eDreams ODIGEO

INTEGRATED ANNUAL REPORT FY 2022

Letter from the CEO | A. Management Report | B. Non Financial Information | C. Consolidated Financial Statements & Notes

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

Letter from **the CEO**

What a difference a year makes. Throughout FY22 we have seen the travel market improve and recover significantly, eDO outperformed the market (and its competitors) by a significant margin, and we positioned ourselves for future success with our innovative approach including the first and leading subscription programme in travel – Prime – which now has 2.9 million members, triple that of a year ago, this is tangible proof of the success of the programme as we continue to convert a meaningful portion of just our 17 million customers that travelled with us during FY22. In all, we have made significant progress towards meeting our three year guidance of over 7.25 million subscribers and cash EBITDA of over €180 million. Within this context we have been the best performing stock on IBEX during 2021, and one of the top 3 in Europe. And versus peer indices for both Global OTAs [1] and Global Subscription Businesses [2] we were the Company with the best performing share price.

Leisure travel recovery

After the emergence of COVID-19 in early 2020, there was a substantial reduction in travel across the globe. Vaccinations began to roll out in early 2021, and the 'booster' shot was rolled out in the second half of that year. With the scientific progress that led to increased protection and less danger to populations, travel began to recover in FY22. Survey after survey showed throughout COVID-19 that the demand for leisure travel was undimmed and that there was pent up demand to travel again. The only question was when? eDO is a leisure focused business and fully recognises that a leisure traveller simply can't replace their leisure experience through technology - walking along a sandy beach can't be replaced by Zoom, standing atop a mountain with a breathtaking view

[1] Global Online Travel index (Peer Index OTAs) includes Booking Holdings Inc, Despegar, Expedia, lastminute.com, Travelzoo, On the Beach, Trip.com, Makemytrip and Tripadvisor.

[2] Global Subscription (Peer Index Subscription): Teamviewer, Spotify, Netflix, Bumble, Duolingo, Hellofresh, Peloton, Salesforce, Dropbox, Zoom, Wix.com and Baxter.

can't be replaced by Teams, visiting historical sites or new cities can't be replaced by Meets. As breakthroughs in science have progressed leisure travellers have been returning with the prognosis for leisure travel exciting.

Not only is the demand for travel high, but individuals have accumulated significant savings during the past two years. An IMF study shows that in Europe alone consumers have saved over 1 trillion euros, in addition to their normal savings rate, and a good proportion of the savings will find its way into travel and experiences, a market in which we are experts. During the pandemic a lot of additional savings was accumulated, and survey after survey has said that leisure travellers want to travel. The latest European Travel Commission survey, published in April 2022, showed that 3 in 4 Europeans plan to travel in the next 6 months. The conflict in Ukraine and the global increase in inflation may have caused some short term uncertainty, yet we still have seen a real resurgence in travel, with bookings in March, April and May(*) +34%, +52% and +58% vs 2019, respectively.

Outperforming the market

In FY22 we set a record year in bookings in our 20 plus year history. Even with the Delta and Omicron variants affecting much of FY22, we exceeded our FY19 (pre-pandemic) bookings level. We have achieved 12.5 million Bookings in FY22, 10 percent greater than our Pre-COVID-19(**) Bookings. During FY22 we have built on our European leadership, and we are now the largest flight retailer in the world, excluding China.

Besides setting record Booking levels in FY22, we have consistently outperformed the market. Over the course of FY22, traditional airlines, i.e. IATA airlines had for the period minus 52% passengers flown vs Pre-COVID-19. Similarly low-cost carriers had for the same period minus 47% passengers flow vs Pre-COVID-19. eDO on the other hand was 10% above Pre-COVID-19 (**) during FY22. This outperformance vs the market reflects the decisions made across the last three years in relation to our business model, customer proposition, our superior technological platform, the way in which we service and treat customers, and our operational excellence. In all, customers have been voting and choosing eDO by booking with us.

Platform for success

Five years ago, we were the first to start pioneering a subscription programme for travellers. While subscription programmes were taking off in other domains such as movies, music etc. eDO was unique in applying the model to travel. Five years on, we have launched thousands of product features and functionality tests and changes, tens of thousands of 1:2:1 interviews with existing and potential customers, and have reworked every process and system in eDO in order to offer customers a truly great subscription experience and to create a unique and scalable proprietary platform for future growth. In May(*) we have reached 2.9 million Prime members, more than triple that of last year. In just FY22 alone we added over 1.8 million members to our subscription programme, even with the various COVID-19 variants disrupting and impacting the travel market.

We want to revolutionise travel, and the way in which travellers think about service providers. Prime has proven to be very attractive and have universal appeal across all segments of the market and geographies. Therefore, we have great growth prospects, specially since there is such a large addressable market still to be captured.

(*) As of 17th May 2022.
(**) Last 12 months up to 31st January 2020.

While other industries subscription programmes may have been around much longer than Prime in travel, we still are in the early days. In terms of Prime we see growth from 3 main areas. First, we expect to convert a significant portion of our over 24 million existing non-Prime customer base who have booked with us over the past 4 years. Second, the Prime proposition also attracts new customers, eDO has demonstrated the ability to capture new customers through the Prime programme, 60% of Prime members are new customers. Third, Prime is currently in a limited number of countries, and as we extend geographically and extend our product categories we will penetrate further in our existing and new markets and the membership will grow. In all, with over 225 million households alone in Europe, we have enormous growth potential and we have barely scratched the surface just in Europe. We have set ourselves the target of exceeding 7.25 million members by 31 March 2025, and are progressing well on the path to meeting and exceeding this, as we have with other targets that we have previously set.

As we transform and transition into a subscription based business, we fundamentally change the relationship the company has with its customers. With Prime the interaction with customers is no longer just transactional with little, if any loyalty, but instead it is now a relationship that is characterised by repeat usage and unparalleled customer experience. This, together with discounts achieved through our leading market position in flights, enables our proposition to be extremely attractive and our model to be virtuous. For eDreams ODIGEO this model delivers high lifetime values with attractive returns, more stable sources of revenue and stronger relationships with our partners. This model is proven outside travel and has led to much faster growth than in traditional businesses, and we are the pioneer with first mover advantage in travel. Today, we have 50% of our cash EBITDA coming from Prime members, and this will continue to grow over the coming years.

Excellent FY22 Results

Overall, FY22 has seen consistently improving trends and a return to profitability.

Both Prime and eDO continued to outperform. Prime membership grew by 203% year-on year to 2.7 million subscribers. Average revenue per user (ARPU) increased by 56% vs FY21, and stood at €88.0 per member. In FY22 we tripled the Prime membership with an additional 1.8 million new members over and above the same period of last year, and eDO continues to significantly outperform the market.

Despite COVID-19 impact, FY22 showed real and tangible signs of eDO recovery. Revenue Margin in FY22 increased 244% vs the same period last year with bookings increasing 286%. The impact of COVID-19 restrictions still resulted in Cash Revenue Margin being 26% below pre-COVID-19(*) levels including the full FY22 contribution from Prime because average basket size was constrained. Cash Marginal Profit, stood at €107.4 million, 3x the amount we achieved in FY21, and Cash EBITDA was an encouraging €44.2 million.

We have managed our liquidity position well, a consequence of our strong business model and active management. We have achieved this despite travel restrictions which reduced the levels of trade. Liquidity has remained more than sufficient and stable throughout the pandemic. In Q4 FY22 (end of March 2022), the liquidity position was strong at €174 million.

Our amazing people

eDOers continue to be amazing, contributing to the constant development and evolution of the Company. While the past two years have been challenging, eDOers day in day out proved that they are unique. eDOers have continued to put the customer first. They find solutions that are win-win: beneficial for our

(*) Last 12 months up to January 31, 2020.

customers and beneficial for our shareholders. eDOers have capacity for innovation, for flying high, setting the path, journeying together, growing, learning and developing as we transform the way in which travel is provided to customers, and in the process changing our industry.

Doing the right thing (ESG)

We have a focused Environmental, Social and Governance agenda. As a technological, e-commerce, customer facing company, the most material areas of ESG that affect our organization are in Social and Governance. Although our core activities have a relatively low environmental impact, as an organization we are fully committed to responsible management of where we directly impact, and in contributing in a meaningful and positive way where we indirectly impact.

As one of the world's largest online travel companies, we are committed to helping travellers discover the world, fostering deeper connections between diverse cultures across the globe, taking pride in the contribution of tourism to people's livelihoods. We want to facilitate and empower our customers in assessing the environmental impact of their journey and help them make more sustainable choices. We firmly stand for a travel industry that protects the environment and positively impacts local communities.

We are pleased to report eDreams ODIGEO has achieved carbon neutrality for the past three fiscal years, and will continue to engage with customers, partners, suppliers and investors on ESG and sustainability issues and develop plans for becoming an even more sustainable business.

Well positioned, well financed, on our way to meeting self-imposed FY25 targets

While others may not have given guidance, we have. It is unlikely that the recovery will be linear, but it is clear that people want to travel and we continue to be the provider of choice. In the knowledge that we have not missed a target set since 2015, in FY22 we set out three year guidance on where we will be by March 2025. Guidance is that we will achieve greater than 7.25 million Prime members, ARPU of approximately €80, and Cash EBITDA in excess of €180 million.

Throughout the challenging times of the pandemic and unique amongst our peers, eDO did not raise capital, debt or equity in order to maintain the business. This demonstrated clearly the strength and resilience of our unique business model, the attractiveness of our proposition to customers, and the quality of the management team. With travel recovering and normalising, and the enormous growth opportunities in front of us, we refinanced our debt in FY22 to ensure a cast iron platform, while raising equity to provide an additional capital to accelerate our growth and capture the opportunity ahead. In all, we believe we have the right model, right people, and right structure to seize and deliver on the opportunities ahead of us.

Dana Dunne
CEO of eDreams ODIGEO

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Management Report

A

Management Report

A.1. A brief look at FY 2022 eDreams ODIGEO KPIs

A.1.1. A BRIEF LOOK AT FY 2022 eDREAMS ODIGEO KPIs

Largest
Player Worldwide
in Flight Revenues, ex china

5%
No 1 European Flight Retailer
European Total Air Market Share (From 3%) (1)

53%
Mobile Bookings (2)
(From 56%)

2,653K
Prime Members
+203% YoY
(From 876K)

€88.0
Prime ARPU (2) (3)
(From €56.5)

44
Markets

17M
Customers

€423.8M
Cash Revenue Margin (3)
(From €121.8M)
Prime Share (2) 40%

€107.4M
Cash Marginal Profit (3)
(From €35.7M)
Prime Share (2) 50%

690
Airlines

2.1M
Hotels

+9 Billion
Different Itineraries

+2 Billion
Monthly Searches

€44.2M
Cash EBITDA (3)
(From €(27.4)M)

€3.0M
Adjusted EBITDA (3)
(From €(38.2)M)

12.5M
Bookings
(From 3.2M)

€(52.3)M
Adj Net Income (3)
(From €(86.8)M)

73%
Diversification Revenue (2) (3)
+16ppt
(From 57% of total)

Information presented based on FY22 vs FY21 year-on-year variations.

(1) Travelport Full Market Data & eDO Business Intelligence, FY22 vs FY20. (2) Ratio is calculated on a last 12 month basis. (3) See definition and reconciliation of Prime ARPU, Diversification Revenue, Cash Revenue Margin, Cash Marginal Profit, Cash EBITDA, Adjusted EBITDA and Adjusted Net Income in section C4. Alternative Performance Measures.

Management Report

A.2. Business Model, Performance & Strategy

A.2.1. MISSION AND VALUES

OUR MISSION

"To reinvent the travel experience"

We help people discover more of their world through travel. We harness our cutting-edge technology to deliver more options, greater value and better service to millions of travellers worldwide, all in a one-stop shop that covers all of the consumer travel needs.

We are proud to be a leading transformative force within the travel tech industry and are revolutionising the travel booking experience with Prime, the world's first travel subscription programme.

CULTURE AND VALUES

"We are passionate about travel"

We are among the biggest online travel companies, serving customers throughout the world. Having clear corporate values helps to unite our staff around one common goal. The position that we have reached today as one of world's largest online travel companies and one of the largest European e-commerce businesses, with commercial activities in 44 markets, is the result of the efforts and dedication of our eDOers.

Our Company culture is driven by our four corporate values (we fly high, we set the path, we journey together, and we explore… grow and discover).

A.2.1. MISSION AND VALUES

REINVENTING TRAVEL - OUR VALUES

We fly high	We set the path	We journey together	We explore... grow and discover!
Aspire to **make eDO the most successful** online travel one-stop shop	**Take initiative**, be a self-starter, speak up with new ideas	**Work without boundaries,** we achieve more together	Stay hungry for learning and grow others - **learn and grow others**
Work with passion for our Company customers and for travel	Take tough decisions, **using facts and data** and **get things done**	**Contribute constructively**	We value and deliver results and **recognize each other's contribution** based on merit
Innovate with our customer in mind	Iterate fast, **try, fail, learn**	**Contribute to the fun**	**Celebrate and cultivate our diversity**
Look out the window and learn and **improve continuously**			

A.2.2. INDUSTRY OVERVIEW

Future of Leisure Travel post COVID-19

a. Successful Worldwide Vaccination

b. Strong Pent-up Demand

c. Consumers are prioritising travel

The Strength of our Industry

Online Trend Has Been Hugely Accelerated by COVID-19

eDO is Well Prepared to Shape the Travel Market of the Future!

a. Strength of eDO Business Model

b. We Continue to Scale and Increase Market Share

c. eDO Leading the Way - Mobile and Trading ahead of the Industry

A.2.2. INDUSTRY OVERVIEW

FUTURE OF LEISURE TRAVEL POST COVID-19

a. Successful Worldwide Vaccination

b. Strong Pent-up Demand

c. Consumers are Prioritising Travel

a. Successful Worldwide Vaccination

Throughout the pandemic, at eDreams ODIGEO we have consistently outperformed the industry. This outperformance vs the market reflects the decisions made across the last three years in relation to our business model, customer proposition, our superior technological platform, the way in which we service and treat customers, and our operational excellence.

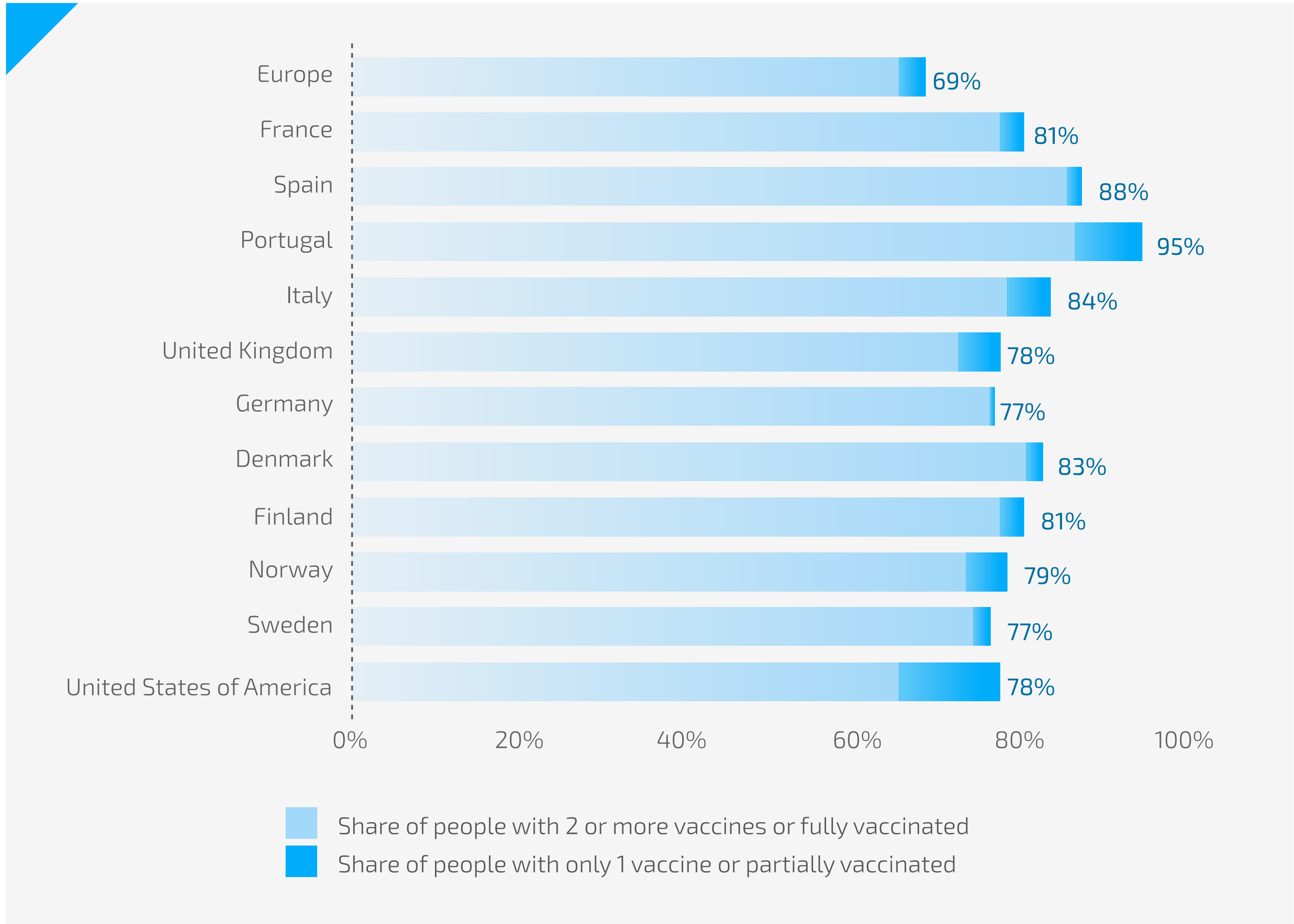
During fiscal year 2022 the COVID-19 pandemic continued impacting the travel industry. The United Kingdom maintained strict restrictions for travelling until after Christmas and the emergence of new variants (Delta during winter 2020 to spring 2021 and Omicron in November 2021) have caused disruptions and challenges for the industry.

However, worldwide vaccination campaigns have progressed through the year and as of the end of 4Q FY22, 64% of the world population has received at least one dose of a COVID-19 vaccine. Successful vaccination programmes, especially in our core markets in Europe, led us to be optimistic that there will be limited travel restrictions in the future.

> *"In our core markets in Europe, on average, 80% of the population over 18 years old is already fully vaccinated with immunisation estimated above 70%"*

High vaccination rates in eDO Core Markets

Share of people over 18 years old vaccinated against COVID-19, 17th May 2022



Source: Official data collated by Our World in Data.

Note: Alternative definitions of a full vaccination, e.g. having been infected with SARS-CoV-2 and having 1 dose of a 2 dose protocol, are ignored to maximise comparability between countries.

A.2.2. INDUSTRY OVERVIEW

b. Strong Pent-up Demand

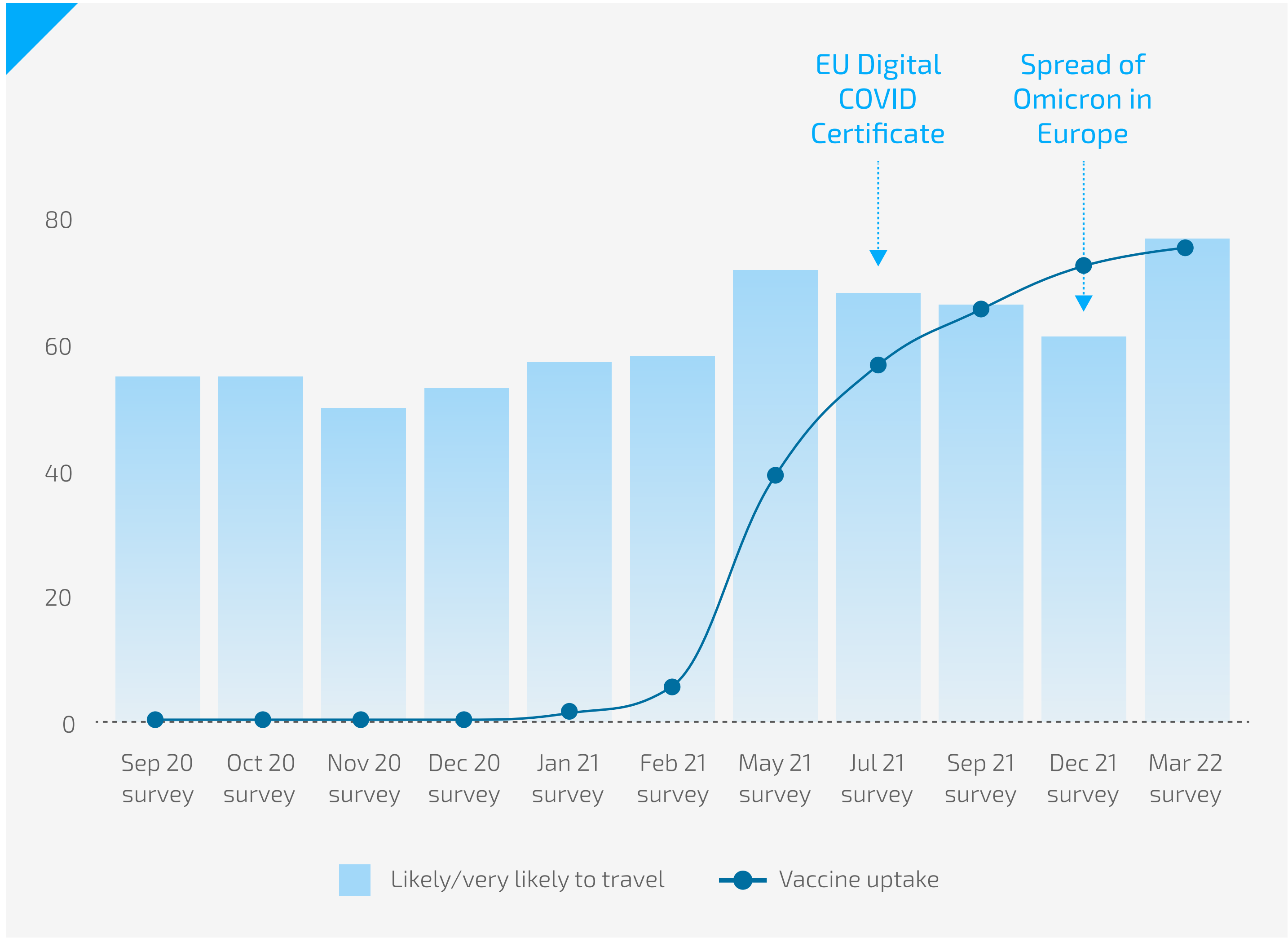
> *"It has been proven that strong demand for travel has not gone away and the desire to travel remains intact with people wanting to travel more than ever"*

In addition, the latest variant of significance, Omicron, showed a materially less severe impact. With numbers coming down, many European countries have eased travel restrictions and in fact have lifted most if not all COVID related restrictions.

In summary and according to surveys of the European Tourism Commission which monitored European's sentiment for travel during the pandemic, the outbreak of the Omicron variant had a limited effect on travel sentiment, with 77% of Europeans planning to travel by September 2022 (based on a survey of 6,000 Europeans conducted in March 2022).

