EURIBOR 1 year + 4% and the interests shall be paid annually on 31st March.
- Financing cost capitalized SSRCF for an amount of €807,249 with Opodo Ltd. (classified as non-current loan as at 31st March 2020).

Current debt with Group entities includes the following loans:

- Cash-pooling and current accounts with Group entities, for an amount of €88,106,034 as at 31st March 2021 (€59,939,053 as at 31st March 2020). The interests related to the Cash-pooling are €809,860 as at 31st March 2021 (€958,639 as at 31st March 2020).
- Group Credit Facility with group companies, for an amount of €8,401,291 as at 31st March 2021 (€8,274,285 as at 31st March 2020). On 15th February 2016, the Group Credit Facility agreement was signed. It bears interest of EURIBOR 1 year + 400 bps per annum, payable monthly but interest can be added to the principal amount. The Group Credit Facility Agreement will mature on 14th of February of each year and is automatically renewed for successive annual periods.
- Loan agreement with Opodo Ltd.: on 31st March 2018, Opodo Ltd. and the Company amended previous loan agreements, for a total amount of €6,650,000. The interest rate is set at EURIBOR 1 year + 4%. Based on the last contractual renewal, the maturity of that loan has been extended until 31st March 2022.
- The interests related to loans are €1,773,402 as at 31st March 2021 (€1,492,444 as at 31st March 2020).
- Income tax payable to companies of the Spanish tax group, for a total amount of €161,297 as at 31st March 2021 (€0 as at 31st March 2020).

Trade payables with Group entities mainly includes:

- Amounts payable related to GDS incentives for an amount of €4,070,488 as at 31st March 2021 (€24,347,163 as at 31st March 2020). The decrease is related to the impact of COVID-19 (see note 2.3).
- Management fees with eDreams International Network, S.L. for an amount of €933,528 as at 31st March 2021 (€1,111,295 as at 31st March 2020).

22. OTHER DISCLOSURES

22.1 Foreign currency transactions and balances

The detail of the most significant balances and transactions in foreign currency (basically US Dollars, British Pounds and Swedish Kronas) valued in Euros at the year-end exchange rates and the average exchange rates for the years ended 31st March 2021 and 31st March 2020 is as follows:

	Year ended 31st March 2021	Year ended 31st March 2020
Revenue	225,670	980,375
Other operating income	25,646	81,783
Operating expenses	(541,409)	(2,275,320)
Total transactions	**(290,093)**	**(1,213,162)**

	31st March 2021	31st March 2020
Current assets	(302,043)	(455,045)
Non-current liabilities	373,023	349,199
Current liabilities	134,134	4,901,734
Total balances	**205,114**	**4,795,888**

22.2 Auditor's remuneration

The fees paid to the Company's auditors are as follows:

	31st March 2021	31st March 2020
Audit Services	109,400	89,000
Others	17,000	7,000
Total Audit	**126,400**	**96,000**

22.3 Remuneration of Key Management and Board of Directors

The Company doesn't have any direct employees.

During the year ended 31st March 2021 the independent members of the Board received a total remuneration for their mandate of €315,000 (€283,750 during the year ended 31st March 2020). See additional detail in Annual Corporate Governance Report of the Group.

Some members of the Board are also members of the key management of subsidiaries of the Company and, consequently, their remuneration has been accrued based on their executive services, not for their mandate as members of the Board. This remuneration has not been satisfied by the Company, it has been satisfied by its subsidiaries.

Remuneration of members of the Board for management services during the year ended 31st March 2021 and March 2020 amounted to €1.6 million and €1.1 million, respectively. For the year ended 31st March 2020 no bonus was paid as targets were not met due to COVID-19. Targets for the year ended 31st March 2021 were set taking into account the expected effects of COVID-19.

Executive Directors have also been granted since the beginning of the plan with 2,336,191 Potential Rights of the 2016 LTIP plan and 1,230,200 Potential Rights of the 2019 LTIP plan at 31st March 2021 (2,056,343 Potential Rights of the 2016 LTIP plan and 505,200 Potential Rights of the 2019 LTIP plan at 31st March 2020) to acquire a certain number of shares of the company eDreams ODIGEO, S.A. at no cost.

The valuation of these rights of the 2016 LTIP plan amounts to €5.7 million of which €5.1 million have been accrued in equity at 31st March 2021 since the beginning of the plan (€4.7 million of which €3.9 million have been accrued in equity at 31st March 2020). (See note 15.1).

The valuation of the rights of the 2019 LTIP amounts to €2.5 million of which €1.0 million have been accrued in equity at 31st March 2021 since the beginning of the plan (€1.0 million of which €0.2 million have been accrued in equity at 31st March 2020). (See note 15.2).