> *"Europeans' appetite for travel remains strong, 77% of Europeans planning to travel by September 2022"*

The travel sentiment bars illustrate the share of European who are likely & very likely to travel in the next 6 months



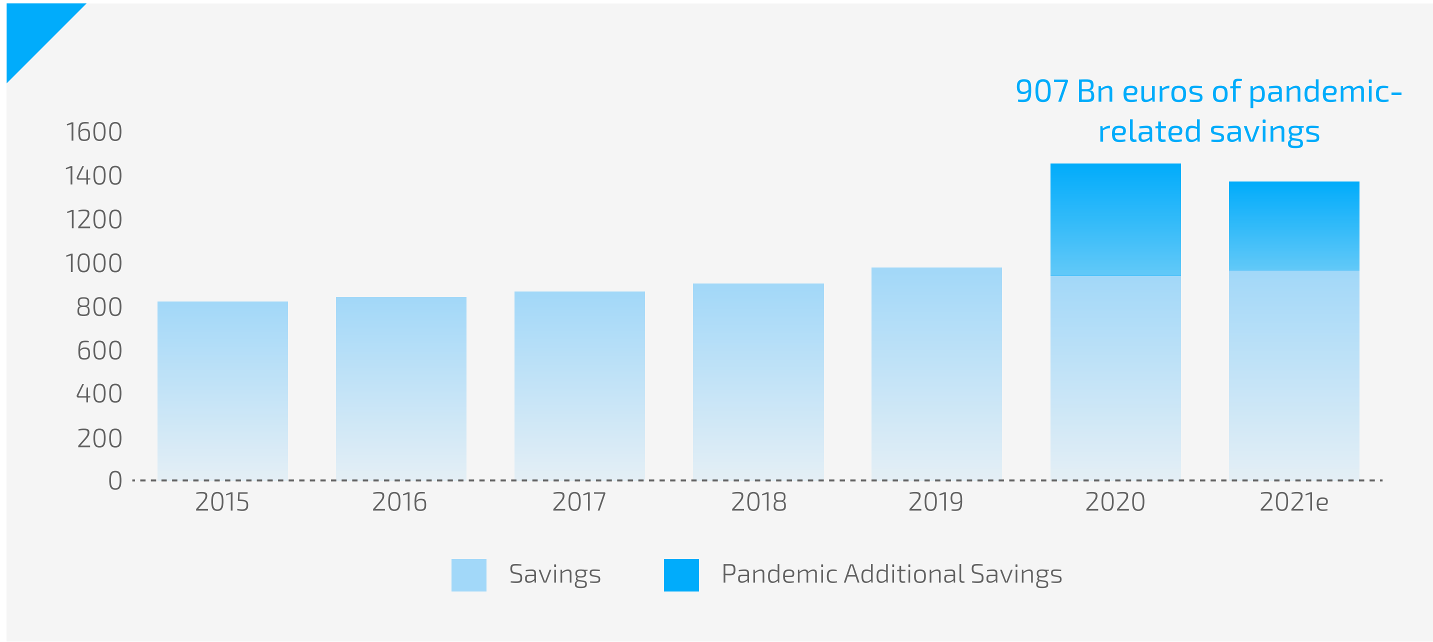
Source: "Performance of European Tourism before, during and beyond the COVID-19 Pandemic" published in March 2022 by the European Travel Commission.

A.2.2. INDUSTRY OVERVIEW

Households in nations in the eurozone saved nearly 50 percent more as a result of the Pandemic.

In ordinary times, Europeans save around 12 percent of their income. But as families stayed at home and furlough schemes supported income during the pandemic, this savings rate increased sharply to almost 19 percent in 2020 and 2021. It is estimated that households in the euro area saved nearly €1 trillion more in those two years than they would have done if the pandemic never happened. A good proportion of this is expected to be spent on travel.

European consumers have saved almost €1 trillion during the Pandemic



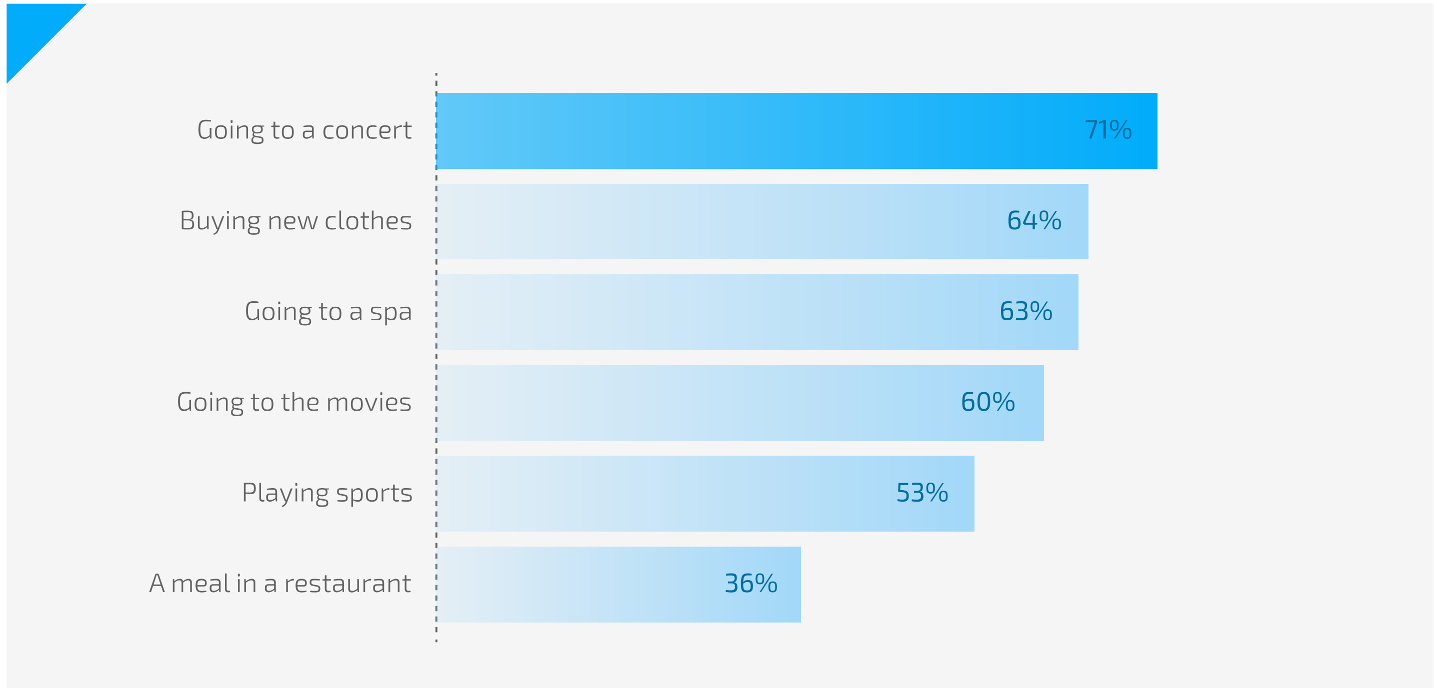
Source: Eurostat and IMF staff calculations. Figures in euro billion.

c. Consumers are prioritising travel over other types of discretionary spending

Consumer behaviour has changed due to the pandemic and is continuing to change as restrictions are eased. A new survey commissioned by Travelport, and conducted by Toluna in February 2022, concluded that consumers are prioritising travel over other types of discretionary expenses. In general, consumers indicated a willingness to give up spending on other types of products and experiences (such as concerts, clothes or dining at restaurants) in order to save money to travel.

Thousands of respondents from seven counties said they would even be willing to give up some of their favourite things for six months or longer in order to travel.

People want to travel more than anything - People would give up the following for at least 6 months to travel



Source: Travelport in conjunction with Toluna Corporate Insights. Survey published in March 2022. The report investigates traveller sentiment around the ease of travel shopping compared to other industries. They surveyed over 2000 people from different demographics across seven different countries including the US, UK, Australia, Hong Kong, India, Singapore, and the United Arab Emirates.

A.2.2. INDUSTRY OVERVIEW

Positive outlook – 3 in 4 Europeans plan to travel by September 2022

The European Travel Commission originally commissioned research in September 2020 to monitor sentiment and the short-term intentions for domestic and intra-European travel after the COVID-19 crisis. Last report was published in April 2022 with surveys dated early March 2022.

Surveys by the European Travel Commission during the 2nd and 3rd week of the war in Ukraine showed that 3 in 4 Europeans plan to travel in the next 6 months, which does not seem to have significantly affected Europeans' travel sentiment and behaviour because in December 2021 the survey showed 3 in 5.

"Europeans' preference for air travel increased by 7% compared to December 2021 survey by the European Travel Commission, and leisure travel reaches its highest level of preference amongst all type of travellers (76% over total) since August 2020 while business travel shrinks"

Likely / Very likely to travel per main eDO country

SPAIN
84%
(vs. 76%)*

ITALY
85%
(vs. 67%)*

UNITED KINGDOM
82%
(vs. 53%)*

FRANCE
75%
(vs. 63%)*

GERMANY
81%
(vs. 61%)*

Source: European Travel Commission: "Monitoring Sentiment for domestic and Intra-European Travel. Wave 11" April 2022.

(*) December 2021 Survey by the European Travel Commission.

A.2.2. INDUSTRY OVERVIEW

THE STRENGTH OF OUR INDUSTRY

Travel patterns were not specially affected during previous wars in Western Europe

The recent Ukraine conflict has created some uncertainty. However, historical examples of geopolitical conflict including the wars in former Yugoslavia show that Western Europeans continue to travel, but adapt their destination to safe locations.

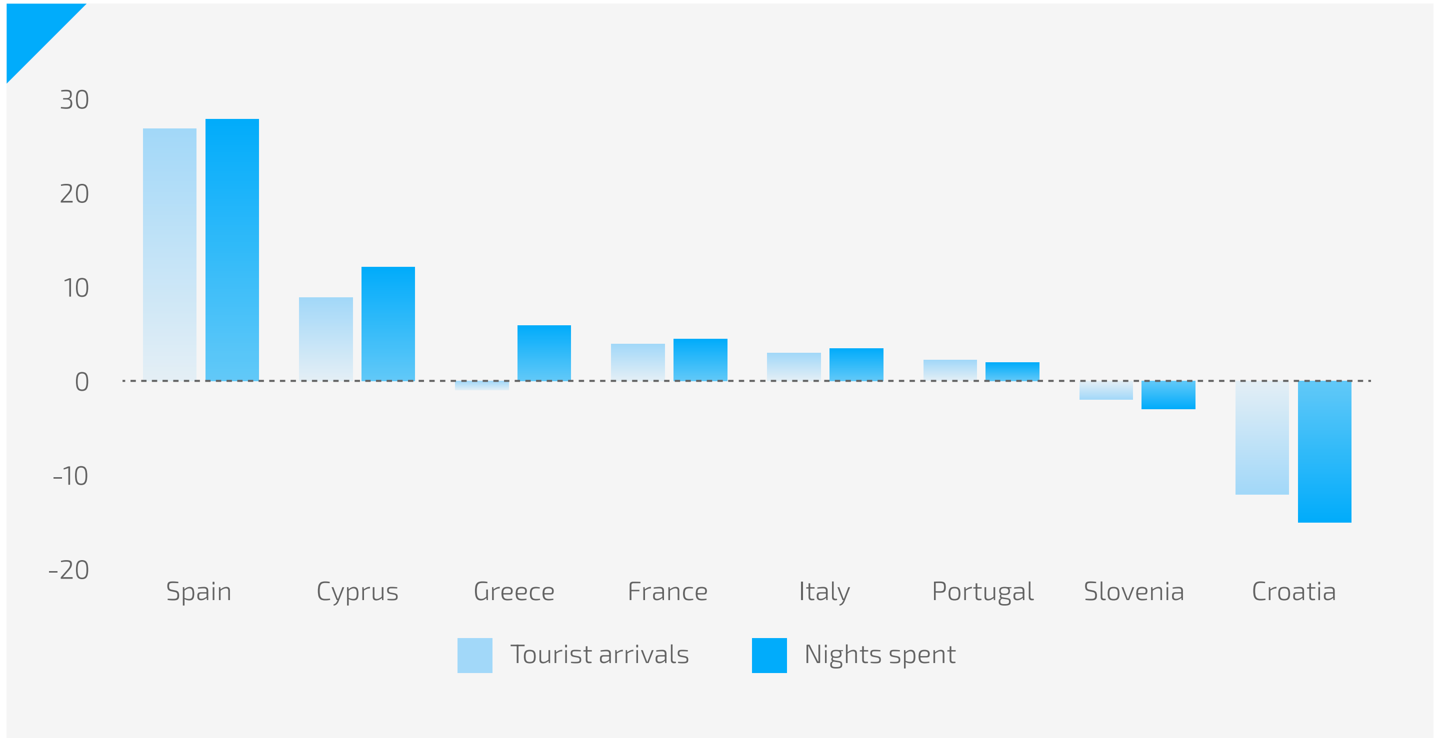
> *"During the war in the Balkans (1990-1993) the tourism in Europe was not specifically impacted"*

During the Kosovo conflict in 1998 and 1999, tourism in Kosovo and neighbouring countries (Slovenia and Croatia) were significantly impacted. However, it benefited Spain, Cyprus, Greece, France and to a lesser extent Italy (closer to Kosovo).

> *"If we look at eDO performance, Western Europeans travelled more vs pre-COVID-19 levels in April than March, +66% vs +53%, and more in March than February, +53% vs +40%, respectively"*

Tourist arrivals and nights spent per country during Kosovo conflict did not affect destinations perceived as safe

Growth rate between 1998-99 (%)



Source: Eurostat.

A.2.2. INDUSTRY OVERVIEW

Inflation driven by oil price is not passed-on in full to passengers

The invasion of Ukraine has pushed the oil price to the highest level since 2014, reaching 110 dollars per barrel in early May.

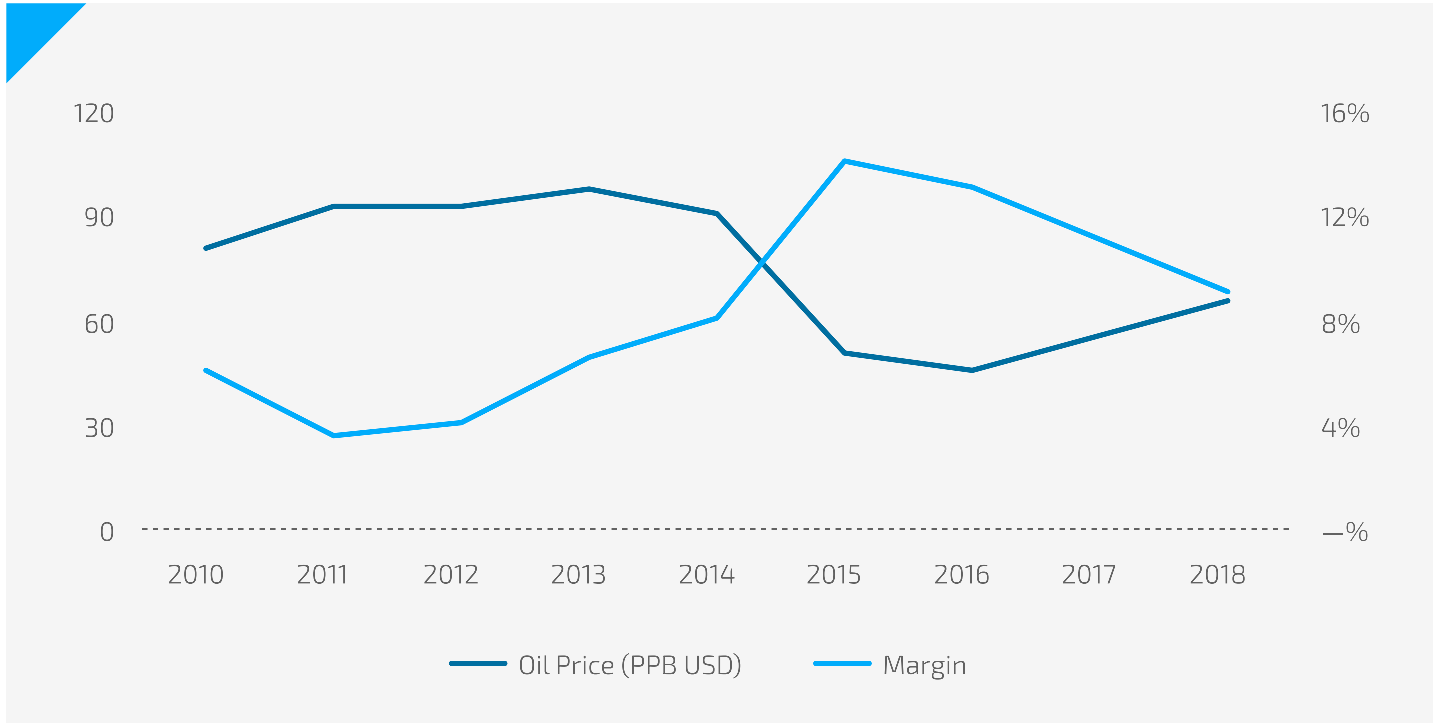
The rising oil prices do not always lead to an equivalent rise in airfares. In general terms, airlines price tickets based on the demand, capacity and competition. In addition, in Europe some carriers have tried to mitigate the increased oil price by acquiring fuel in advance at a fixed or capped rate which applies even if oil prices rise or drop.

> *"It is proven when oil prices increase not all price is passed-on to passengers through increases in airfares. Since January airfares up 22% while oil price 41%"*

> *"Airfares still on average 14% below April 19 levels, while oil price 58% above"*

> *"Operating margin decreasing when oil prices increase showing that not all price increase is passed-on to passengers"*

US Airline industry margin decreased as oil price per barrel increased between (2010-18)



Source: Form 41 and Energy Information Administration accessed at eia.gov.

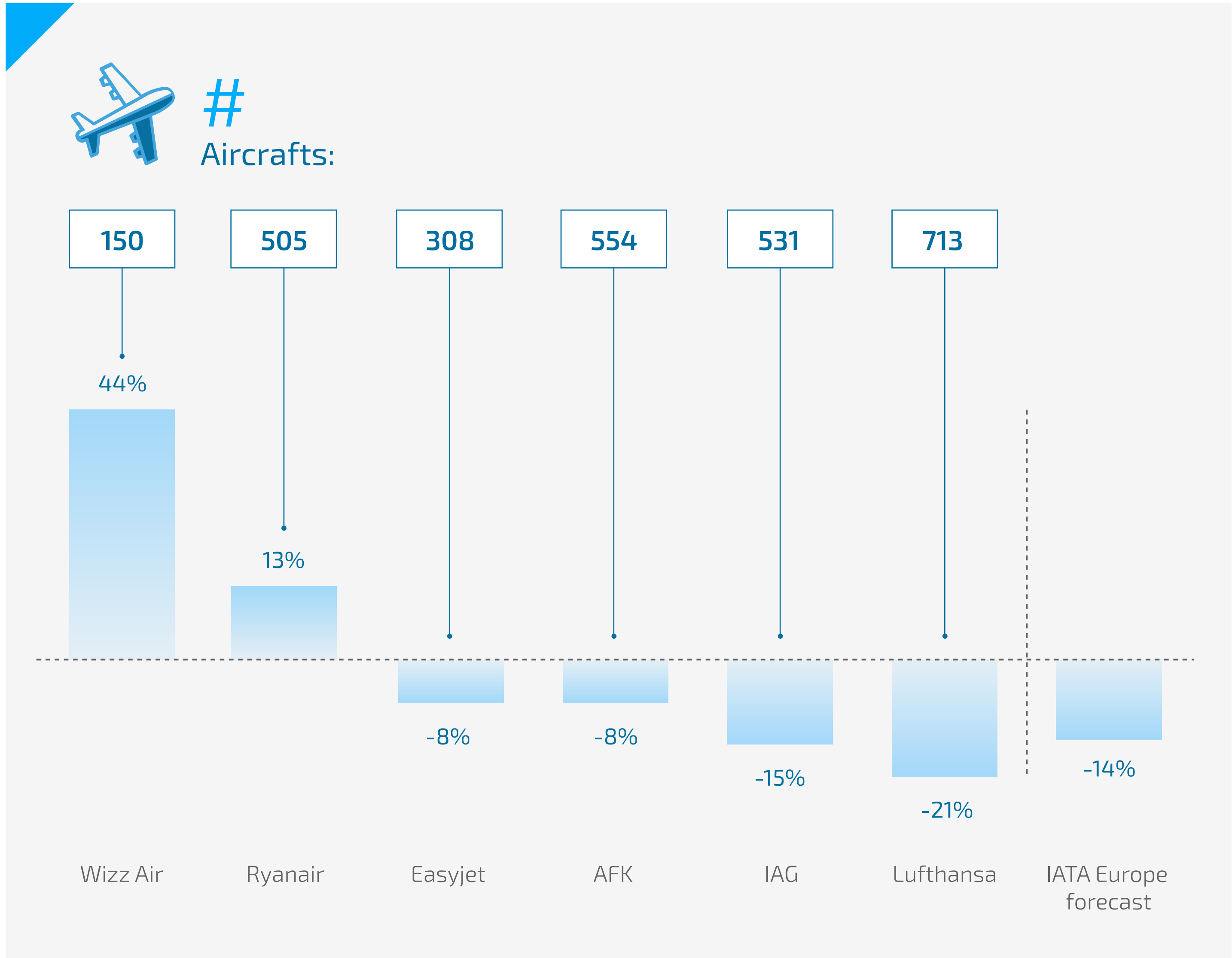
A.2.2. INDUSTRY OVERVIEW

Demand recovery still remains the largest catalyst for increases in airfares, not inflation

In 2022 travel demand indicators have risen, predominately driven by the easing of restrictions in the European countries (particularly UK). However, there are no projections of a recovery of Pre-COVID-19 capacity in regular airlines in 2022 (only Low Cost Carriers are expected to be closer to 2019 capacity). **This gap in capacity, also associated with demand, may result in an increase in fares but likely not enough to compensate for the increase in fuel (which is up 58% vs. April 2019).**

> *"Capacity expansion by major European airlines for 2022 expected but still expected to be below 2019 levels. Predictions are that airfare increases likely not to compensate in full for the increase in fuel prices"*

European airlines capacity 2022E vs. 2019

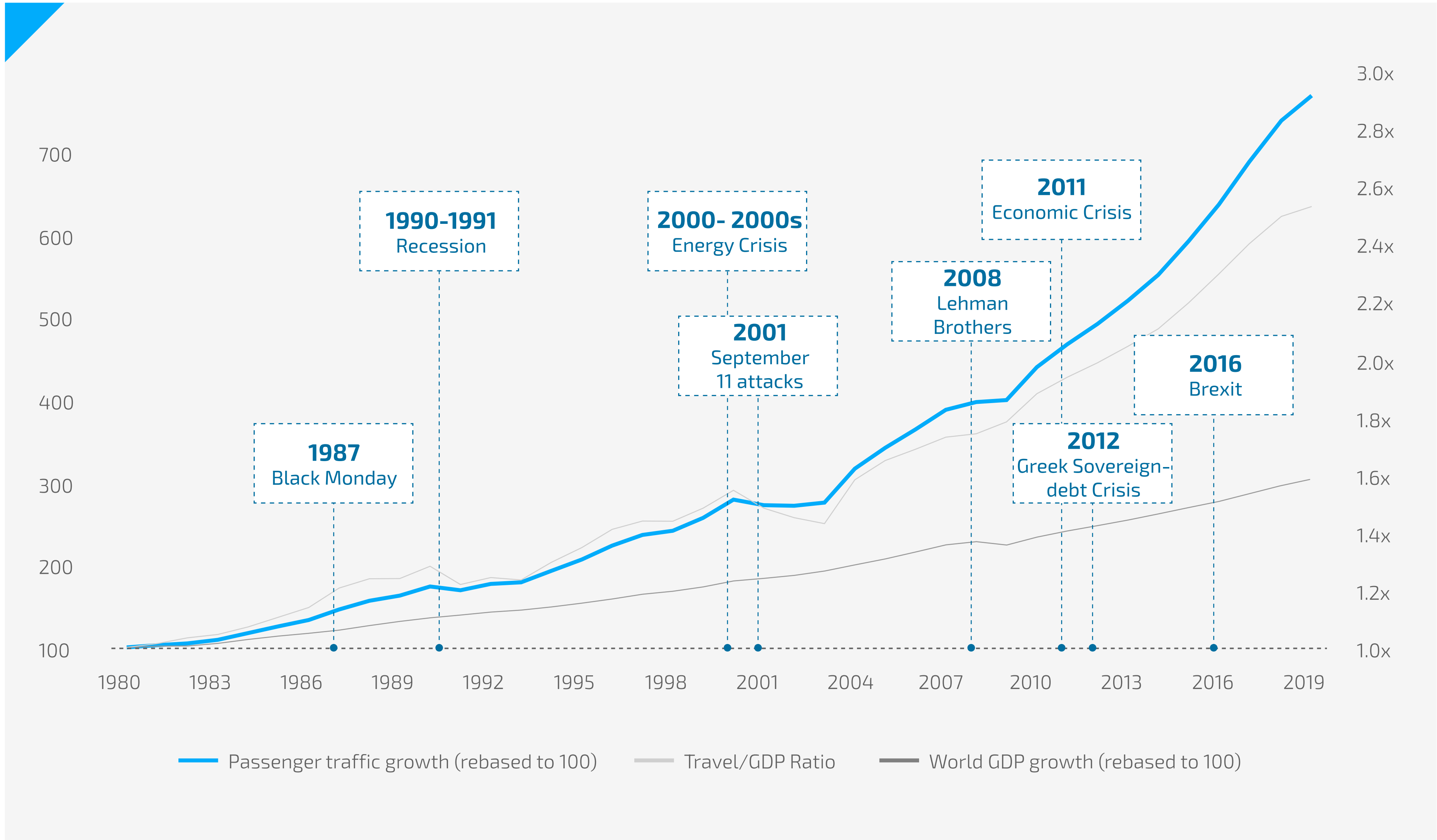


Source: Cirium, UBS, IATA Air passenger forecast for 2022 (published in February 2022).

A.2.2. INDUSTRY OVERVIEW

Over the past 40 years, even during recession, energy crises, etc, passenger traffic has mostly grown

Passenger Traffic Growth



A.2.2. INDUSTRY OVERVIEW

ONLINE TREND HAS BEEN HUGELY ACCELERATED BY COVID-19

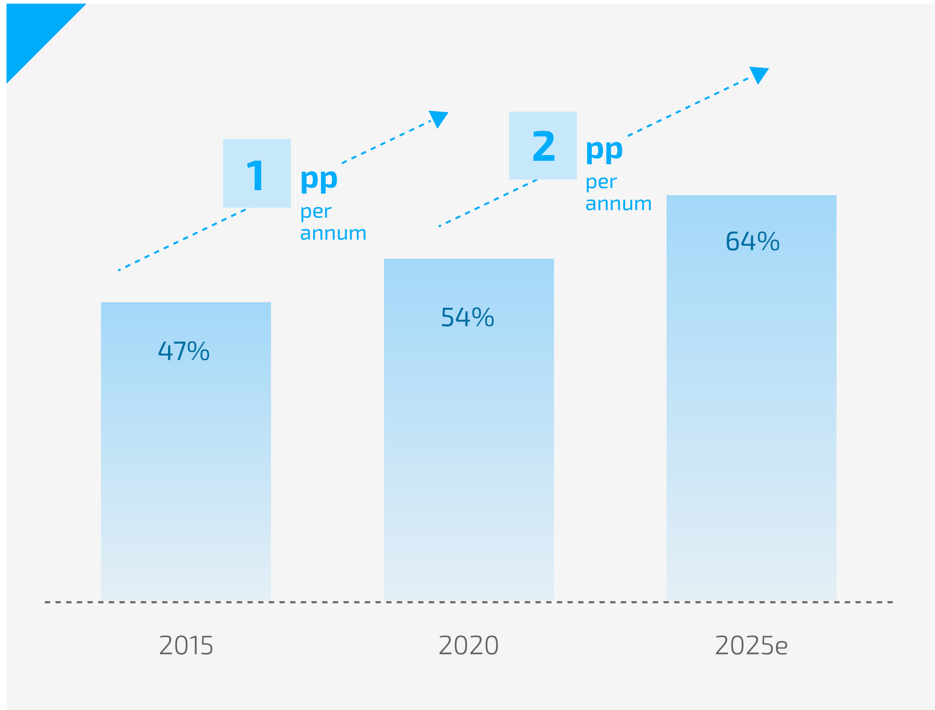
It has been widely reported that COVID-19, in 3 months in 2020, had accelerated online progress by 3 years. The leisure travel industry had to a large extent already moved online, but COVID-19 has deepened penetration particularly with the older demographic (who have become more used to using the internet during lockdowns to communicate with their relatives and to shop online).

Many people discovered a completely new world online. The biggest barrier this type of customer faces is trust, which is where well-known brands and market leadership have an unquestionable advantage.

In Europe, offline travel accounted for 47% in 2019. While online travel would gain around 1 percentage point of market share every year, the pandemic accelerated this growth. Offline travel agents could not keep up with technological innovations coupled with consumer demands and shifting comfort to online buying. It is expected that online penetration is accelerating to growing 2 percentage points per year from 2021 to reach 64% by 2025.

> *"Online channel consolidated after the pandemic, and is here to stay"*

Online penetration accelerating, 2020-25e



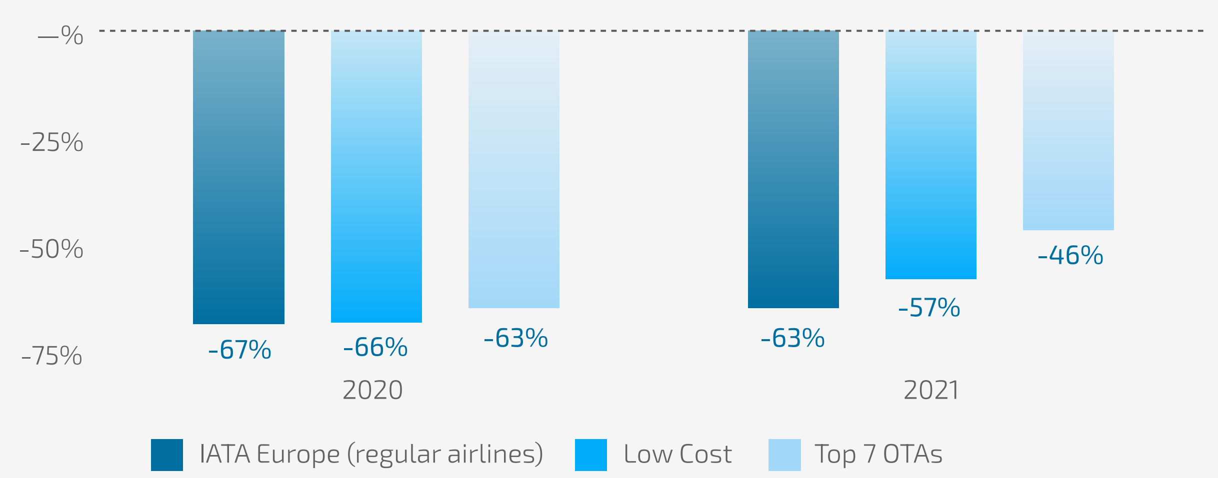
Source: Phocuswright.

This is also reflected by the meaningful increase reported by Phocuswright in its online penetration estimates from their previous report of 2020 for 2022 and onwards.

A.2.2. INDUSTRY OVERVIEW

> *"Europeans are increasingly turning to online Bookings resulted in OTAs gaining further share from airlines"*

OTAs Gross Bookings performance vs airlines passengers (vs 2019)



Source: IATA Economics, Low Cost Carriers (easyjet, Ryanair and Wizz Air) & OTAs Gross Booking (eDreams ODIGEO, Ttrip.com, Booking Holdings, Expedia, eTraveli, lastminute.com and Invia Group). Phocuswright, and Company Data.

We strongly believe this pattern will benefit OTAs vs supplier direct and the shift from offline to online, the thesis for a long time from Phocuswright, will continue. The modern digital consumer prefers an instantaneous search of the market, to be in control of trading off, and sorting between price, convenience, etc. in a state-of-the art, easy to use, convenient, 24 hour accessible service.

According to public data reported by companies, main airlines in Europe (including both regular and low cost carriers) grew on average 26% the number of passengers vs. 2020 while main OTAs grew GB more than 50% vs. 2020. This fact confirms our hypothesis (not supported by Phocuswright analysis) of OTAs gaining share to airlines.

> *"eDO superior value proposition leading to outperforming industry peers"*

Our trading shows an outperformance against the airline industry (both regular and low-cost carriers) and growth of market share vs supplier direct due to better quality, more comprehensive content and flexibility and a focus on leisure travel. This is demonstrated in the table below, which shows eDO overall performance vs IATA in Europe where, on average during fiscal year 2022 eDO has been 62 percentage points ahead of regular airlines (IATA) in Europe and 57 ahead of low cost airlines.

Improvements in year-on-year trading ahead of airline industry

IATA, Low Cost Airlines & eDO Bookings growth vs 2019

REGION	FY 2021	FY 2022
eDO Total	(72)%	10%
IATA Europe	(83)%	(52)%
Low Cost Airlines	(83)%	(47)%
eDO vs IATA	+11ppt	+62ppt
eDO vs Low Cost	+11ppt	+57ppt

Source: IATA Economics, Low Cost Airlines Company Data (easyJet, Ryanair & WizzAir) & Company Data.

A.2.2. INDUSTRY OVERVIEW

eDO IS WELL PREPARED TO SHAPE THE TRAVEL MARKET OF THE FUTURE

a. Strength of eDO Business Model

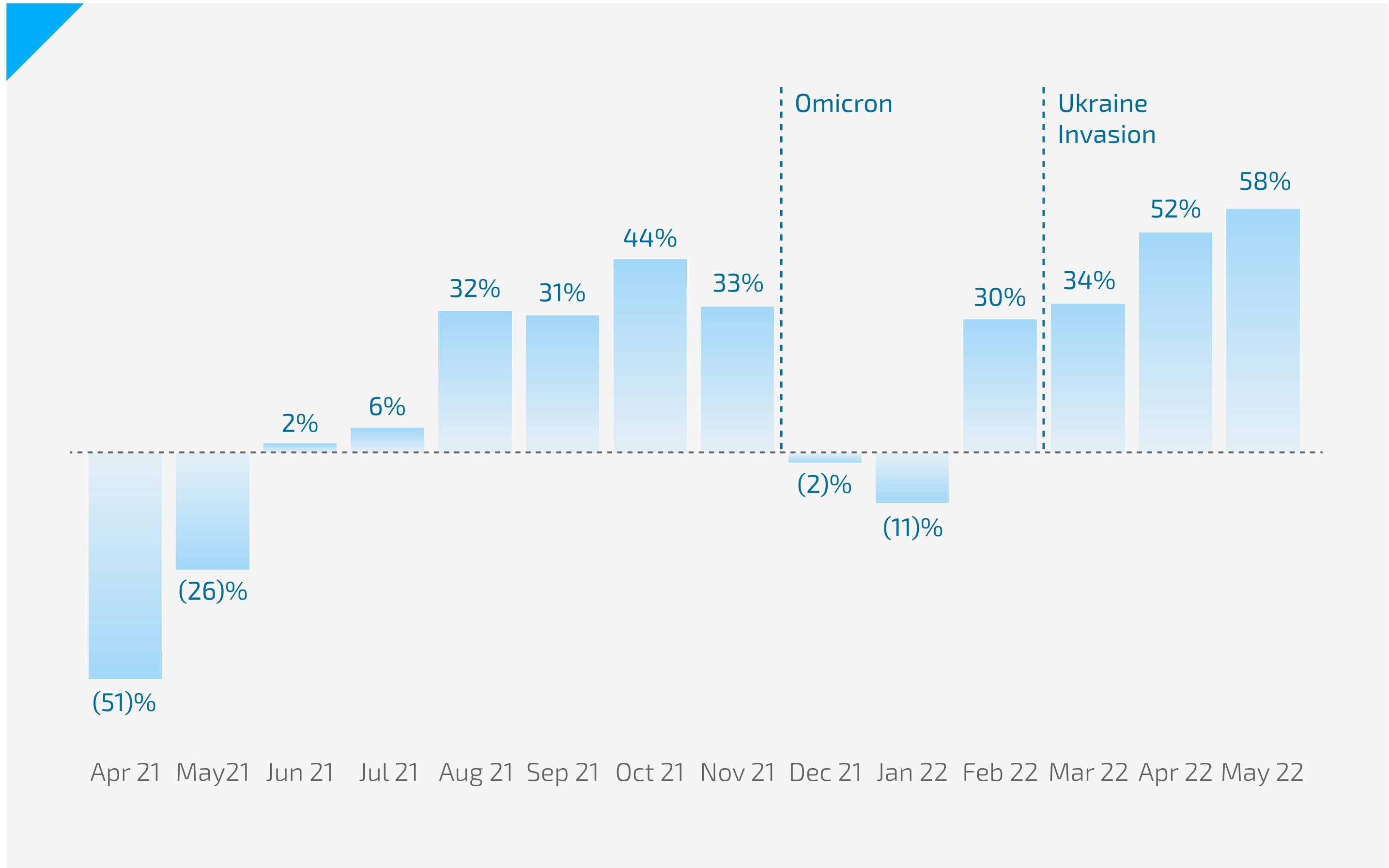
eDO achieves strong Bookings growth, despite Omicron, Ukraine conflict and a market still to fully recover

In FY22, eDO total Bookings have been above pre-COVID-19 levels, and for 8 out of 12 months also above, we achieved this with record high Bookings in 1 day, one month, one quarter and one year. The strong desire for consumers to travel and the easing of restrictions resulted in our Bookings in March and April growing +34% and 52% above pre-COVID-19 levels, respectively, despite Omicron, Ukraine conflict and a market still to fully recover.

Whilst the Company transacted low levels of business in Russia, representing just 0.03% of its worldwide Bookings and 0.3% across Eastern Europe as a whole, it ceased all operations in Russia and Belorussia and closed its Russian website and app on February 28th. In addition, at that time, the Company removed all Russian and Belorussian airlines from its inventory and banned all transactions made from these countries as well as all local payment methods.

Exceptionally, and with the aim of enabling the safe return of those travellers stranded in the region, eDreams ODIGEO did continue to temporarily process a limited number of bookings with the restricted number of non-Russian/Belorussian airlines that were still able to operate in the region according to all applicable global sanctions. Once the Company considered that it had already provided the necessary assistance to the relevant affected travellers in the area, it ceased all sales of travel into and out of Russia and Belarus by any route on any airline.

Despite the tragic conflict in Ukraine, the Company continues to experience strong trading delivering similar trends to those outlined previous to the invasion.



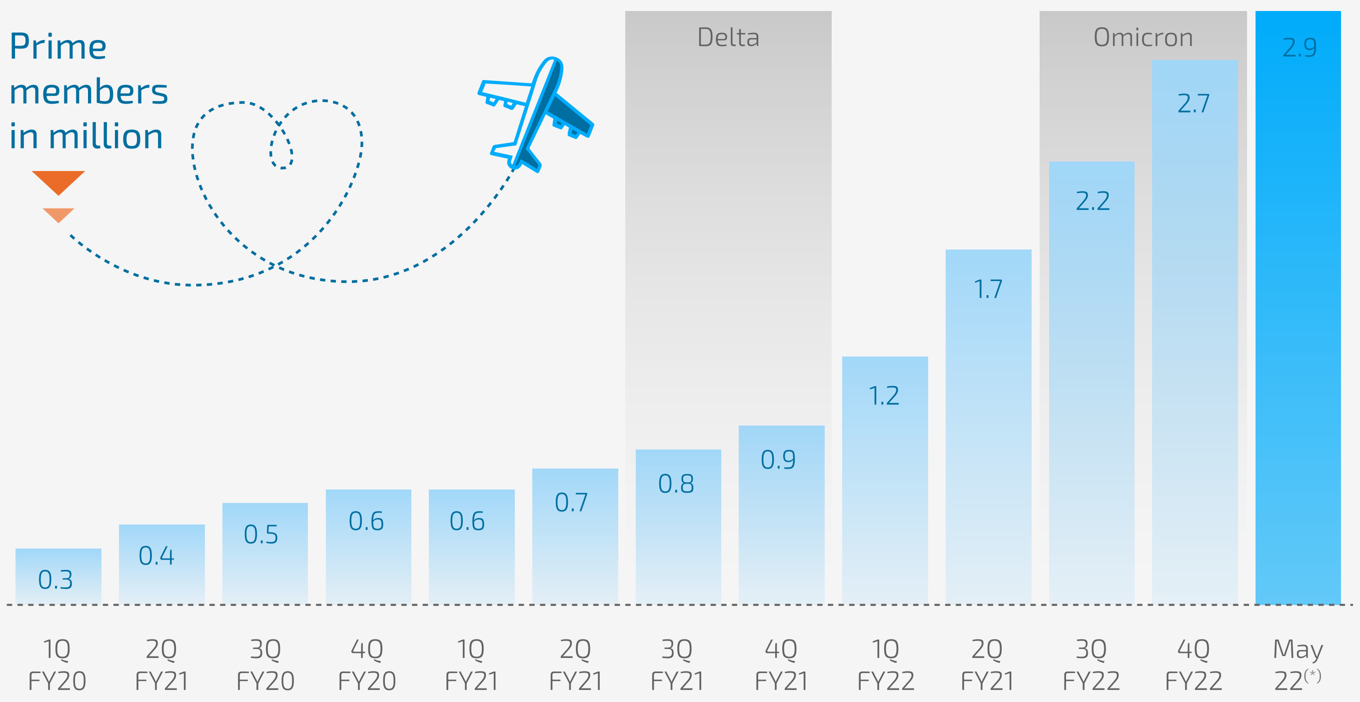
Source: Company data.
(*) eDO Bookings growth until the 17th May 2022.

A.2.2. INDUSTRY OVERVIEW

Prime subscription programme provides a fixed revenue stream - strong growth for eDO given low penetration of households and its attractiveness to customers, even in a weak market

It is a revolutionary product in the online travel sector. Not only does Prime give us the ability to move away from an entirely transactional client relationship, it extends and expands the relationship to cover the customer's entire travel life cycle enabling us numerous opportunities to engage with the customer from choice prior to booking to feedback on return.

Prime is the #1 travel subscription programme in the world



Source: Company Data. (*) As of 17th May 2022.

> *"Outstanding Prime performance during challenging conditions derived from COVID-19 with subscriptions continuing to grow strongly quarter over quarter"*

b. We Continue to gain scale and Market Share

"eDO has almost doubled its European Air Travel market share since FY20"

5.4%

eDO European Total Air Market Share (*)

#1

In main European OTA Flight Markets

- Germany
- United Kingdom
- Spain
- Italy
- France

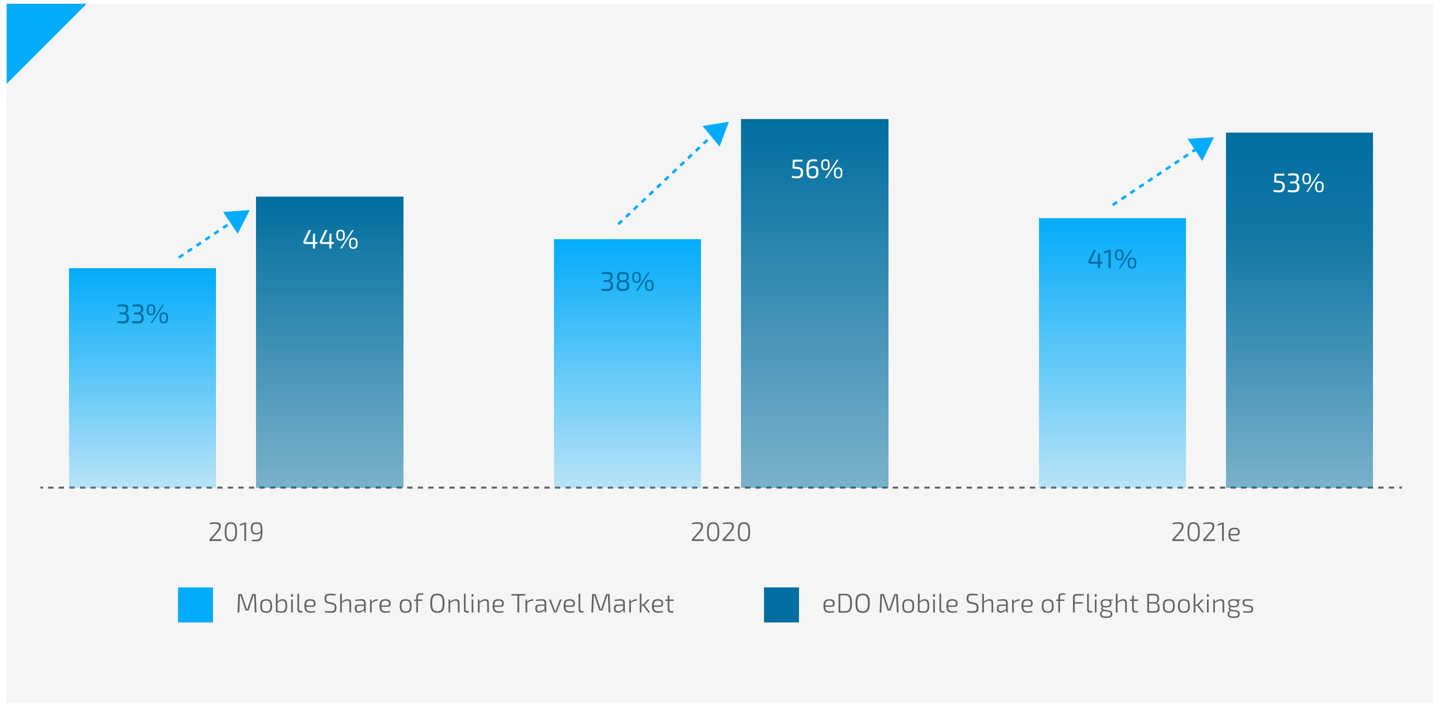
Market position

Source: Travelport Full Market Data & eDO Business Intelligence.