Regarding the 2016 LTIP, 158,767 shares (the First Tranche, First Sub-tranche, First Delivery), 158,767 shares (the First Tranche, First Sub-tranche, Second Delivery), 158,767 shares (the First Tranche, First Sub-tranche, Third Delivery), 152,261 shares (the First Tranche, Second Sub-tranche, First Delivery), 152,261 shares (the First Tranche, Second Sub-tranche, Second Delivery), 152,261 shares (the First Tranche, Second Sub-tranche, Third Delivery), 85,681 shares (the Second Tranche, First Delivery), 85,681 shares (the Second Tranche, Second Delivery) and 85,681 shares (the Second Tranche, Third Delivery) have already been delivered as shares to the Executive Directors in August 2018, November 2018, February 2019, August 2019, November 2019, February 2020, August 2020, November 2020 and February 2021.

During the year ended 31st March 2020, from the shares delivered as part of the 2016 LTIP First Tranche, Second Sub-tranche, Third Delivery, 47,556 shares were purchased by the Company from certain members of the Board, as part of a repurchase from all beneficiaries of the 2016 LTIP to fund future LTIP deliveries.

No other significant transactions have been carried out with any member of senior management or shareholder with a significant influence on the Company.

On 23rd September 2020, the Extraordinary Shareholders' Meeting approved the renewal of the mandate of all members of the Board for a period of three additional years, with effects as of the moment when the Company's relocation of its registered office to Spain was effective (see note 1).

22.4 Information regarding situation of conflict of interest involving the Board of Directors

During the years ended 31st March 2021 and 31st March 2020, neither the Board of Directors, nor the persons related thereto, as defined in the Spanish Limited Liability Companies law, had reported any direct or indirect conflict that they might have with the Company's interests.

22.5 Environmental matters

The Company recognizes that businesses have a responsibility towards the environment. Although the Company's core activities have a relatively low impact, by virtue of the fact that it is primarily an online business, the Company is nevertheless committed to finding ways in which it can reduce any environmental footprint it may leave. Where possible, the Company incorporates sustainability practices, both in the office and outside the office, in procurement and purchasing processes, in the use of energy and water, waste management, travel, and in each of its business processes (see note B.4 Environment in section B. Non Financial Information).

22.6 Rental commitments

Since the migration to Spain in March 2021, the Company has a cancellable rental contract with a Group entity.

During the year ended at 31st March 2021, the Luxembourgish building lease expense is €6,956, (€46,894 for the year ended 31st March 2020). As at 31st March 2021 the Luxembourgish contract is cancelled.

23. SUBSEQUENT EVENTS

23.1. SSRCF Covenant Waiver

On 30th April 2021, the Company announced that successful discussions with its lenders have resulted in its SSRCF only covenant of Gross Leverage Ratio being waived for the year ended 31st March 2022. Therefore, the next testing quarter for the covenant will be 30th June 2022.

The Company will provide a monthly liquidity report and will ensure that liquidity on each quarter date (30th June, 30th September, 31st December and 31st March) during the waiver period is not less than €25 million. The current level of liquidity gives us ample headroom versus the €25 million limit, as at 31st March 2021 the liquidity was €106 million.

Additionally, during the waiver period the Company shall not pay any dividend or buy-back the Company's shares.

Interest on the SSRCF and the 2023 Senior Notes will continue to be paid as usual.

eDreams ODIGEO, S.A.

3. Director's Report

DIRECTORS' REPORT

General business outlook - Business evolution, results and events of the period

COVID-19

COVID-19 was initially detected in China in December 2019, and over the subsequent months the virus spread to other regions, including to our main markets in Europe. On 11th March 2020, the World Health Organization declared that the rapidly spreading COVID-19 outbreak was a global pandemic.

In response to the pandemic, many countries have implemented measures such as "stay-at-home" policies and travel restrictions. These measures have led to a significant decrease in Bookings across the travel sector, as well as an unparalleled level of flight cancellations. As at 31st March 2021, the development of vaccines and the programming of different plans to immunize populations against COVID-19, is promising for the travel industry as it will lead to the lifting of travel restrictions.

The scope of the future effects of the COVID-19 pandemic on the Company's operations, cash flows and growth prospects depends on future developments. These include, among others, the severity, extent and duration of the pandemic mitigated by vaccination programs and efficacy of the vaccine.

The Group that the Company belongs to, has access to funding from its €175 million SSRCF (of which, €93.8 million is available for draw down as at 31st March 2021, €60.5 million at 31st March 2020) to manage the liquidity requirements of its operations. The Group has a waiver regarding the only covenant of Gross Leverage Ratio of the SSRCF, see the following section.

Even under the worst scenario projected, projections show that the liquidity of the Group will be sufficient for the next 12 months, and with ample headroom versus the €25 million limit of the new SSRCF covenant waiver.