A.2.2. INDUSTRY OVERVIEW

c. eDO Leading the Way - Mobile and Trading ahead of the Industry

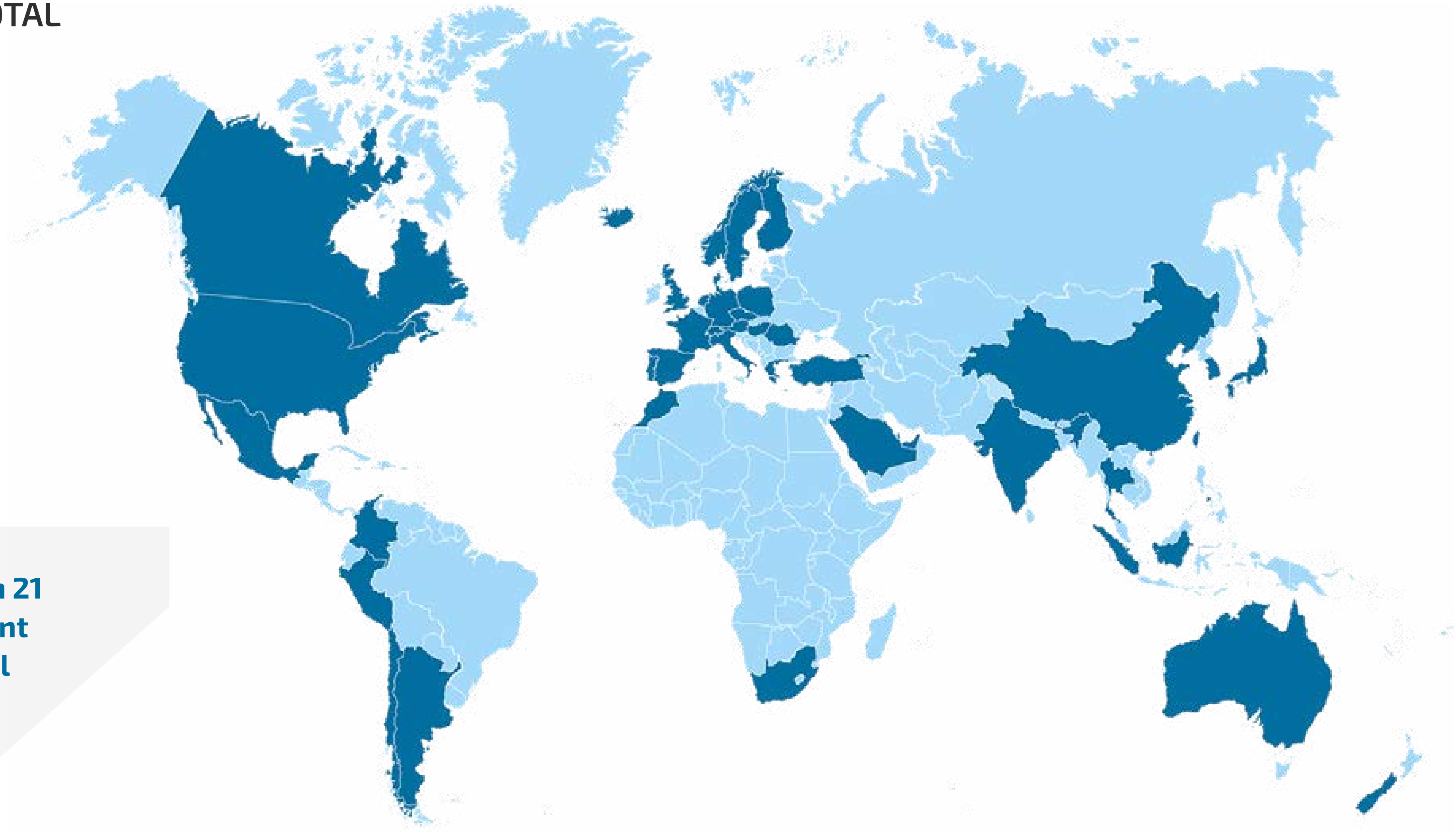
> *"eDO continues to be well ahead industry average in Mobile bookings"*



Source: Phocuswright (2021 estimates) & Company Data.
(*) Fiscal Year 2020, 2021 and 2022 for eDO figures.

A.2.3. GEOGRAPHIES AND BRANDS

STRONG PRESENCE IN 44 MARKETS, COVERING 80% OF THE TOTAL TRAVEL MARKET



247 websites and apps in 21 languages and 37 different currencies on one central platform.

Strong presence in 44 markets

EUROPE
- France
- Spain
- Italy
- UK
- Germany
- Austria
- Poland
- Sweden
- Denmark
- Norway
- Iceland
- Finland
- Portugal
- Switzerland
- Netherlands
- Greece
- Turkey
- Czech Rep
- Hungagy
- Romania

MEA
- Morocco
- South Africa
- Qatar
- UAE

NORAM
- USA
- Canada

LATAM
- Mexico
- Argentina
- Colombia
- Chile
- Peru

APAC
- Australia
- New Zealand
- China
- Japan
- Philippines
- India
- Indonesia
- Hong Kong
- Thailand
- Singapore
- Taiwan
- South Korea

We are operating five leading brands

eDreams GOVOYAGES opodo travellink liligo

A.2.4. FINANCIAL PERFORMANCE

PRODUCT

MOBILE

53%

Mobile flight Bookings (From 56%)

340%

Revenue Diversification Growth

73%

Revenue Diversification Ratio (From 57%)

€281.0M

Diversification **Revenue** (From €63.9M)

232%

Top 6 Revenue growth

288%

Rest of the World Revenue growth

GEOGRAPHIES

PRIME

€88.0

Prime ARPU (From €56.5)

€423.8M

Cash Revenue Margin (From €121.8M) Prime Share 40%

€107.4M

Cash Marginal Profit (From €35.7M) Prime Share 50%

Information presented based on FY22 vs FY21 year-on-year variations.

Financial Information Summary

	4Q FY22	Var. FY22 vs. FY21	4Q FY21	FY22	Var. FY22 vs. FY21	FY21
Bookings ('000)	3,602	300%	900	12,531	286%	3,244
Revenue Margin (in € Million)	118.9	295%	30.1	382.6	244%	111.1
Cash Revenue Margin (in € Million) (*)	126.8	295%	32.1	423.8	248%	121.8
Adjusted EBITDA (in € Million) (*)	2.9	N.A.	(10.9)	3.0	N.A.	(38.2)
Cash EBITDA (in € Million) (*)	10.8	N.A.	(8.9)	44.2	N.A.	(27.4)
Adjusted Net Income (in € Million) (*)	(9.8)	(53)%	(20.8)	(52.3)	(40)%	(86.8)

(*) See definition of Cash Revenue Margin, Adjusted EBITDA, Cash EBITDA and Adjusted Net Income in section C4. Alternative Performance Measures.

A.2.4. FINANCIAL PERFORMANCE

Throughout FY22 we have seen the travel market improve and recover significantly, our trading demonstrated our recovery from COVID-19 with best-in-class performance outperforming the market (and its competitors) by a significant margin, which was driven by consumers' desire to travel and our Prime programme. eDreams ODIGEO, with its unique customer proposition and reaching 2.9 million Prime subscribers in May[1], is positioned to take advantage in a post COVID-19 era to attract more customers and capture further market share.

Throughout the pandemic, eDreams ODIGEO has consistently outperformed against the Global OTAs and the airline industry, which highlights the strength and adaptability of its business model. eDreams ODIGEO superior value proposition is leading to outperforming the industry. In FY22, the Company outperformed the regular airlines +62 percentage points and Low Cost carriers by +57 percentage points.

Despite COVID-19 and significant disruption from both the Delta and Omicron variant, which affected good portions of FY22, fundamentals showed sign of eDO recovery in FY22. Pre-COVID Bookings were exceeded and a record year of Bookings achieved, reaching 12.5 million Bookings in FY22, 10 percent greater than Pre-COVID[2]. Revenue Margin in FY22 increased 244% vs the same period last year, due to Bookings being up 286% and reduction in Revenue Margin/Booking of 11% driven by the increase in Prime share. The impact of COVID-19 restrictions still resulted in Cash Revenue Margin[3] being 26% below pre-COVID-19[2] levels including the full FY22 contribution from Prime because average basket size was constrained as a disproportionate number of consumers are booking short haul due to the continuing uncertainty and restrictions, with less passengers per booking and thus lower booking value.

Overall, FY22 has seen consistently improving trends and a return to profitability. Cash Marginal Profit[3] , stood at €107.4 million, 3x the amount we achieved in FY21, and Cash EBITDA[3] was an encouraging €44.2 million.

Our revenue diversification initiatives continue to develop. Revenue Diversification Ratio continue to grow and have increased to 73% in the FY22, up from 57% in FY21, rising 16 percentage points in just one year, and up from 53% in FY15, which is when we started to implement and communicated our diversification strategy.

Both Prime and eDO continued to outperform. Prime membership grew by 203% year-on year to 2.7 million subscribers. Average revenue per user (ARPU)[3] increased by 56% vs FY21, and stood at €88.0 per member. In FY22 we tripled the Prime membership with an additional 1.8 million new members over and above the same period of last year, and eDO continues to significantly outperform the market. Prime Cash Marginal Profi[3] FY22 share reached 50%. Additionally, mobile bookings continue to grow and accounted for 53% of our total flight bookings in FY22.

The existing platform is ready for further expansion with selective investments (which will slow down EBITDA growth in the short run). The long-standing company track record of being able to successfully roll-out new concepts and products underlines the company's ability to provide strong return on investments. eDreams ODIGEO has been significantly growing subscribers on the back of its Prime offering targeting significant upsides of increasing market share geographically and by expanding the product offering to both subscribers and non-subscribers. In this regard, the company successfully executed on the optimisation of its capital structure in January 2022 by raising €75 million of primary equity enabled by inbound investor demand, reduced the size of the existing Senior Notes from €425 million to €375 million, and successfully refinanced all its debt, extending the maturity by 5.5 years to 2027, improved contractual terms, and reduced yearly interest expense by €2.5 million a year, which gives the company financial stability to execute on its business plan and deliver on the FY25 targets.

Adjusted Net Income[3] was a loss of €52.3 million in FY22 (vs loss of €86.8 million in FY21). We believe that Adjusted Net Income[3] better reflects the real ongoing operational performance of the business.

In FY22, despite continued travel restrictions due to the Delta and Omicron variant, which affected good portions of FY22, we reported a very strong net cash from operating activities increasing by €118.7 million and we end the fiscal year with a positive Cash Flow from Operations of €119.1 million, mainly due to a working capital inflow of €115.0 million, despite Omicron and Ukraine invasion. The inflow of €115.0 million is mainly driven by increase in demand for leisure travel in March 2022 compared to March 2021, and an increase in Prime Deferred Income.

Liquidity has remained more than sufficient and stable throughout the pandemic. In Q4 FY22 (end of March 2022), the liquidity position was strong at €174 million.

Unsurprisingly, leverage ratios have been temporarily impacted. As announced on the 19th January, the Company successfully refinanced all its debt with better contractual terms for the debt, including most importantly the maintenance covenant. EBITDA of reference is now Cash EBITDA[3], covenant now springs at 40% vs 30% previously, and no measurement will take place until September 2022 financial statements, and from September 2022 and December 2022 the EBITDA of reference is the higher of last quarter annualised or LTM.

Information concerning average payment period of the Spanish companies is provided in Note 26.1, "Information on average payment period to suppliers" of the Notes to the Consolidated Financial Statements for the year ended 31st March 2022.

1. *As of 17th May 2022.*
2. *Last 12 months up to 31th January 2020.*
3. *See definition and reconciliation of Adjusted EBITDA, Adjusted Net Income, Cash Revenue Margin, Cash Marginal Profit, ARPU and Cash EBITDA in section C4. Alternative Performance Measures.*

A.2.4. FINANCIAL PERFORMANCE

PRIME

We are the leader and inventor of a subscription-based model in travel. Prime continues to grow strongly, in May (**) we reached 2.9 million subscribers

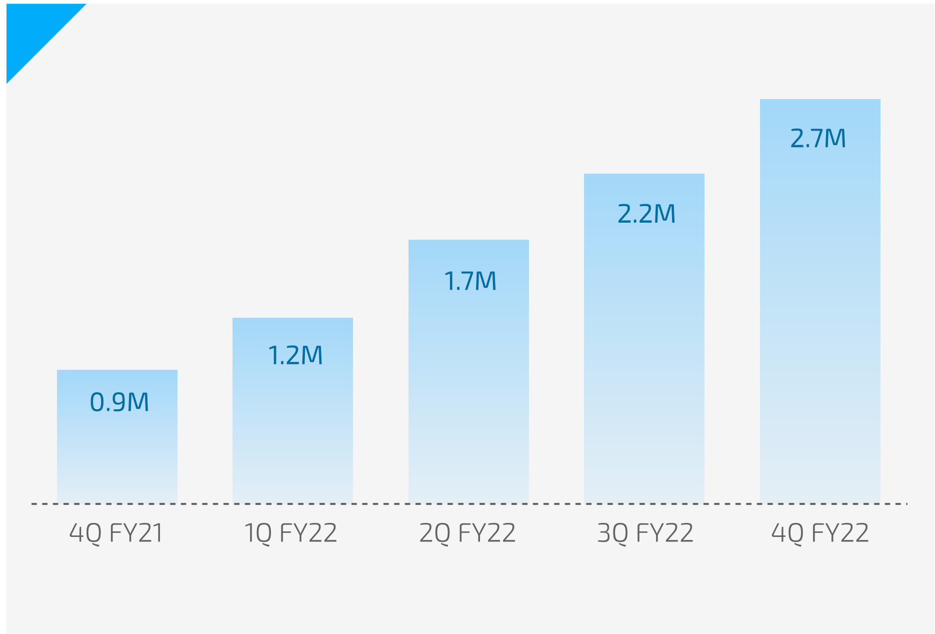
eDreams ODIGEO is the leader and inventor of a subscription-based model in travel. Over the past 5 years we have successfully developed and tested our unique subscription offering, and have a bright future ahead of us. During the pandemic, we have continued to invest and innovate on our subscription offering and have seen remarkable results. Over the past year our subscribers grew by 203% to 2.7 million at the end of 4Q FY22. In addition, 40% and 50% of our Cash Revenue Margin (*) and Cash Marginal Profit (*), respectively, are now from Prime members.

In FY22 the growth in the increase in deferred revenue driven by Prime has accelerated driven by strong growth in Prime members (1.8 million more new members than in the same period last year), amounting to €41.2 million (up 284% year-on-year). In FY21, the increase in deferred revenue amounted to €10.7 million euros.

As guided in 3Q FY22 results presentation, with Omicron effect lasting until the end of January, the Increase in Deferred Revenue in 4Q was lower than in the quarter ended December due to the one-month lag in recognition of the subscription fee. 4Q included 2 full months of Omicron effect while the quarter ended December only had half a month of Omicron effect. With regard to the evolution over the last 3 quarters of the Increase in Prime Deferred Revenue, in the quarter ended September, the increase amounted to €13.5 million, while in the quarter ended December the increase amounted to €14.7 million despite being affected by the Omicron variant and having lower Booking volumes than in the previous quarter, and in the quarter ended March the increase, as expected was lower, amounting to €7.9 million due to 2 full months of Omicron effect. The reason for this evolution is due to the accounting criteria applied to the free trial feature of Prime. The deferred revenue is accounted for when cash is collected, and that happens one month after the customer joins Prime. As a result, there is a one month lag between the first Prime booking of a member and the increase in Deferred Revenue.

With the current trend in the infection rates, governments starting to ease restrictions to travel, and the positive effect of Easter holidays, the month of March was a good one, but the effect on the Increase in Deferred Revenue will be accounted on the month of April and therefore in the first quarter of our next fiscal year.

Evolution of Prime Members



P&L with increase in Prime Deferred Revenue

(in € million)	4Q FY22	4Q FY21	Var. %	12M FY22	12M FY21	Var. %
Revenue Margin	118.9	30.1	295%	382.6	111.1	244%
Increases Prime Deferred Revenue	7.9	2.0	290%	41.2	10.7	284%
Cash Revenue Margin (*)	126.8	32.1	295%	423.8	121.8	248%
Variable Cost	(99.5)	(23.6)	321%	(316.3)	(86.1)	268%
Cash Marginal Profit (*)	27.2	8.5	221%	107.4	35.8	200%
Fixed Cost	(16.4)	(17.4)	(6)%	(63.3)	(63.2)	—%
Cash EBITDA (*)	10.8	(8.9)	N.A.	44.2	(27.4)	N.A.
Increases Prime Deferred Revenue	(7.9)	(2.0)	290%	(41.2)	(10.7)	284%
Adjusted EBITDA	2.9	(10.9)	N.A.	3.0	(38.2)	N.A.
Adjusted items	(3.2)	(2.9)	9%	(10.9)	(6.9)	59%
EBITDA	(0.2)	(13.8)	N.A.	(8.0)	(45.0)	N.A.

(*) See definition and reconciliation of Cash Revenue Margin, Cash Marginal Profit and Cash EBITDA in section C4. Alternative Performance Measures.(**) eDO Prime members until the 17st of May 2022.

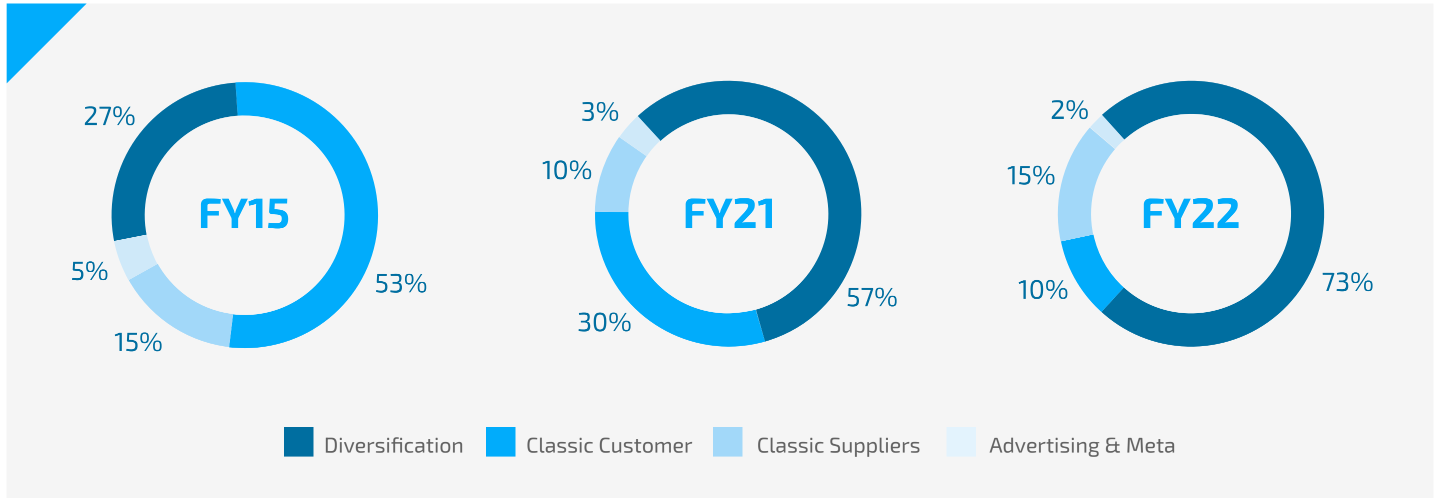
A.2.4. FINANCIAL PERFORMANCE

PRODUCT

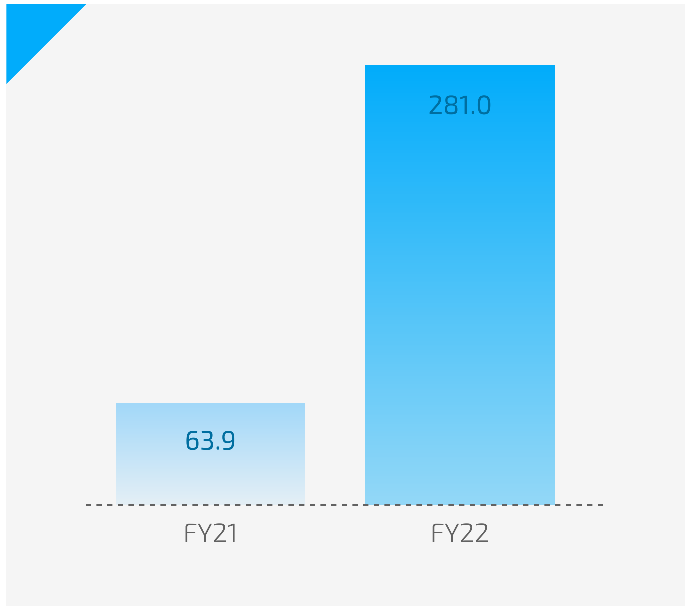
Diversification revenue already above pre-COVID-19, and the largest contributor

Revenue Margin

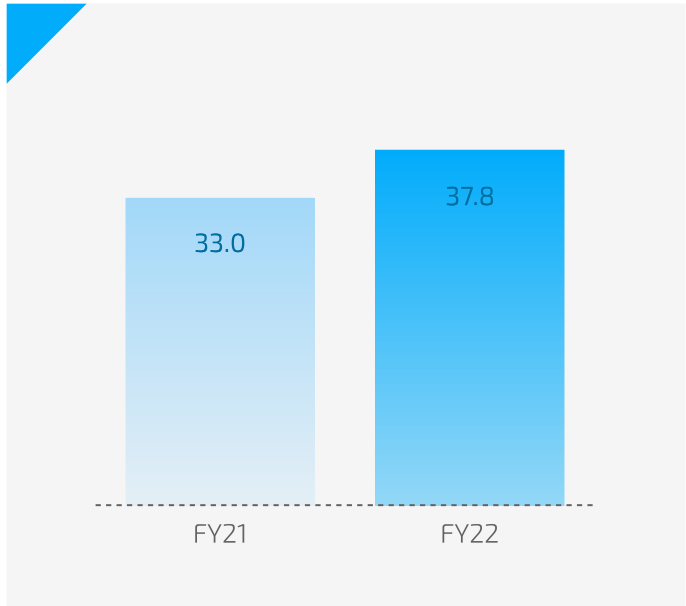
(In € million)	4Q FY22	Var. FY22 vs. FY21	4Q FY21	12M FY22	Var. FY22 vs. FY21	12M FY21
Diversification	90.2	443%	16.6	281.0	340%	63.9
Classic Customer	9.7	12%	8.6	37.8	15%	33.0
Classic Supplier	16.6	295%	4.2	55.8	428%	10.6
Advertising & Meta	2.4	260%	0.7	8.0	114%	3.7
Total	**118.9**	**295%**	**30.1**	**382.6**	**244%**	**111.1**



Diversification +340%



Classic customer +15%



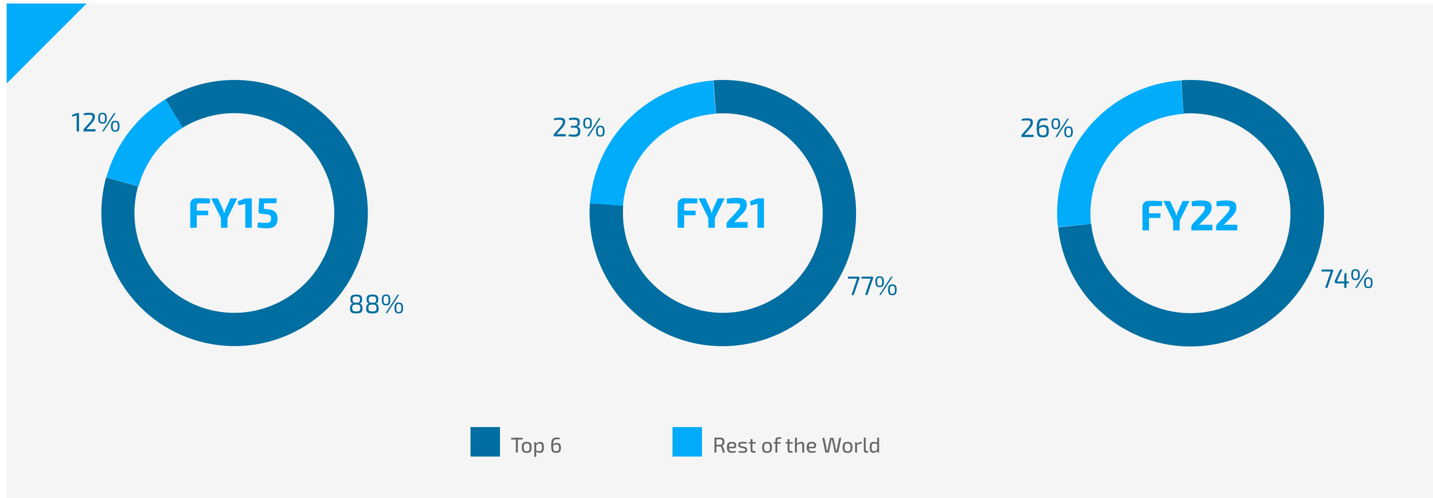
A.2.4. FINANCIAL PERFORMANCE

GEOGRAPHY

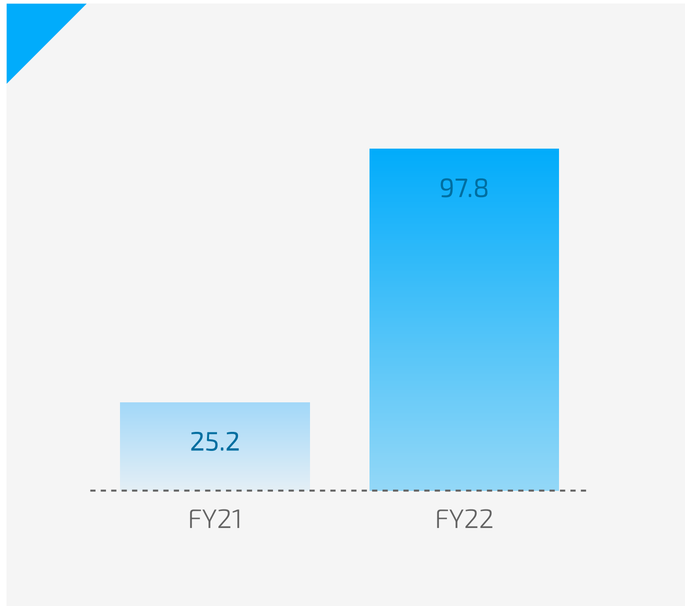
Revenue by geography remains stable

Revenue margin

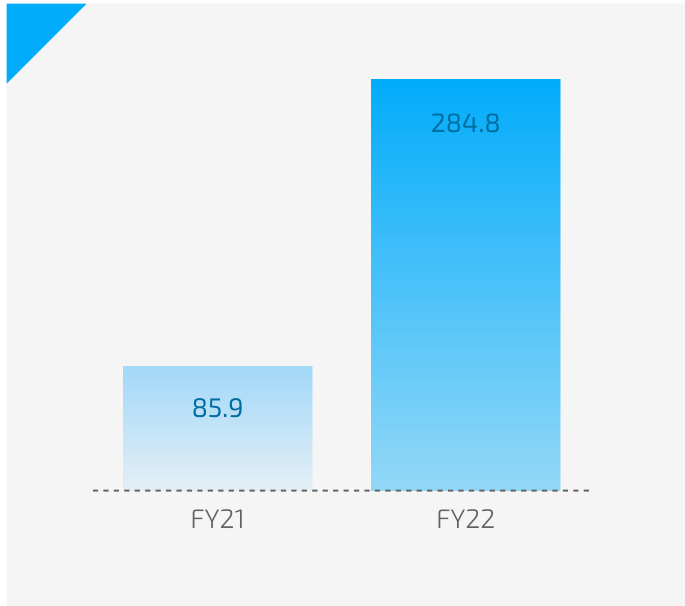
(In € million)	4Q FY22	Var. FY22 vs. FY21	4Q FY21	12M FY22	Var. FY22 vs. FY21	12M FY21
France	32.3	191%	11.1	111.8	195%	37.9
Southern Europe (Spain + Italy)	18.4	228%	5.6	66.0	233%	19.9
Northern Europe (Germany, Nordics & UK)	36.0	426%	6.8	106.9	280%	28.1
Total Top 6 Markets	**86.6**	**268%**	**23.5**	**284.8**	**232%**	**85.9**
Rest of the World	**32.2**	**390%**	**6.6**	**97.8**	**288%**	**25.2**
Total	**118.9**	**295%**	**30.1**	**382.6**	**244%**	**111.1**



Rest of the World +288%



Top 6 +232%

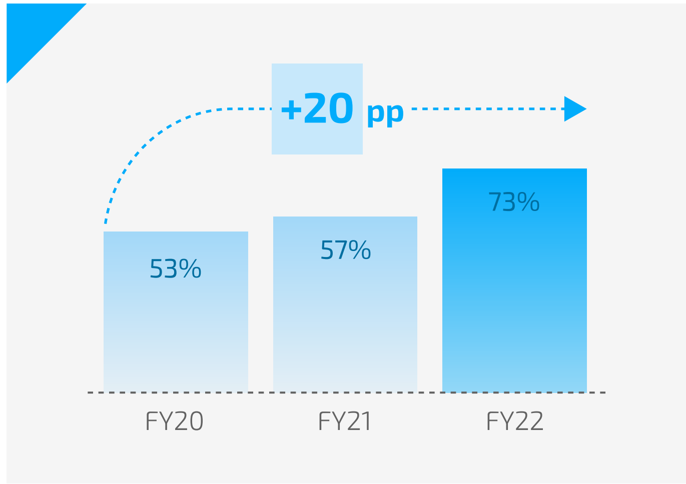


A.2.4. FINANCIAL PERFORMANCE

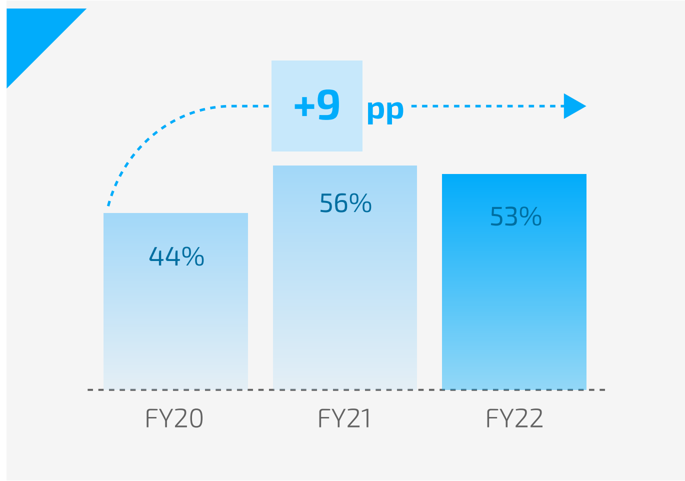
KPIs

Continued strategic progress as evidenced by our KPIs

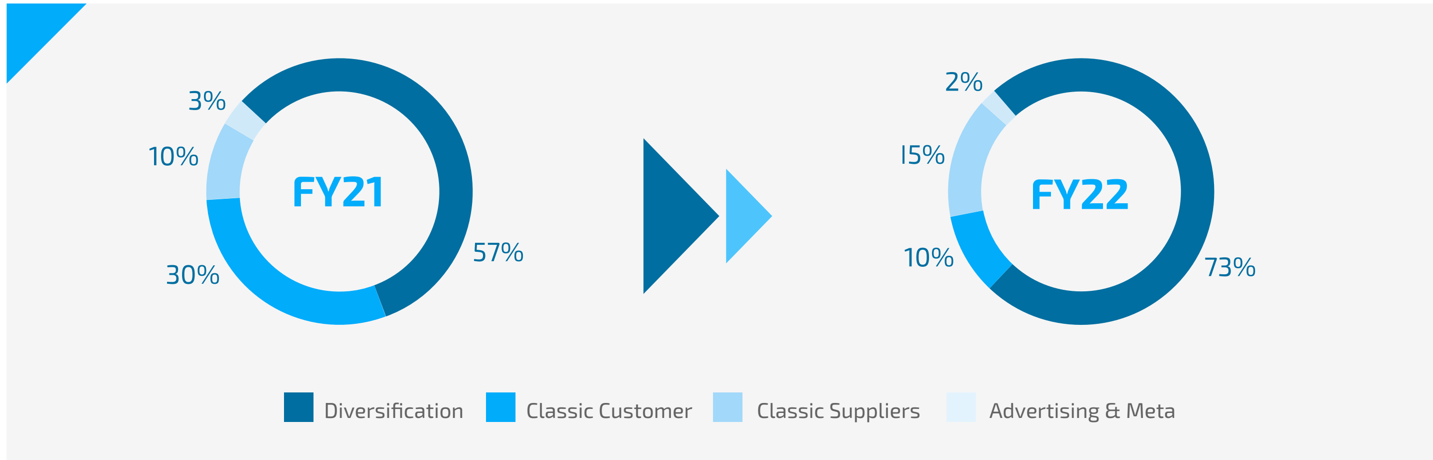
Revenue diversification ratio (*) (**)



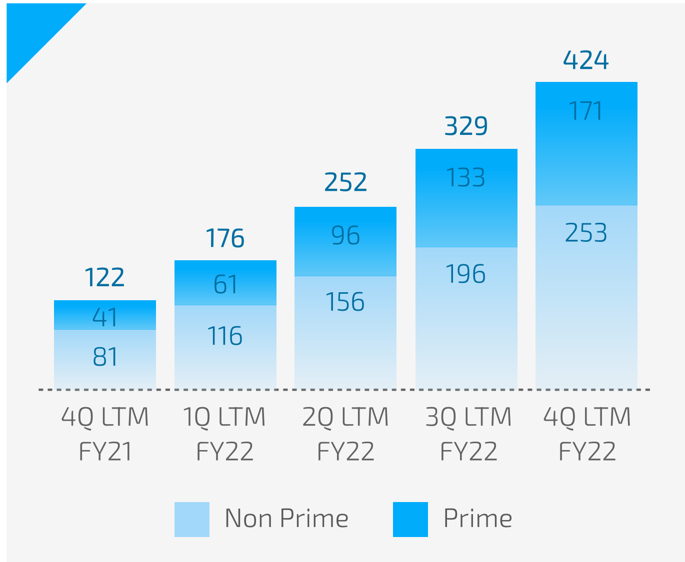
Mobile bookings as share of flight bookings (*) (**)



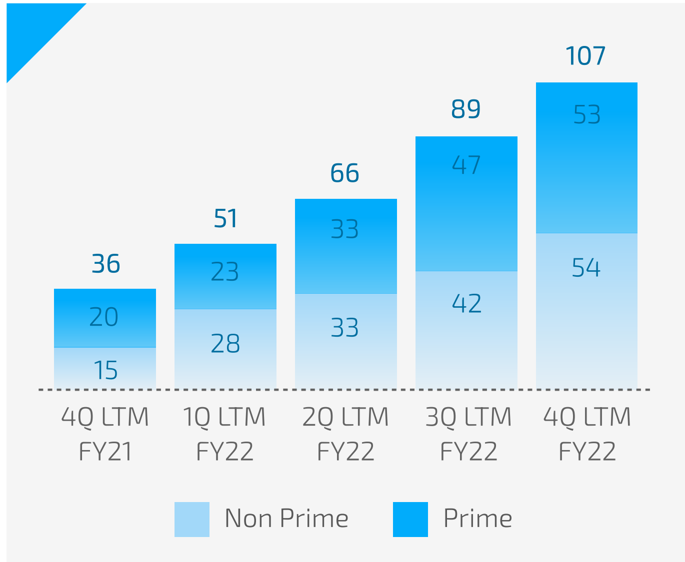
Revenue evolution (**)



Evolution of Prime Cash Revenue Margin (*) (**) (in million euros)



Evolution of Prime Cash Marginal Profit (*) (**) (in million euros)



(*) Definitions non-GAAP measures can be found in C4. Alternative Performance Measures.
(**) Ratios are calculated on last twelve month basis.

A.2.4. FINANCIAL PERFORMANCE

SUMMARY INCOME STATEMENT

(in € million)	4Q FY22	Var. FY22 vs. FY21	4Q FY21	12M FY22	Var. FY22 vs. FY21	12M FY21
Revenue Margin	**118.9**	**295%**	**30.1**	**382.6**	**244%**	**111.1**
Variable costs	(99.5)	321%	(23.6)	(316.3)	268%	(86.1)
Fixed costs	(16.4)	(6)%	(17.4)	(63.3)	—%	(63.2)
Adjusted EBITDA (*)	**2.9**	**N.A.**	**(10.9)**	**3.0**	**N.A.**	**(38.2)**
Adjusted items	(3.2)	9%	(2.9)	(10.9)	59%	(6.9)
EBITDA	**(0.2)**	**N.A.**	**(13.8)**	**(8.0)**	**N.A.**	**(45.0)**
D&A incl. Impairment	2.8	(107)%	(38.4)	(22.9)	(65)%	(65.9)
EBIT	**2.6**	**N.A.**	**(52.2)**	**(30.9)**	**N.A.**	**(110.9)**
Financial result	(15.8)	87%	(8.4)	(39.3)	42%	(27.7)
Income tax	2.3	(62)%	6.0	4.3	(70)%	14.4
Net income	**(10.9)**	**N.A.**	**(54.6)**	**(65.9)**	**N.A.**	**(124.2)**
Adjusted net income (*)	**(9.8)**	**N.A.**	**(20.8)**	**(52.3)**	**N.A.**	**(86.8)**

Source consolidated financial statements audited.

Highlights FY22

- **Revenue Margin** increased by 244%, to €382.6 million, due to the 286% increase in Bookings which was partly offset by a decrease in Revenue Margin per Booking of 11%, from €34.2 per Booking in FY21, to €30.5 per Booking in FY22 driven by the increase in Prime share.
- **Variable costs** increased by 268% due to the increase in Bookings, offset by a decrease of Variable Costs per Booking of 5%, from €26.5 in FY21, to €25.2 in FY22, mainly driven by call centre cost reaping the rewards of the automation we implemented during the pandemic.
- **Fixed costs** increased by €0.1 million, mainly driven by higher personnel costs, due to the absence of government supported scheme (ERTE) for temporary salary reductions in FY22, partially offset by variance in FX rate.
- **Adjusted EBITDA** (*) was €3.0 million (€44.2 million including the full contribution of Prime (*) from a loss of €27.4 million in FY21).
- **Adjusted items** increased by €4.1 million primarily due to the increase in the Long Term Incentive expenses of €4.4 million in FY22.
- **D&A and impairment** decreased by €43.0 million, mainly due to the impairment loss on goodwill and brands booked in FY21 for €30.6 million and the impairment reversal income on brands booked in FY22 for €10.8 million.
- **Financial loss** increased by €11.6 million, mainly due to the impact of the refinancing (mainly early redemption expenses amounting to €5.8 million and the write off of financing fees capitalised on the 2023 Notes amounting to €2.4 million) and the higher expense on the fluctuations on the foreign exchange rates.
- The **income tax income** decreased by €10.1 million from €14.4 million income in FY21 to €4.3 million income in FY22 due to (a) €7.4 million lower Spanish income tax income as a result of lower Spanish tax losses in FY22 compared with FY21, (b) €2.1 million lower income tax expenses due to a mix of lower write-off of UK deferred tax assets on temporary book-tax differences and higher profit before tax in FY22 compared with FY21 and (c) €4.8 million higher income tax expense due to the impact of the increase of the deferred tax rate on UK brand intangibles in FY22.
- **Net income** totalled a loss of €65.9 million, which compares with a loss of €124.2 million in FY21, as a result of all of the explained evolution of revenue and costs.
- **Adjusted Net Income** (*) stood at a loss of €52.3 million. We believe that Adjusted Net Income better reflects the real ongoing operational performance of the business and full disclosure of the Adjusted Net Income can be found in section C4. Alternative Performance Measures within the consolidated financial statements and notes.

(*) See definition and reconciliation of Adjusted EBITDA, Cash EBITDA and Adjusted Net Income in section C4. Alternative Performance Measures.

A.2.4. FINANCIAL PERFORMANCE

SUMMARY BALANCE SHEET

(in € million)	31st March 2022	31st March 2021
Total fixed assets	**948.2**	**941.5**
Total working capital	**(275.9)**	**(153.6)**
Deferred tax	**(5.9)**	**(13.1)**
Provisions	**(14.8)**	**(15.2)**
Other non current assets / (liabilities)	**—**	**—**
Financial debt	(425.0)	(513.2)
Cash and cash equivalents	45.9	12.1
Net financial debt	**(379.1)**	**(501.1)**
Net assets	**272.5**	**258.5**

Source consolidated financial statements audited.

Highlights FY22

Compared to prior year, the main changes relate to:

- Total **fixed assets** increased mainly as a result of the acquisitions of assets for €30.0 million and the reversal of the impairment on the brands for €10.8 million, offset by the depreciation and amortisation booked in the year for €33.7 million.
- **Provisions** decreased due to the reduction of the provision for tax risks by €1.9 million, partly offset by the increase in operational provisions for €1.1 million related to the increase in Bookings.
- The net **deferred tax** liability decreased by €7.2 million from €13.1 million in FY21 to €5.9 million FY22 due to (a) €14.1 million higher deferred assets relating to FY22 Spanish tax losses, (b) €1.7 millionn higher deferred tax liability due to the write-off of UK deferred tax assets on book-tax differences in FY22, (c) €6.4 millionn higher deferred tax liability due to the increase of the deferred tax rate on UK brand intangibles, (d) €0.8 milioln lower deferred tax liability due to the decrease of the provision for group tax risks in FY22 compared with FY21 and (e) €0.4 milion lower deferred tax liability due to other differences.
- Negative **working capital** increased mainly reflecting better volumes in the last two weeks of March 2022 compared to March 2021. This is driven by a higher demand due to the improvement of the global pandemic situation.
- **Net financial debt** decreased mainly due to the reduction in the Senior Notes for €50.0 million with part of the funds obtained from the capital increase, the decrease in the utilisation of the SSRCF for €25.0 million and the increase in cash and cash equivalents generated from our operations.

A.2.4. FINANCIAL PERFORMANCE

SUMMARY CASH FLOWS STATEMENT

(in € million)	4Q FY22	4Q FY21	12M FY22	12M FY21
Adjusted EBITDA (*)	**2.9**	**(10.9)**	**3.0**	**(38.2)**
Adjusted items	(3.2)	(2.9)	(10.9)	(6.9)
Non cash items	1.8	1.2	10.3	(14.3)
Change in working capital	76.1	15.3	115.0	65.0
Income tax (paid) / collected	(0.1)	—	1.8	(5.3)
Cash flow from operating activities	**77.6**	**2.7**	**119.1**	**0.4**
Cash flow from investing activities	**(9.0)**	**(6.3)**	**(26.9)**	**(21.7)**
Cash flow before financing	**68.5**	**(3.7)**	**92.2**	**(21.2)**
Acquisition of treasury shares	—	—	—	—
Issue of shares	70.9	—	70.9	—
Other debt issuance/ (repayment)	(79.4)	(0.6)	(80.7)	(42.0)
Financial expenses (net)	(26.4)	(12.5)	(41.2)	(27.5)
Cash flow from financing	**(35.0)**	**(13.1)**	**(50.9)**	**(69.5)**
Net increase / (decrease) in cash and cash equivalents	**33.6**	**(16.7)**	**41.3**	**(90.7)**
Cash and cash equivalents at end of period (net of bank overdrafts)	**36.0**	**(4.5)**	**36.0**	**(4.5)**

Source consolidated financial statements audited.

(*) See definition and reconciliation of Adjusted EBITDA in section C4. Alternative Performance Measures.

Highlights FY22

- **Net cash from operating activities increased by €118.7 million,** mainly reflecting:
  - Working capital inflow of €115.0 million compared to €65.0 million in FY21, despite Omicron and Ukraine invasion. The inflow of €115.0 million is mainly driven by increase in demand for leisure travel from March 2022 compared to March 2021, and an increase in Prime Deferred Revenue.
  - Income tax paid decreased by €7.1 million from a payment of €5.3 million in FY21 to a refund of €1.8 million in FY22 due to (a) €1.4 million higher refund of Spanish income tax in FY22 compared with FY21, (b) €5.1 million lower prepayment of Portuguese income tax in FY22 compared with FY21, (c) €0.6 million lower payment of Spanish income tax in FY22 compared with FY21.
  - Adjusted EBITDA (*) increased by €41.1 million.
  - Non-cash items: items accrued but not yet paid, increased by €24.6 million mainly due a lower variation (decrease) in the provisions recorded.
- We have **used cash for investments** of €26.9 million in FY22, an increase by €5.3 million, mainly due to an increase in software that was capitalised.
- **Cash used in financing** amounted to €50.9 million, compared to €69.5 million from financing activities in the same period of last year. The variation by €18.6 million in financing activities mainly relates to the capital increase of €75.0 million and the lower reimbursement of the SSRCF by €29.5 million, partly offset by the reduction of €50.0 million of the Senior Notes, the payment of the costs associated with these transactions for €19.5 million (€4.8 million pending to be paid), and the drawdown in full of the €15.0 million Government-sponsored Loan in FY21 and the repayment of €3.8 million in FY22.

A.2.4. FINANCIAL PERFORMANCE

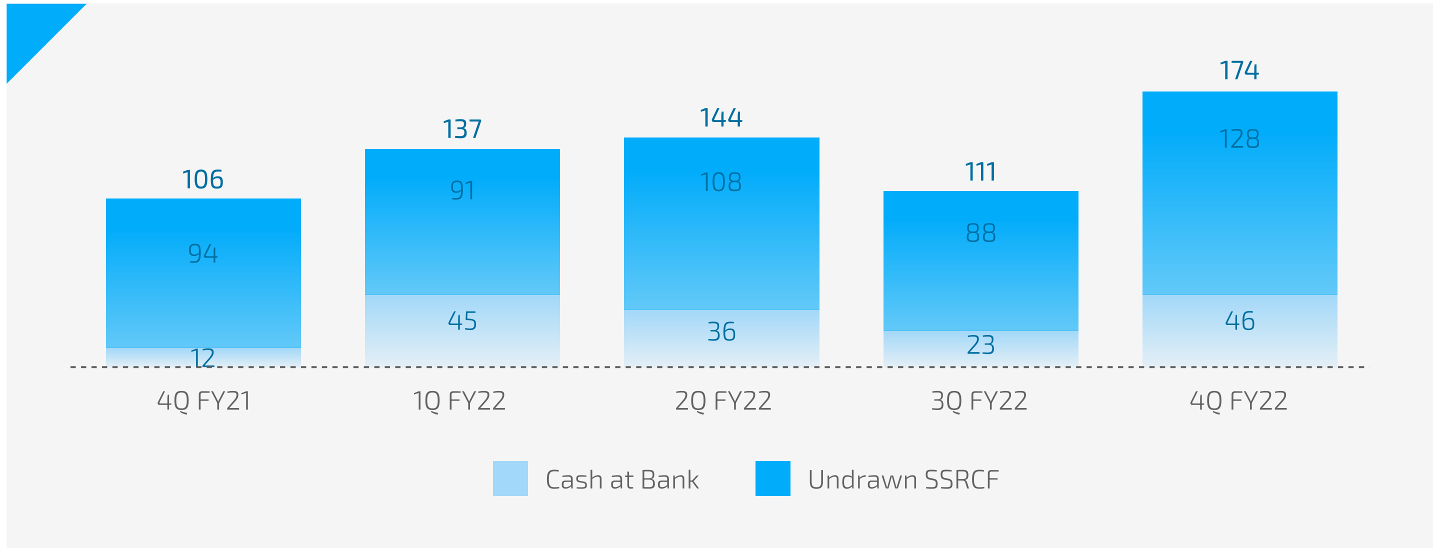
STRONG LIQUIDITY & OPTIMISATION OF CAPITAL STRUCTURE

Successfully executed on the optimisation of our capital structure

In January, the company successfully executed on the optimisation of its capital structure by raising on the 12th of January €75 million of primary equity enabled by inbound investor demand to accelerate its deleveraging and further support its continued strategic growth. This led to reducing the size of the existing Senior Notes from €425 million to €375 million, and successfully refinancing all its debt on the 19th January, extending the maturity by 5.5 years to 2027, improving contractual terms, and reducing yearly interest expense by €2.5 million a year, which gives the company financial stability to execute on its business plan and deliver on the FY25 targets and continue to focus on winning in a post COVID-19 world.

Solid liquidity - the liquidity of eDO was never at risk during COVID-19

We have managed our liquidity position well, a consequence of our strong business model and active management. We have achieved this despite travel restrictions which reduced the levels of trade. Liquidity has remained more than sufficient and stable throughout the pandemic. In Q4 FY22 (end of March 2022), the liquidity position was strong at €174 million.



Unsurprisingly, leverage ratios have been temporarily impacted. As already highlighted, the Company successfully refinanced all its debt and increased the SSRCF size to €180 million, in a context of high demand for SSRCF availability, with better contractual terms for the debt, including most importantly the maintenance covenant. EBITDA of reference is now Cash EBITDA, in line with a subscription company, covenant now springs at 40% vs 30% previously, which means we need to draw down €72 million in cash from SSRCF (only €40 million in cash draw at the end of March 2022) to be measured (vs €52.5 million before), even if we are drawing more than €72 million from SSRCF, which is not the case, no measurement will take place until September 2022 financial statements, and from September 2022 and December 2022 the EBITDA of reference is the higher of last quarter annualised or LTM.

Management remains focused on continuing to take the appropriate actions to maintain cash and a strong liquidity position and has taken a prudent approach to the cost base and capital expenditure. As a result, the business has continued to be resilient and has maintained its strong liquidity levels.