Since the beginning of the health crisis, Management has adopted and continues to follow a prudent approach to its cost base and capital expenditure. Several measures have been taken at Group level to achieve cost savings, reducing Fixed Costs & CAPEX and adding in this way extra adaptability to our business model. The Group has also adapted its strategy on some products to mitigate risks in the COVID-19 context. Finally, the Group has focused its investment in selected strategic areas: Prime, customer care, mobile and travel content to emerge stronger and well positioned from the crisis once normal activity resumes.

Even when the economic and operating conditions improve, the Group cannot predict the long-term effects of the pandemic on its business or on the travel industry in general and expects the market in which it operates to have evolved. However, as the vaccine rollout continues and travel restrictions continue to be lifted, there will be very strong demand for travel. For instance, last summer prior to the vaccine rollouts, almost 50% of the market returned in just two months in response to the lifting of the Spring lockdown restrictions. As a leisure-only focused business, the Company is at an advantage because the market in which the Company operates will recover more quickly. The Company is optimistic and believes that with vaccinations, the Company will recover quickly to Pre-COVID-19 levels or even exceed them.

SSRCF Covenant Waiver

On 21st April 2020, the Company announced that successful discussions with its lenders have resulted in its Super Senior Revolving Credit Facility ("SSRCF") only covenant of Gross Leverage Ratio being waived for the year ended 31st March 2021, achieving further financial flexibility for the Company. Interest on the SSRCF and the 2023 Senior Notes continued to be paid as usual.

On 30th April 2021, the Company announced that it has obtained for the same Gross Leverage Ratio covenant an additional waiver for the year ended 31st March 2022. Therefore, the next testing quarter for the covenant will be 30th June 2022 (see subsequent events).

Issue of shares

On 7th July 2020, previous to its relocation to Spain, the Board of Directors resolved to issue 8,318,487 new shares, corresponding to the maximum amount of shares available pursuant to the authorized capital included in the current Articles of Association of the Company effective as at that date, to serve the Group's LTIPs.

It was also agreed that the shares would be delivered to the beneficiaries in accordance with the timetable set out by the Board of Directors at the time the LTIPs were approved and which, generally, are expected to occur on or before the publication of the Company's financial results for the first three reporting quarters, provided that the relevant allocation parameters are met. Any non-allocated shares at the end of the LTIPs would be cancelled.

These shares were subscribed by eDreams International Network, S.L. in accordance with Luxembourg law, which was the law applicable to the Company at the time.

The new shares will be held by the Group as treasury stock and therefore both the economic and political rights of the new shares are suspended.

Following the issue of the 8,318,487 shares, the Company's share capital amounts to €11,878,153 and is represented by 118,781,530 shares with a par value of €0.10 per share.

Main risks

In the notes of the annual report presented and formulated by the Board of Directors, in accordance with the current accounting regulations, the main risks and uncertainties of the Company's business are described.

Treasury shares

As at 31st March 2021, the Company had 1,081,466 treasury shares, carried in equity at an average historic price of €3.07 per share. The treasury shares are valued at €0.10 each.

The treasury shares have been fully paid.

Research, Development and Technology Innovation

No direct investments have been made by the Company in research, development and technological innovation during the years ended 31st March 2021 and 31st March 2020.

Environmental issues

As at 31st March 2021 there are no significant assets for the protection or improvement of the environment and it has not incurred any major expenses of an environmental nature during either year.

Personnel

The Company has no employees.

Use of derivative financial instruments

The Company did not use any derivative financial instruments during the years ended 31st March 2021 and 31st March 2020.

Payments to suppliers

In compliance with the duty to disclose the average period of payment to suppliers, provided for in Additional Provisional Three of Law 15/2010 (as amended by Final Provision Two of Law 31/2014 reforming Spanish Limited Liability Companies Law), the Company hereby discloses that the average period of payment to suppliers was 31 days. For the purposes of this calculation, the number of days from the invoice date until the payment date was taken into consideration, without deducting the management period that normally occurs from receipt of the invoice until its recognition in accounting.

Annual Corporate Governance Report and Annual Directors' Remuneration Report

The Annual Corporate Governance Report and the Annual Director Remuneration Report form part of the Management Report in accordance with Article 538 of the Spanish Companies Act. The aforementioned report is submitted separately to the CNMV and can be consulted on the website www.cnmv.es.

Subsequent events

On 30th April 2021, the Company announced that successful discussions with its lenders have resulted in its Super Senior Revolving Credit Facility ("SSRCF") only covenant of Gross Leverage Ratio being waived for the year ended 31st March 2022. Therefore, the next testing quarter for the covenant will be 30th June 2022.

The Company will provide a monthly liquidity report and will ensure that liquidity on each quarter date (30th June, 30th September, 31st December and 31st March) during the waiver period is not less than €25 million. The current level of liquidity gives us ample headroom versus the €25 million limit, as at 31st March 2021 the liquidity was €106 million.

Additionally, during the waiver period the Company shall not pay any dividend or buy-back the Company's shares.

Interest on the SSRCF and the 2023 Senior Notes will continue to be paid as usual.