Rating and issues

Issues

Issuer	ISIN Code	Issue date	Issue Amount (€million)	Coupon	Due date
eDreams ODIGEO, S.A.	XS2423013742	19/01/22	375	5.5%	15/7/2027

Rating

Agency	Corporate	2027 Notes	Outlook	Evaluation date
Fitch	B	B-	Stable	14/01/2022
Standard & Poors	CCC+	CCC+	Positive	14/01/2022

A.2.5. STRATEGY OVERVIEW, SUBSCRIPTION MODEL & INVESTMENT HIGHLIGHTS

Strategy Overview

- eDO superior value proposition is leading to market share gains
- We are transforming to subscription from transaction
- eDO is expected to be pre-eminent in terms of profitability and growth among subscription peers
- eDO's large potential: superior returns for shareholders and customers while transforming and revolutionising the industry

Prime Subscription Model & Investment Highlights

- In pole position in an attractive market
- Achievements - Building for growth: unrivalled Prime subscription programme
- Next steps - Outlook

In Summary

- eDO has demonstrated the ability to capture and acquire new customers through the Prime programme
- Focused and proven strategy is transforming eDO into a subscription based business
- eDO's large potential: superior returns for shareholders and customers while transforming and revolutionising the industry

OUR MISSION

We are **helping our customers** see the world through being their one-stop **trusted travel partner**

...and be the largest travel subscription programme in the world.

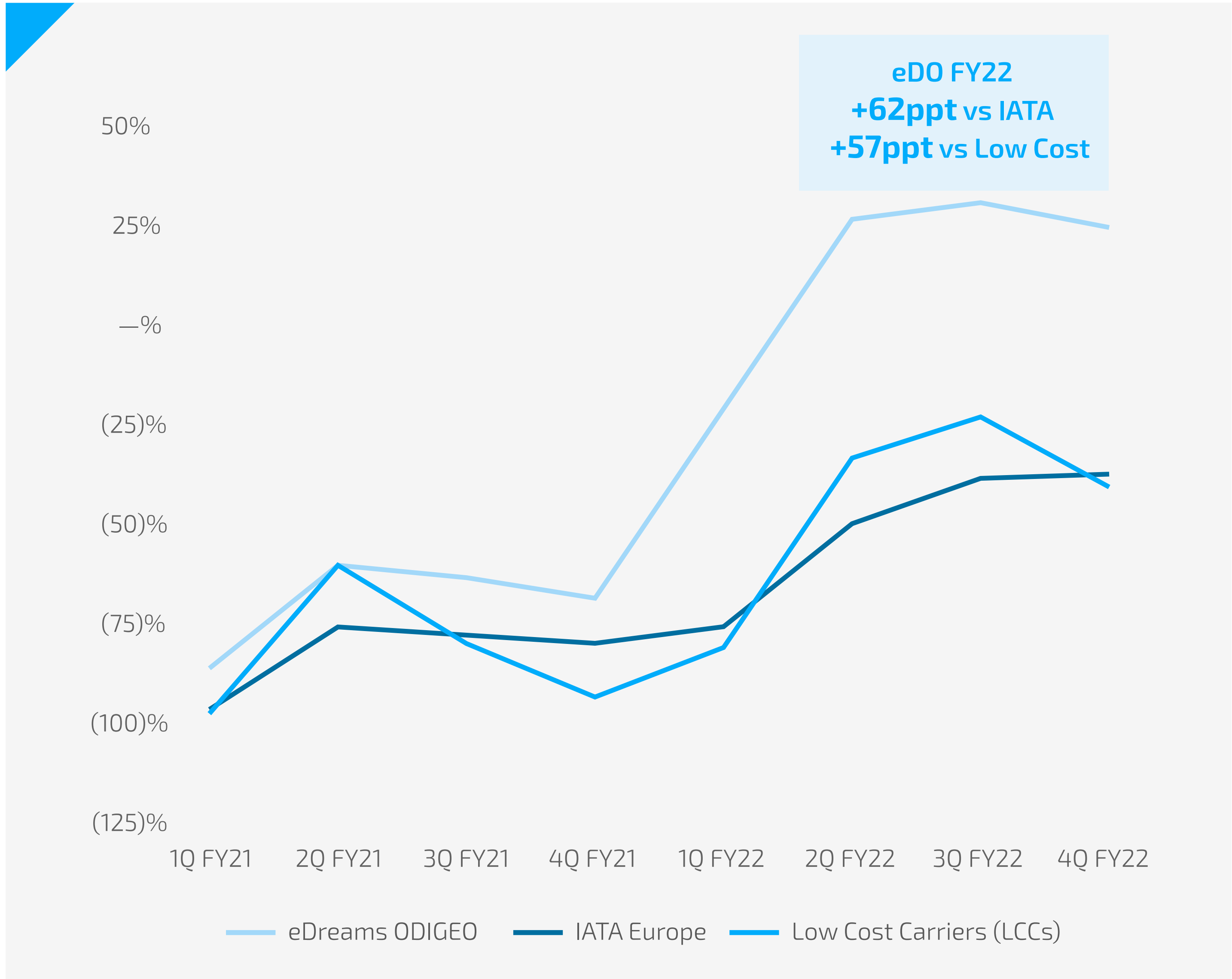
A.2.5. STRATEGY OVERVIEW, PRIME SUBSCRIPTION MODEL & INVESTMENT HIGHLIGHTS

STRATEGY OVERVIEW

eDO superior value proposition leading to market share gains overperforming industry peers

As evidenced by IATA public data and recent results from Low Cost Carriers (LCCs), eDreams ODIGEO has consistently outperformed against the airline industry, highlighting the strength and adaptability of our business model, as well as our superior proposition to customers. The Company outperformed vs regular airlines (IATA) by +62 percentage points (pp) and vs LCCs by +57pp in FY22. This is despite a market that is yet to return to pre-COVID-19 levels.

eDO trading evolution ahead airline industry vs. pre-COVID, %

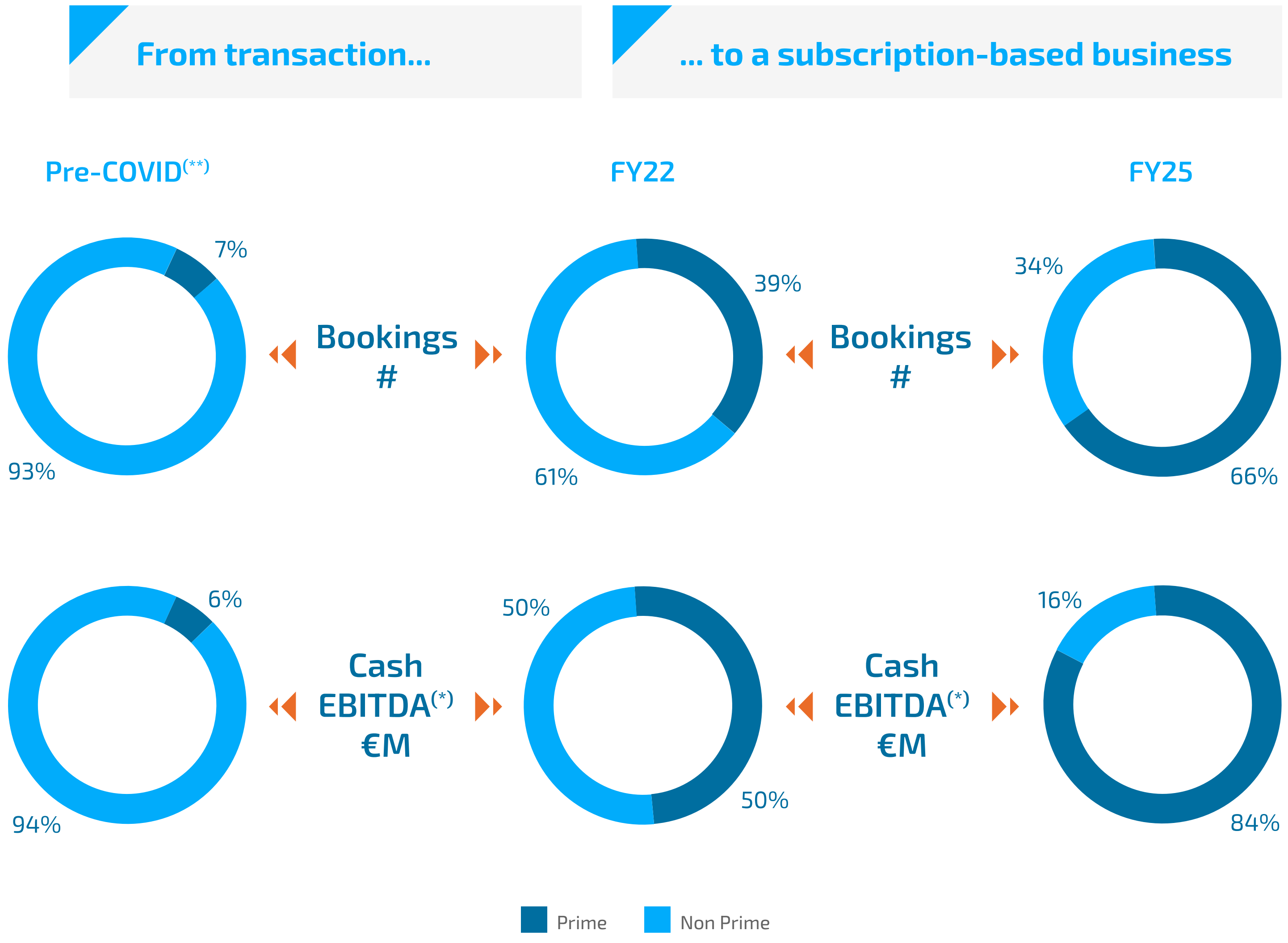


Source: IATA Economics and Company data.

A.2.5. STRATEGY OVERVIEW, PRIME SUBSCRIPTION MODEL & INVESTMENT HIGHLIGHTS

We are transforming from transaction to subscription

The subscription model is a well proven model and it has been around for decades across many industries, but not in travel where we are the pioneers and the global leader. Travel is predominantly a transaction based business, and eDreams ODIGEO pre-pandemic was transaction based too, with only 7% of our Bookings coming from subscriptions. Today around 40% of our Bookings and over half of our Cash EBITDA(*) comes from our unique subscription offering Prime. Yet we are still in the early days, with a very large addressable market to capture. We continue to evolve and expect to reach 66% and 84% of our Bookings and Cash EBITDA(*), respectively, by FY25, and the opportunity after FY25 is large.



Source: Company data.

(*) See definition of Prime ARPU and Cash EBITDA in section C4. Alternative Performance Measures.

(**) Last 12 months up to 31th January 2020.

A.2.5. STRATEGY OVERVIEW, PRIME SUBSCRIPTION MODEL & INVESTMENT HIGHLIGHTS

eDO's large potential: superior returns for shareholders and customers while transforming and revolutionising the industry

eDO FY25 TARGETS

Prime Members	>7.25M
Prime ARPU(*)	~€80
Cash EBITDA(*)	>€180M

(*) See definition of Prime ARPU and Cash EBITDA in section C4. Alternative Performance Measures.

A.2.5. STRATEGY OVERVIEW, PRIME SUBSCRIPTION MODEL & INVESTMENT HIGHLIGHTS

PRIME SUBSCRIPTION MODEL & INVESTMENT HIGHLIGHTS

In pole position in an attractive market

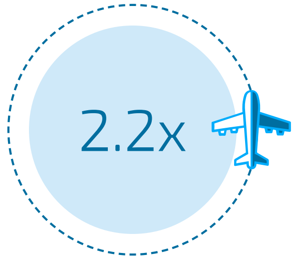
eDO's market is sizeable, growing and attractive

The global market for travel is large and growing; it reached €1.3 trillion in 2019, two times the size of the next largest e-commerce segment, and there are no signs of the growth slowing. Online bookings continue to outpace the overall market in all countries, and are expected to grow at a 18% CAGR in Europe over the next four years, reaching €273 billion in Europe alone. In addition, Europeans are increasingly turning to online booking channels, an additional opportunity for us to continue to gain share. Some 45% of the customers still book travel offline.

Sizeable market and largest e-commerce vertical

€1.3Tn

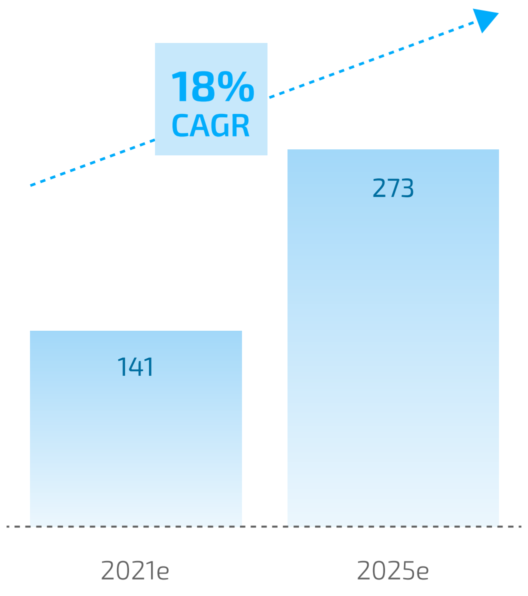
Worldwide travel market, 2019



Online travel size vs. next largest e-commerce segment (apparel), 2019

Attractive growth prospects after the pandemic

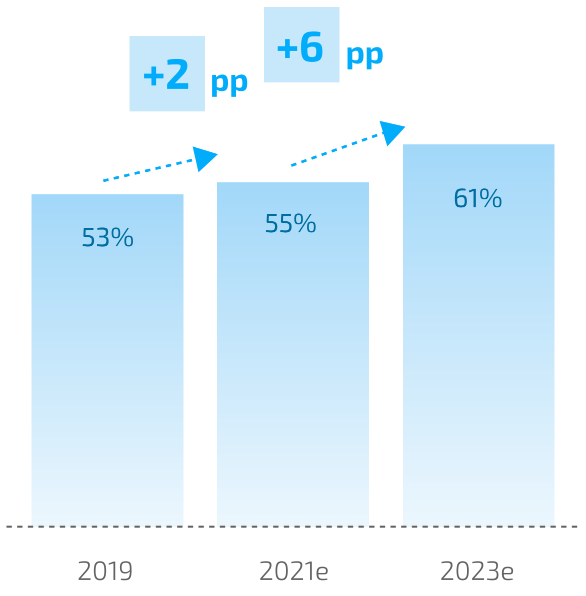
European Travel Market Size
€Bn



Source: Phocuswright.

eDO is positioned in the right segments (online and leisure)

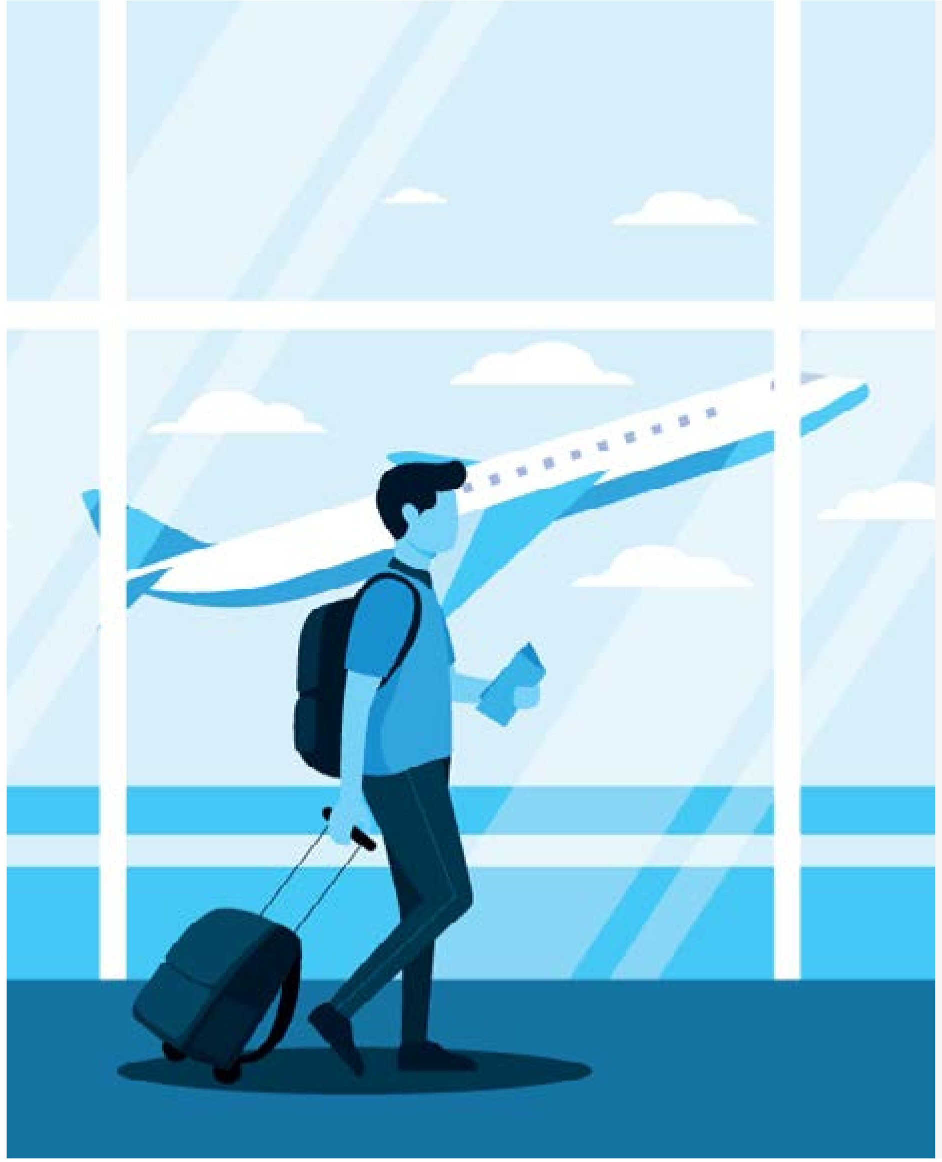
European Leisure Travel Market Online penetration
% over total Gross Booking



Source: Phocuswright.

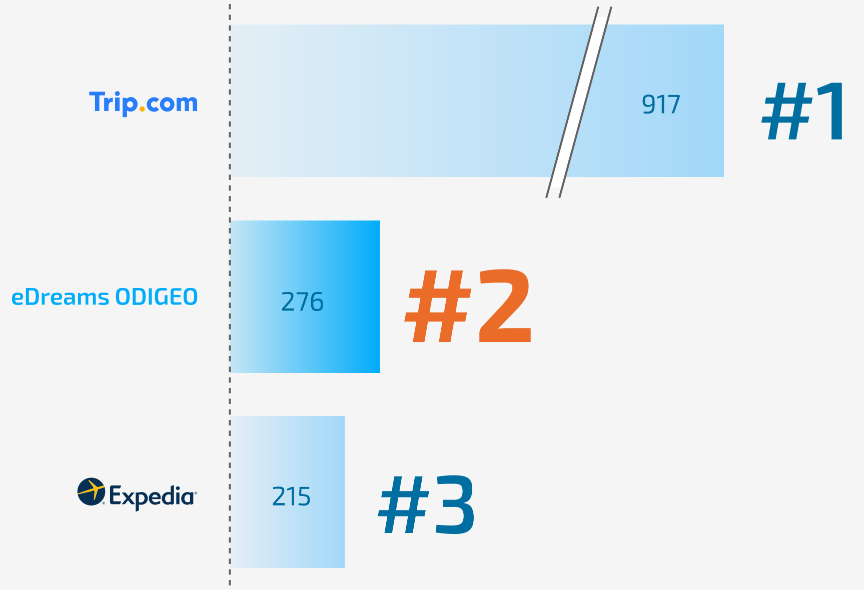
A.2.5. STRATEGY OVERVIEW, PRIME SUBSCRIPTION MODEL & INVESTMENT HIGHLIGHTS

Within travel, eDO is the global leader in flights, excluding China



#2 PLAYER IN FLIGHTS GLOBALLY

GLOBAL FLIGHT REVENUE
Estimated, CY 2021 (€M)

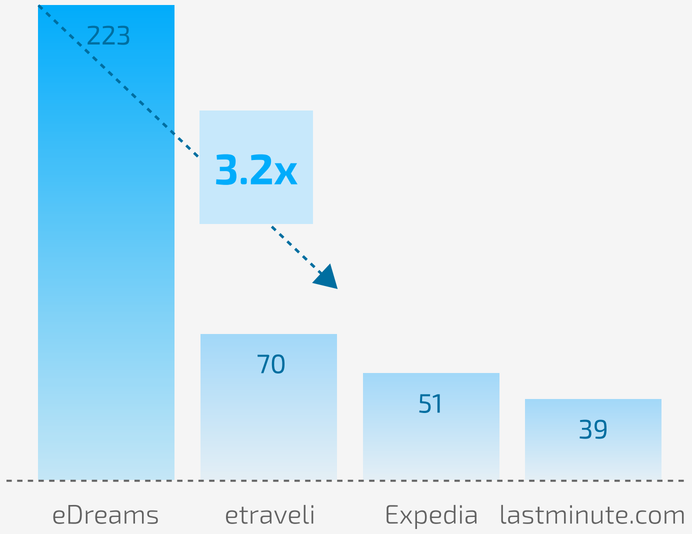


Source: Company data. Cash Revenue Margin for eDO.

Unrivalled scale in Europe

#1 PLAYER IN FLIGHTS EUROPE

EUROPEAN FLIGHT REVENUE
Estimated, CY 2021 (€M)



Source: Phocuswright, Company data, eDO estimate.
Cash Revenue Margin for eDO.

A.2.5. STRATEGY OVERVIEW, PRIME SUBSCRIPTION MODEL & INVESTMENT HIGHLIGHTS

We have almost double our market share during the pandemic

EUROPE TOTAL AIR MARKET SHARE FY22

TOTAL AIR MARKET

5.4%

(from 3.0% in FY20[1])

Our enviable position enables eDO to drive unrivalled scale advantages

eDO scale has real advantages, we are built to take advantage. For many years this has been at the core of our strategy. We use our scale to benefit our customers but also to gain market share from our competitors. We utilise our scale to create demand, control supply, generate revenue diversification and through our world-class technology platform, we can offer a new product or feature across all our 247 websites and apps.

SCALE IN DEMAND

67M Avg. searches/day[2]

1,130M Online AI predictions/day[2]

STRONG REVENUE DIVERSIFICATION

73%

(+16pp YoY)

% of company revenue from ancillary and non-flight products[4]

SCALE IN SUPPLY

x3 Flights per day/route than any other airline[3]

690 Airlines connected[2]

WORLD-CLASS TECHNOLOGY PLATFORM

1 platform > 247 websites and apps[3]

8,300 feature releases/year[4]

Source: Company data, eDO analysis.

(1) Travelport Full Market Data & eDO Business Intelligence. (2) February 2022. (3) March 2022 (4) FY22.

A.2.5. STRATEGY OVERVIEW, PRIME SUBSCRIPTION MODEL & INVESTMENT HIGHLIGHTS

Achievements - Building for Growth: Unrivalled Prime Subscription Programme

eDO is disrupting the market with Prime, a winning customer proposition

What is eDreamsPrime

Sign up for just **€54.99** / year

DISCOUNTS ON ALL YOUR TRAVELS

- Save on flights, accommodation, cars & dynamic packages.
- Savings apply to all those travelling with you.

PRIORITY CUSTOMER SERVICE

- Free exclusive customer service hotline 24x7.

ACCESS TO SPECIAL DEALS

- Exclusive access to special deals & promotions (for example Prime Day).

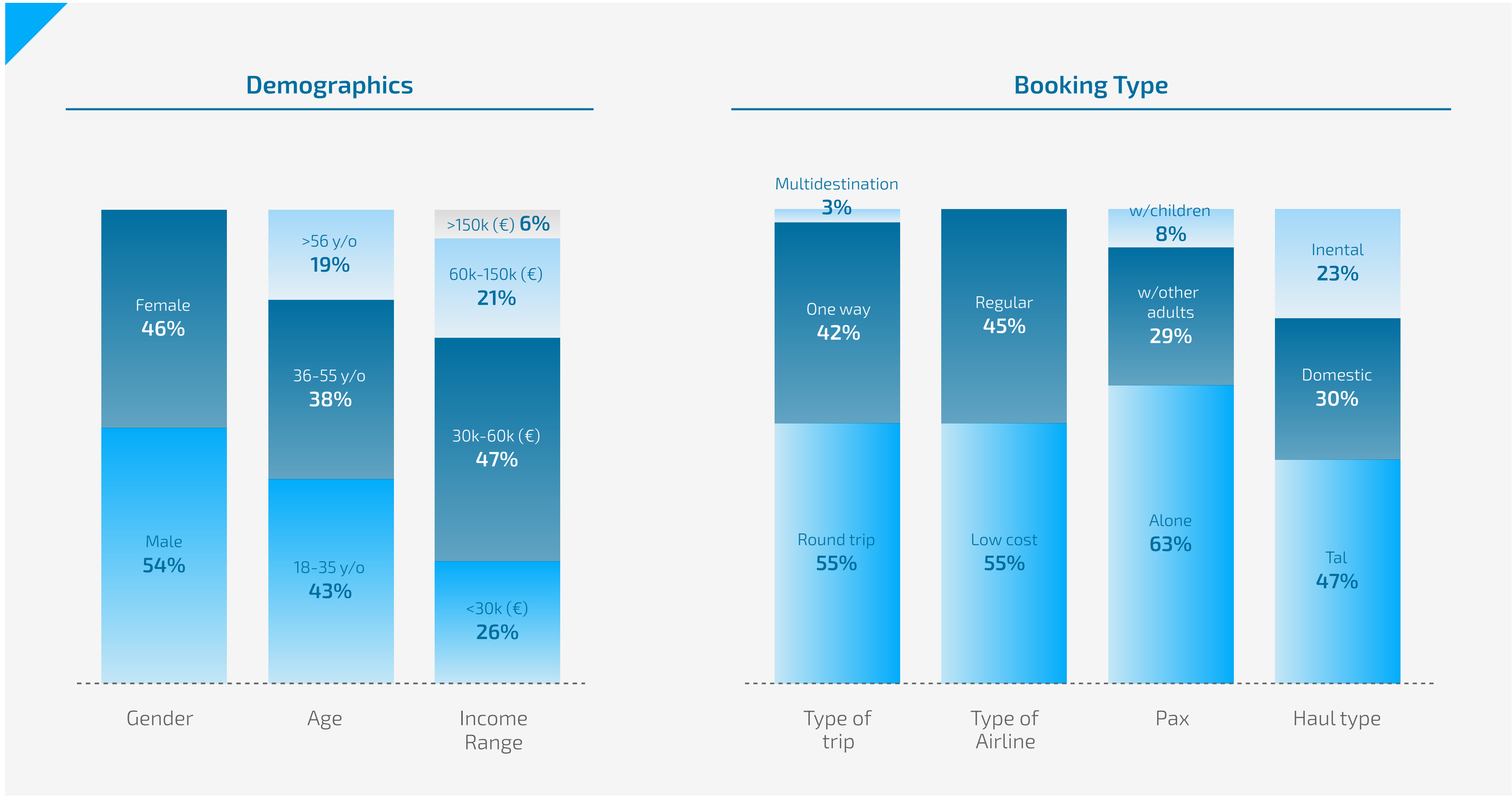
OTHER WELL KNOWN SUBSCRIPTION PROGRAMME: (Prices for France)

amazon	**€49 yearly** (€5.99/month)
Spotify	**€120 yearly** (€9.99/month)
NETFLIX	**€108 yearly** (€8.99/month)

A.2.5. STRATEGY OVERVIEW, PRIME SUBSCRIPTION MODEL & INVESTMENT HIGHLIGHTS

Prime is universal and appeals to travellers of all ages and all travel preferences

Who are our Prime members?



Source: Company data. Note: December 2020 - October 2021.

A.2.5. STRATEGY OVERVIEW, PRIME SUBSCRIPTION MODEL & INVESTMENT HIGHLIGHTS

PRIME IS A GROUND-BREAKING BUSINESS MODEL WITHIN TRAVEL AND PROVIDES MUTUAL BENEFITS FOR BOTH CUSTOMERS AND eDO

a. Ground-breaking innovation within the travel industry

b. Superior value proposition for customers

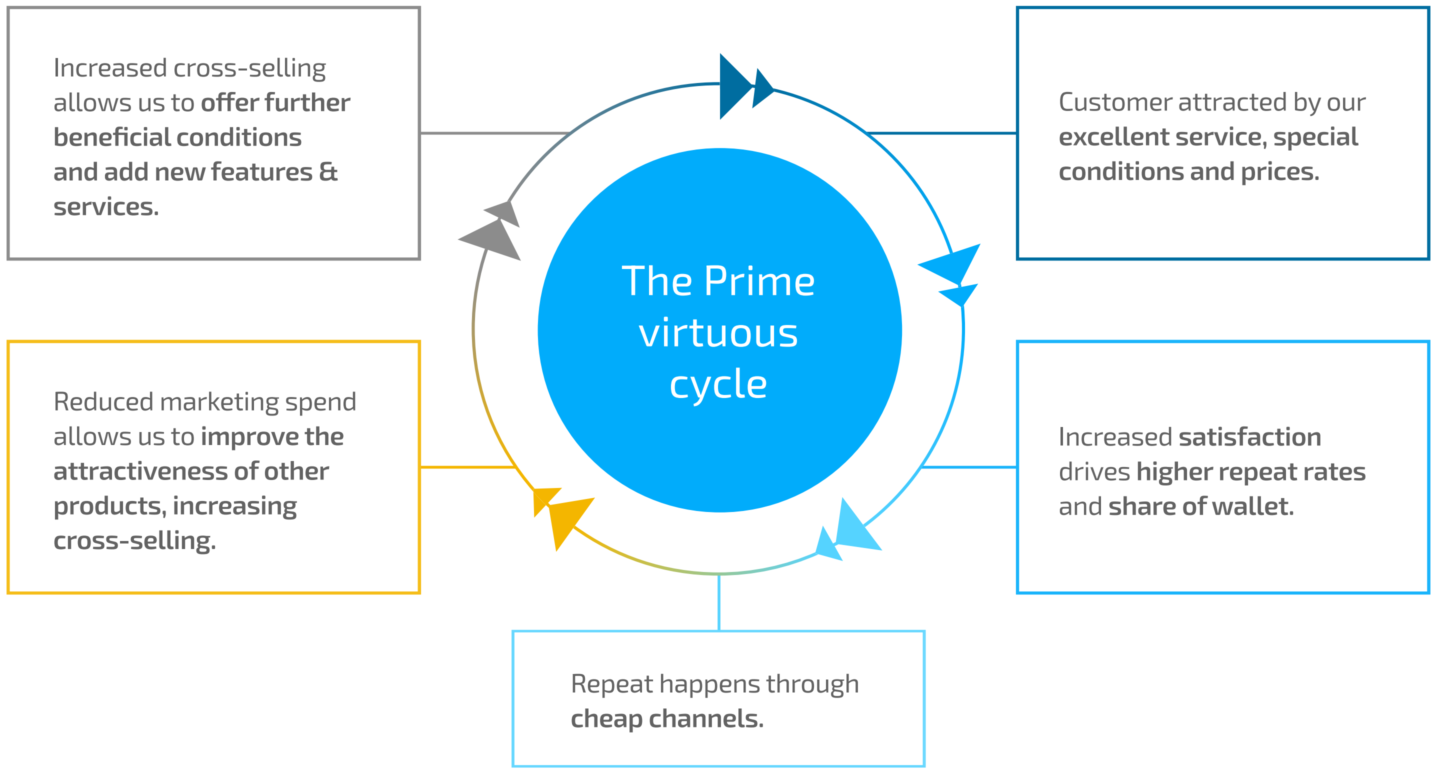
c. Highly value-creating for eDO and its shareholders

d. Pioneering well proven subscription model in travel

a. Ground-breaking innovation within the travel industry

The Prime virtuous cycle generates a win-win loyalty relationship with customers

Breaking the transactional dynamic in online travel.



A.2.5. STRATEGY OVERVIEW, PRIME SUBSCRIPTION MODEL & INVESTMENT HIGHLIGHTS

Prime is a ground-breaking proposition within the travel industry

Prime is solving the loyalty conundrum within travel.

EDREAMS PRIME SUBSCRIPTION	TRADITIONAL LOYALTY PROGRAMMES IN TRAVEL
VIP lifetime service	**No-to-minimum service**
Instant saving	Points to redeem in **future bookings**
Subscription value "amortised" with **1st/2nd booking**	Very **high frequency** required
Save across **all products**	Only for **single product**

b. Superior value proposition for customers

Members promote us for the outstanding customer experience, value and transparency of information

WHAT ARE THE MAIN DRIVERS FOR PROMOTION

CATEGORY	% PROMOTERS*	VALUED ATTRIBUTES
CUSTOMER EXPERIENCE	81%	Speed & agility of the buying process, reliability and overall good shopping experience, good service
PRICES	44%	Attractive prices, consistency, no/few commission, value for money
INFORMATION	37%	Transparency of website, information clearly explained, confirmation emails received, etc.
CONTENT	14%	Wide variety of airlines, hotels and car providers

Source: Survey performed by Ipsos in our 5 core markets (FR, SP, IT, DE, UK). Example for SP.

**% of promoters that mentioned this category as reason to promote, adds to >100% as each respondent may have mentioned more than 1.*

> *"External independent study performed by Ipsos"*

c. Highly value-creating for eDO and its shareholders

Prime is highly value-creating for eDO and its shareholders

High Lifetime Value with attractive returns

- Prime customers are **more engaged and repeat more** (2.7x vs. Non Prime) in **cheaper channels of acquisition** (~75% vs. 25% Non Prime).
- Resulting in a **2.5x higher LTV over a 24 month period…**
- … and **attractive returns** (2x-3x 24M LTV to CAC)

More stable source of revenue

- Recurring fees from memberships provide a **higher quality income**

Stronger relationship with our partners

- Prime grants our partners access to a **loyal, high-value customer, closed user group**

A.2.5. STRATEGY OVERVIEW, PRIME SUBSCRIPTION MODEL & INVESTMENT HIGHLIGHTS

Prime members visit us more often and have a higher conversion rate (CVR) than Non Prime customers, leading to higher repeat bookings

Prime vs Non Prime Index

x1.4
Average return visits per user
(in 12 months)

x2.0
Conversion rate

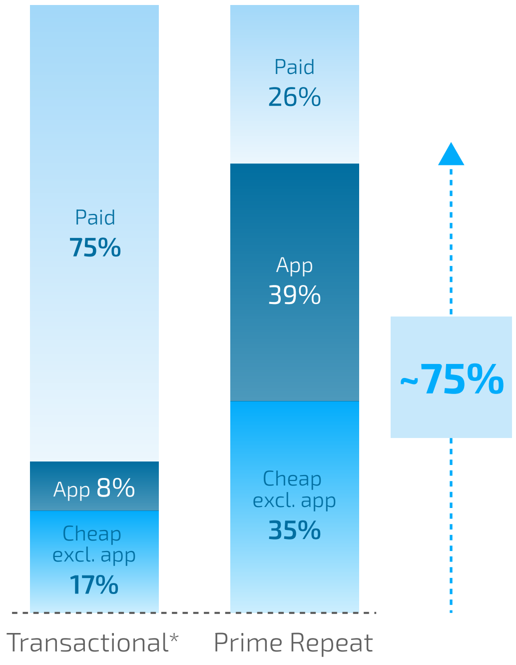
x2.7
Repeat bookings
(in 12 months)

Note 1: Prime includes Renewed Free Trial Members only. Non Prime excludes users that have become Prime in the next 6 months.

Note 2: Conversion Rate = total bookings made in 12M over total visits made in the period.

...and cheaper channel mix...75% of Prime members repeat on cheap channels

Repeat channel

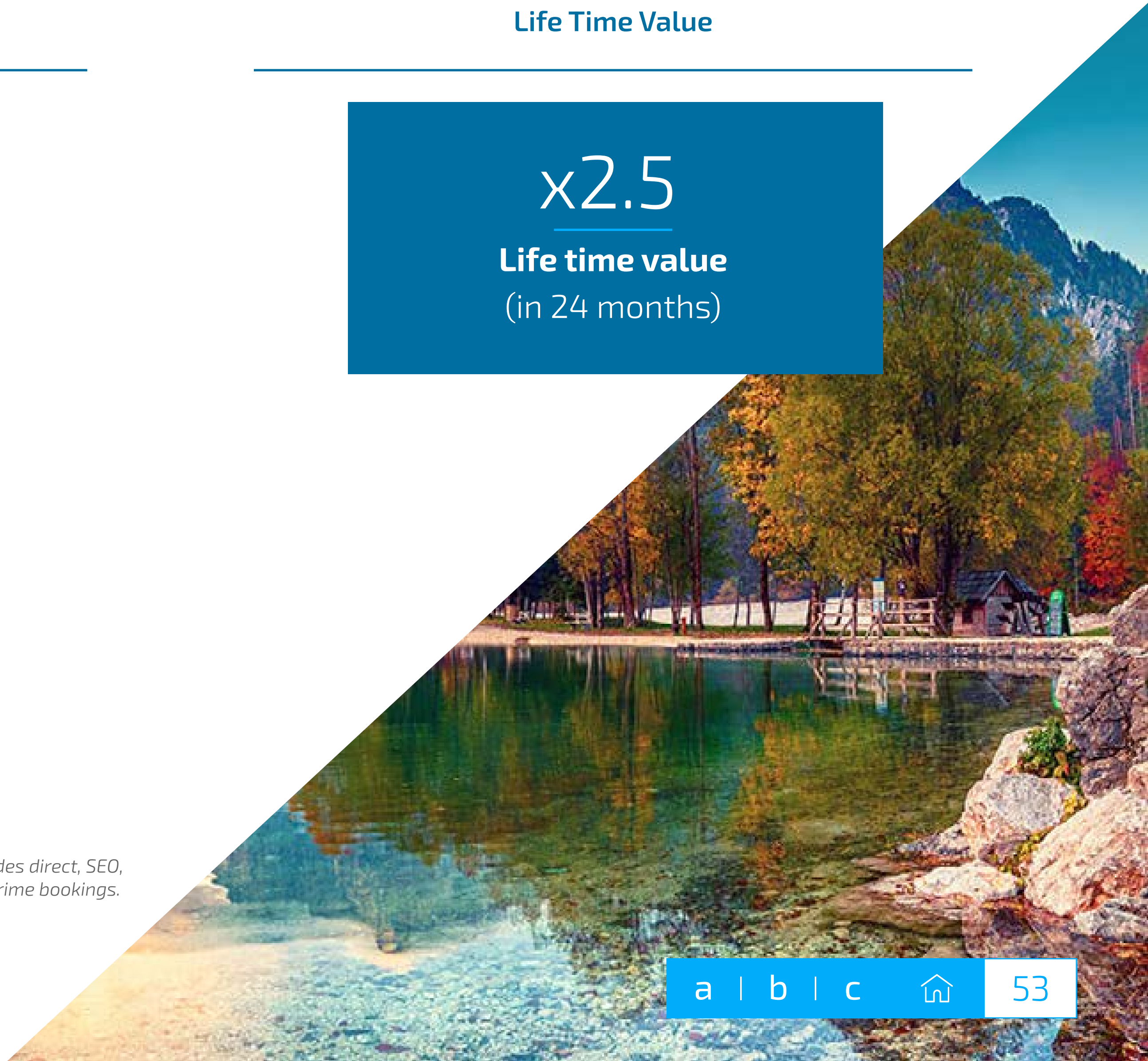


*Note: paid channels include SEM non-branded, meta and other paid. Cheap includes direct, SEO, etc (channels that don't carry marketing costs) *Transactional: Non Prime + 1st Prime bookings.*

Leading to a significantly higher 24 Month Lifetime Value (LTV) for Prime members

Life Time Value

x2.5
Life time value
(in 24 months)

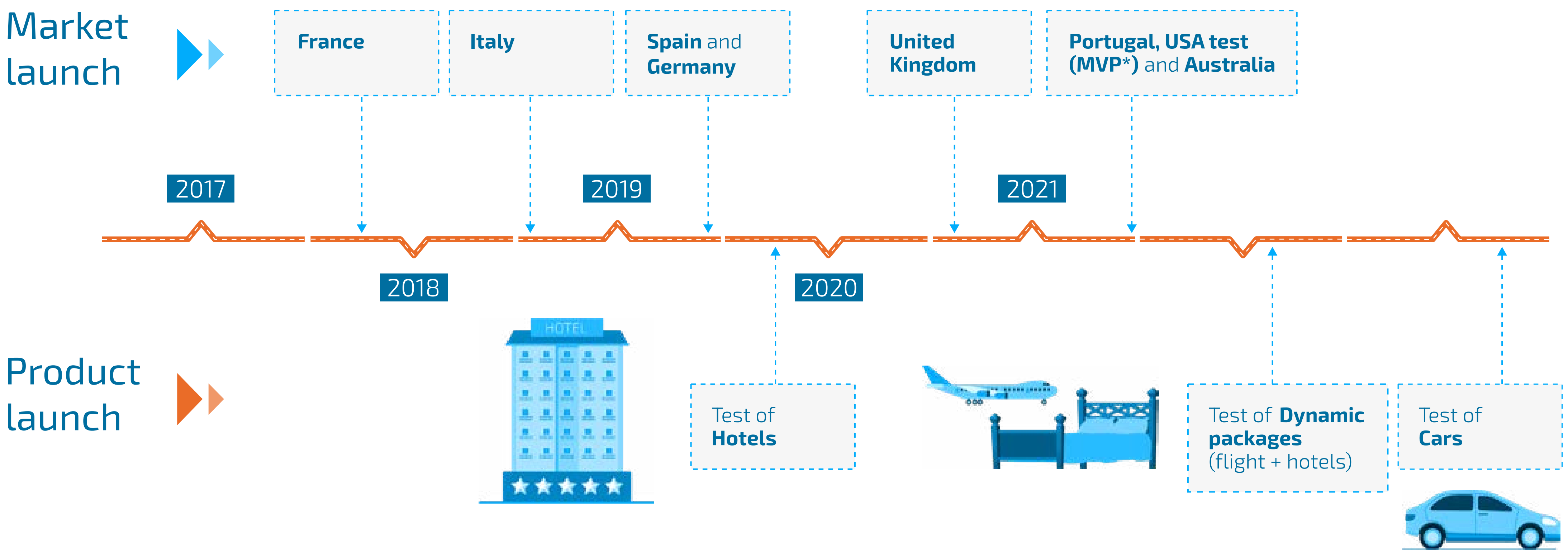


d. Pioneering well proven subscription business model in travel

We have a head start with 5 years of testing & learning, product and market launches

We are the leader and inventor of a subscription based model in travel. Whilst in other industries the subscription model has had great success: Netflix in streaming, Spotify in Music, Amazon in consumer goods, no one has achieved this in travel until eDreams ODIGEO. **We have been developing this for 5 years and have a bright future ahead of us**. All of this is institutional knowledge, systems, and competitive advantage.

While we have now reached 2.7 million subscribers, we had originally set the goal to have 2m subscribers in 2023 without the pandemic. We achieved this way ahead of schedule, which proves once again that **all the testing and Learning, product and market launches have paid off, and would not be easy to replicate**.



eDreamsPrime · opodoprime · GOPrime

5 Years	10s of 000s	1000s	Continuous display iterations
of testing and learning	Customer interviews	of AB tests	

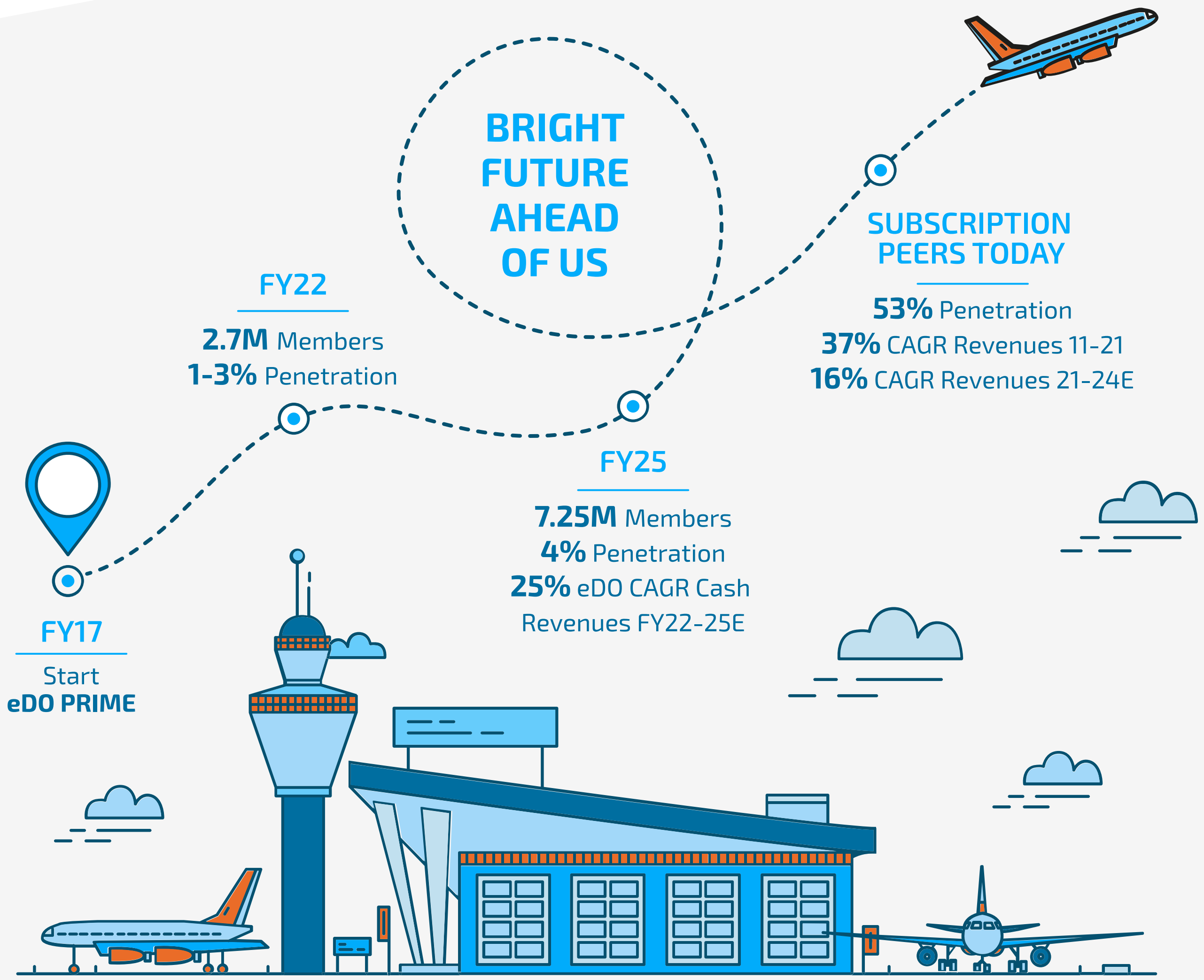
*Minimum Viable Product.
Note: Calendar Years.

A.2.5. STRATEGY OVERVIEW, PRIME SUBSCRIPTION MODEL & INVESTMENT HIGHLIGHTS

The subscription market is a large addressable market with very realistic assumptions

"Success is demonstrated by high penetration: Over 50% penetration of Subscription Video on Demand Companies"

"And strong top line growth +37% CAGR 2011-2021(*) and expected to continue to grow at +16% CAGR 21-24E(*)"



"eDO just starting with only 1% penetration"

"We target 4% penetration by FY25 (25% CAGR Cash Revenues FY22-25E). In our earliest markets already at 3% (75% achieved), bright future ahead of us"

(*) Source: Bloomberg (Netflix, Amazon, Costco, Spotify and HelloFresh).

A.2.5. STRATEGY OVERVIEW, PRIME SUBSCRIPTION MODEL & INVESTMENT HIGHLIGHTS

Making the change from transactional to subscription-centric requires a holistic company transformation and is difficult to achieve

Moving from transaction to subscription requires to change every single system, process and procedure within the company, these are some examples:

Many more...

Every area in the company needs to be adapted

Marketing

Lifetime management marketing models, adapting **customer acquisition** strategy, member **lifecycle** communications, churn and **retention** management, etc.

Revenue Management

AI-based pricing model, lifetime management based on sophisticated **churn forecasting**, etc.

Payments

Recurring payments under PSD2, funds management, etc.

Customer service

Premium customer service teams, **omni-channel** management, **retention** management team set-up, incentives, etc.

Finance

Cash management, from booking to **customer-based reporting**, tax, revenue recognition systems, etc.

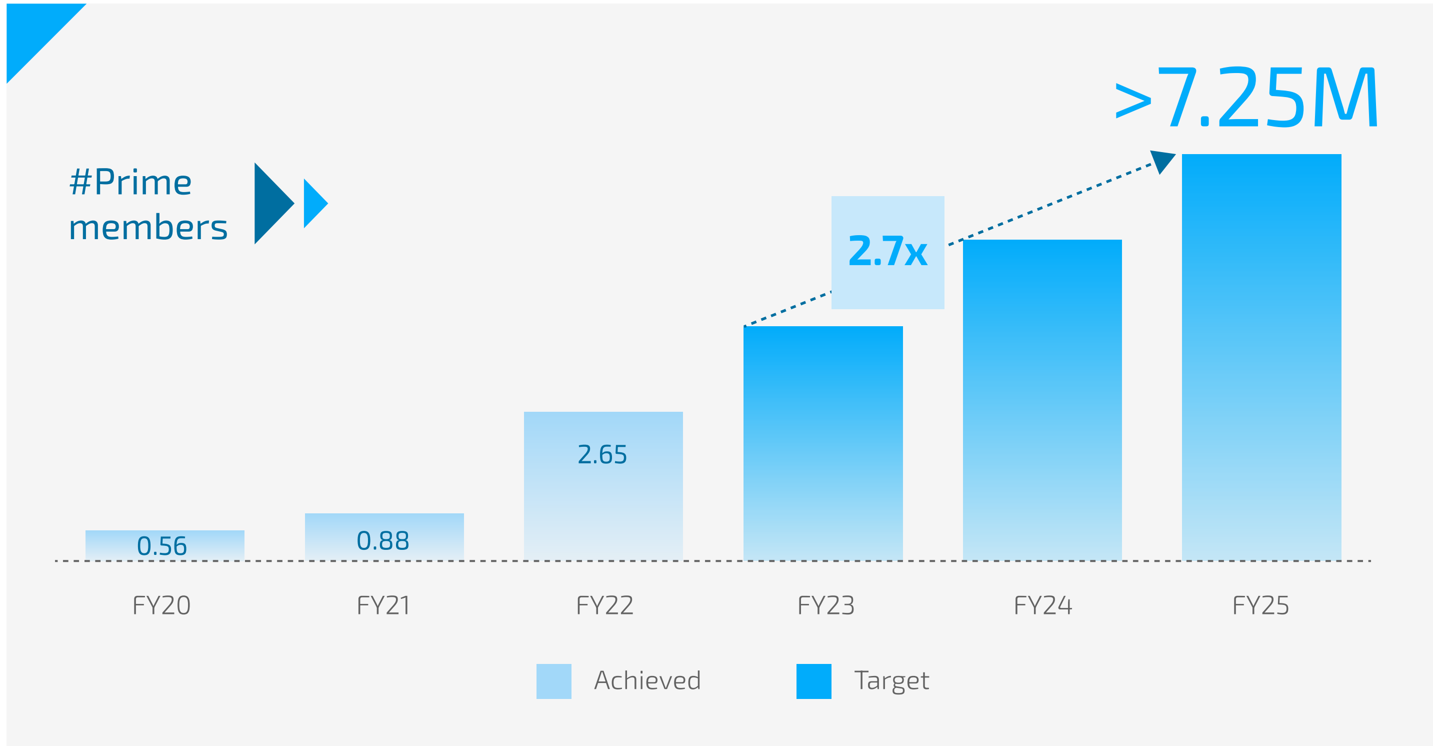
A.2.5. STRATEGY OVERVIEW, PRIME SUBSCRIPTION MODEL & INVESTMENT HIGHLIGHTS

Next steps — Outlook

We are transforming and transitioning into a subscription business, expecting to reach >7.25M Prime members in FY25

We have years of experience, a plan to grow members and we already know where are they going to come from.

- **Achievable plan** to scale-up Prime
- **Strong track record** and consistent **Prime overperformance in all markets** supports renewed guidance
- **Value creating** for both customers and shareholders
- Huge **growth potential**



We expect to achieve this target through 4 key growth levers

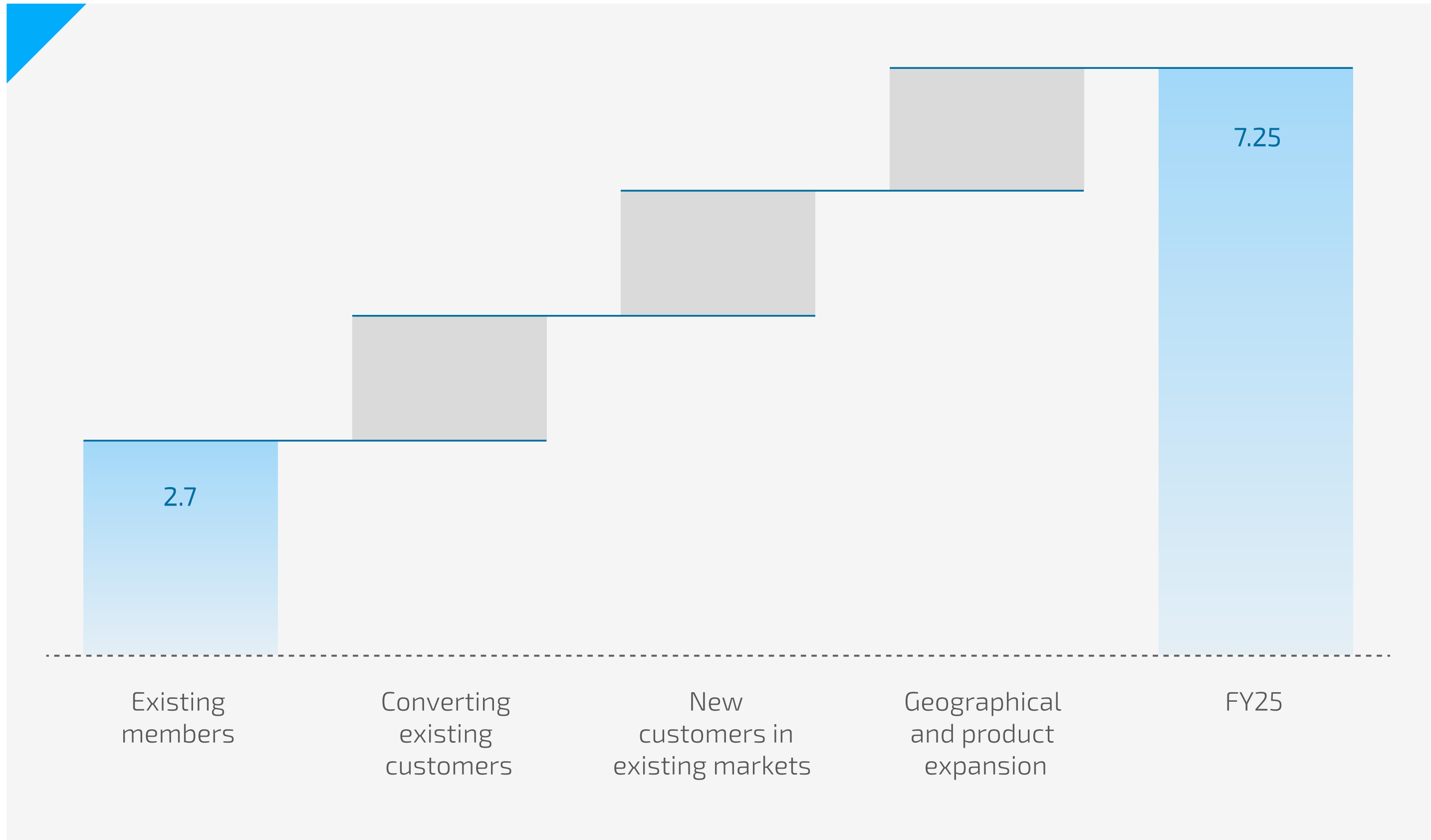
a. Convert current transactional customers to Prime

b. Capture Prime share in European core markets

c. Grow members in new markets (e.g. US)

d. Capture new Prime members in other product categories

How we estimate our Prime members will build-up?



A.2.5. STRATEGY OVERVIEW, PRIME SUBSCRIPTION MODEL & INVESTMENT HIGHLIGHTS

a. Convert current transactional customers to Prime

Before COVID-19, we had on average approximately 24 million of Non-Prime customer base. These customers can be converted to subscribers through demonstration of the superior Prime value proposition.

GROW IN OUR CORE MARKETS BY CONVERTING CURRENT CUSTOMERS...

CONVERT CURRENT CUSTOMERS

eDO Customer Base

24M

Non-Prime customer base 2017-2022*

Ample conversion opportunity

...as customers come back after COVID and get exposed to Prime

Source: Company data.

** Flight transactional (non-Prime) eDO customers in Europe between 2017 and May 2022.*

b. Capture Prime share in European core markets

We already have about 5% of the addressable market in Europe and there is further untapped opportunity in the remaining 95%. There is significant potential to pursue.

...AND GAINING FURTHER SHARE IN EUROPE

GAIN SHARE IN CORE MARKETS

Addressable EU Market

225M

European Households*

~95%

Addressable market share**

Wide addressable market

...Europe is the third largest travel market and we have a large share to capture

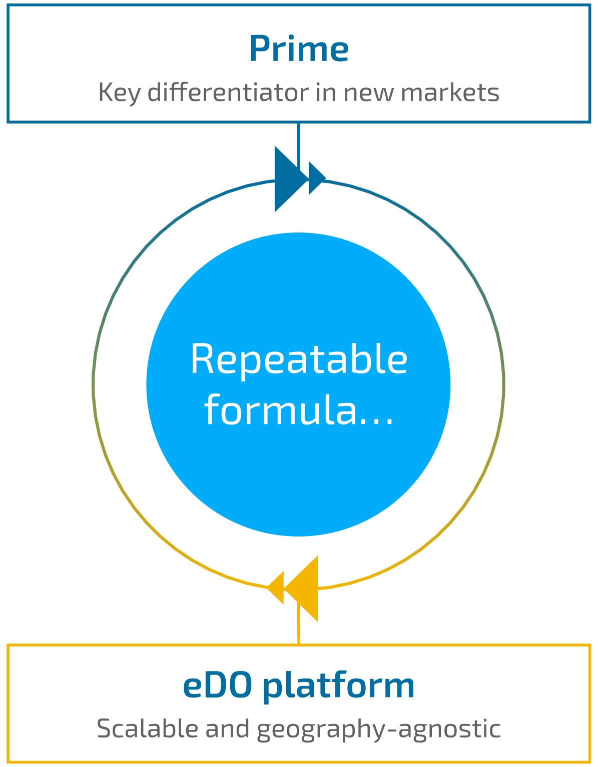
Source: Eurostat, UK Office for National Statistics, Phocuswright, Company data.

**European Union 2020 and United Kingdom, 2021. ** Flight market share Europe, 2021.*

A.2.5. STRATEGY OVERVIEW, PRIME SUBSCRIPTION MODEL & INVESTMENT HIGHLIGHTS

c. Grow members in new markets (e.g. US)

The US market is a very good example and success story for us in terms of expanding into markets were our brands were not so well know. Prior to launching in the US it was unclear on how Prime would perform in markets where our brands were less well-known. We therefore decided to launch the programme as a Minimum Viable Product (an approach based on the premise that you can provide sufficient customer value by delivering minimal features that early adopters will use. You can then collect feedback that will enable you to build a better product that will resonate with future users). The US is the world's largest travel market. This approach deliver an excellent result with a slightly higher take-up of our Prime product in the US than in our core markets, even with a not fully formed proposition.



…successfully launched in 8 different markets

US example (launched as Minimum Viable Product)

Strong Subscription Rate*	+4pp	US VS. Core markets**
Acceleration of booking growth	+250%	2019 – FY22
Market Share gain	x4	2019 – FY22

Source: Company Data, National statistics offices.
** Non-meta.*
***Incl. DE, SP, FR, IT, UK (May-July 2021).*

"***Strong opportunity** to further develop **new eDO markets and enter new geographies** (~190M Households in top 5 expansion markets)*"

IN SUMMARY

eDO has demonstrated the ability to capture new customers through the Prime programme

> *"Over 60% of our Prime customers are new customers and have not used an eDreams ODIGEO product during the last three years. This endorses that the Prime proposition is attractive not only for existing customers but for new members too explaining why we are capturing market share. Whichever you look at it, Prime is successful, delights customers, grows our market share and it is mutually beneficial for customers, the company and shareholders"*

SHARE OF NEW CUSTOMERS WITHIN PRIME MEMBERS

60%

Source: Company Data.

** Average % of new customers over 2M Prime member base, October 2021.*
New customer defined as not having transacted with eDO during the past 36 months.

A.2.5. STRATEGY OVERVIEW, PRIME SUBSCRIPTION MODEL & INVESTMENT HIGHLIGHTS

Well-proven management team to deliver the plan

Our business model is pioneering and innovative within travel but it is also proven in multiple different industries. To achieve success our people have spent more than five years working on this project. Our management team also really understands how to do this and have developed a clear strategy and plan to maximise the opportunity.

High-quality management team...

- Experienced.
- Committed with a clear vision.
- Demonstrated track record.

... with capacity to innovate and adapt to a changing landscape

- Leaders in revenue diversification.
- Creating a revolution by introducing the first subscription programme in the travel industry.

eDO's large potential: superior returns for shareholders and customers while transforming and revolutionising the industry

We will continue to improve, we will build better and we will challenge ourself to make eDO a better business.

eDO FY25 TARGETS

Prime Members	>7.25M
Prime ARPU(*)	~€80
Cash EBITDA(*)	>€180

(*) See definition of Prime ARPU and Cash EBITDA in section C4. Alternative Performance Measures.

Non Financial Information

B

Non Financial Information

B.1. Introduction

B

B.1.0. ESG AT A GLANCE

ENVIRONMENT

"As an e-commerce company, we believe that there are numerous opportunities for technology to be a powerful force for positive environmental change"

- Migration of our infrastructure to more **sustainable Cloud based platform**.
- Launch of **"greener choice CO_2 emissions" feature** in our booking platform, one of the first OTAs to offer this to customers.

Committed to the implementation of initiatives that organically reduce our direct environmental footprint

- Over **90% of our electricity from 100% green energy**.
- **Carbon neutral for our direct operations since 2020**, and aim to maintain this status going forwards.

SOCIAL

"Our diverse team of eDOers are our greatest competitive advantage fuelling the innovation that maintains eDreams ODIGEO at the vanguard of the travel industry. Providing the conditions and support for them to thrive and flourish is a key pillar of our ESG strategy"

- **46 Nationalities**.
- Speaking over 36 different languages.
- 99% **permanent contracts**.
- **Flexible Working Policy** - empowering our eDOers to decide from where and when to work.
- **"eDOWellness Program"**, designed to improve eDOers physical and mental health and well-being.
- **Zero work related accidents/occupational** related illness.

"We are a customer centric Company, committed to building a deeper, broader and more lasting relationship with our customers"

- Our **Prime subscription** program, the largest travel subscription program in the world is fundamental to helping us achieve that goal,
- We leveraged our technological expertise to **automate our customer service experience**, and will continue to invest in providing customers with a seamless travel experience.

GOVERNANCE

"We are committed to the highest levels of corporate governance, and to maintaining the trust and confidence of our customers, suppliers, employees, and other stakeholders, that have contributed to our position a market leader"

- **Zero cyber-incidents** impacting customer data.
- **Zero customer legal claims** relating to customer privacy violations from third parties.
- **Zero concerns raised relating to Human Rights** violations during this year or any year in the past.
- Hold our suppliers and partners to the same **standards of ethical behaviour**, and social and environmental responsibility, that we expect of ourselves,confirming this with an annual certification for our most significant outsourcers.

B.1.1. ABOUT THIS REPORT

eDreams ODIGEO's annual report for fiscal year 2022 has been reviewed by the Audit Committee and approved by the Board of Directors at its meeting on 24th May 2022.

This report has been prepared in accordance with the reporting framework of the International Integrated Reporting Council (IIRC), following the principles of reliability, relevance and comparability. The report provides an overview of the business model, the strategic approach and the future outlook of the Group, the Group's economic performance, risk management, and activities in areas of environment, social, and governance (ESG).

eDreams ODIGEO incorporates the non-financial and diversity information for fiscal year 2022 in this Annual Report following the requirements established in Spanish Law 11/2018 approved on 28th December 2018. The scope and location in this report of the different indicators that make up the non-financial information statement, using the Global Reporting Initiative (GRI) reporting framework, is shown in section B5 of the report.

According to the Spanish Law 11/2018 requirements, this non-financial report has been externally reviewed by Ernst & Young, SL (EY). The external assurance of this document by an independent organization (EY) ensures that the quantitative and qualitative material issues are reported accurately. The corresponding Limited Assurance Report is attached to this report (Section B.6 Auditor verification report).

The scope of the information in this report extends to eDreams ODIGEO Group and the companies that comprise it. In cases where the information reported represents a different scope, this is specified in the corresponding section or table with a footnote.

The financial information included, has been extracted from the consolidated annual accounts for the year ending **31st March 2022.**

Note: The following additional reports, subject to the same filing and approval requirements as the Integrated Annual Report, and also included in chapter B7.2, are available at www.edreamsodigeo.com and in the following CNMV address:

Annual Corporate Governance Report: https://www.cnmv.es/Portal/Consultas/EE/InformacionGobCorp.aspx?nif=A02850956

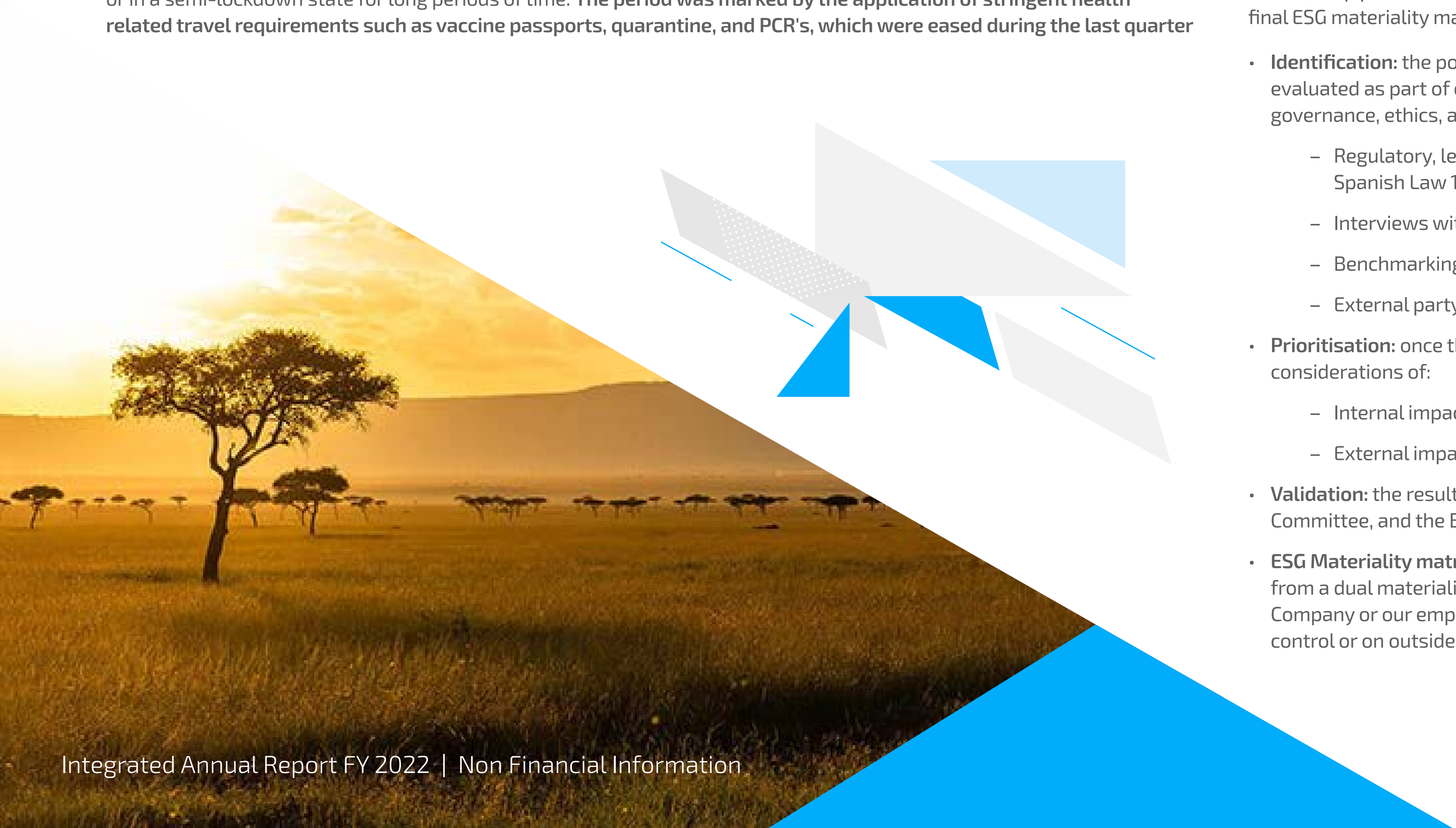
Annual Director Remuneration Report: https://www.cnmv.es/Portal/Consultas/EE/InformacionGobCorp.aspx?TipoInforme=6&nif=A02850956

B.1.2. MATERIALITY

The Company is reinventing travel through its market-leading, highly successful and rapidly growing subscription model Prime. eDreams ODIGEO's growth and development is supported by a strong balance sheet and state of the art proprietary platform and systems infrastructure.

At eDreams ODIGEO we are continuously adapting our strategy to respond to the challenges of the complex and uncertain environment the world is facing. The success of this strategy is borne out in our strong performance and continued outperformance of the market as we have consistently done since the beginning of the pandemic.

Throughout the fiscal year the travel industry continued to be significantly impacted by the COVID-19 pandemic with the emergence of the more contagious variants of the virus Delta and Omicron, with many countries in and out of lockdowns or in a semi-lockdown state for long periods of time. **The period was marked by the application of stringent health related travel requirements such as vaccine passports, quarantine, and PCR's, which were eased during the last quarter of our fiscal year, and although the travel sector in general was heavily impacted, eDreams ODIGEO bounced back robustly with daily booking volumes in excess of pre-pandemic levels.**



The impact of COVID-19 added to the global instability generated by Russia's invasion of Ukraine in the last quarter of the fiscal year have been factored into our FY22 materiality analysis. This materiality analysis helps us understand where eDreams ODIGEO most relevantly impacts ESG, and target initiatives to address material areas of ESG.

The methodology used took into account a double approach and considered both the Group's impact on the environment and the impact of the different issues on the Group.

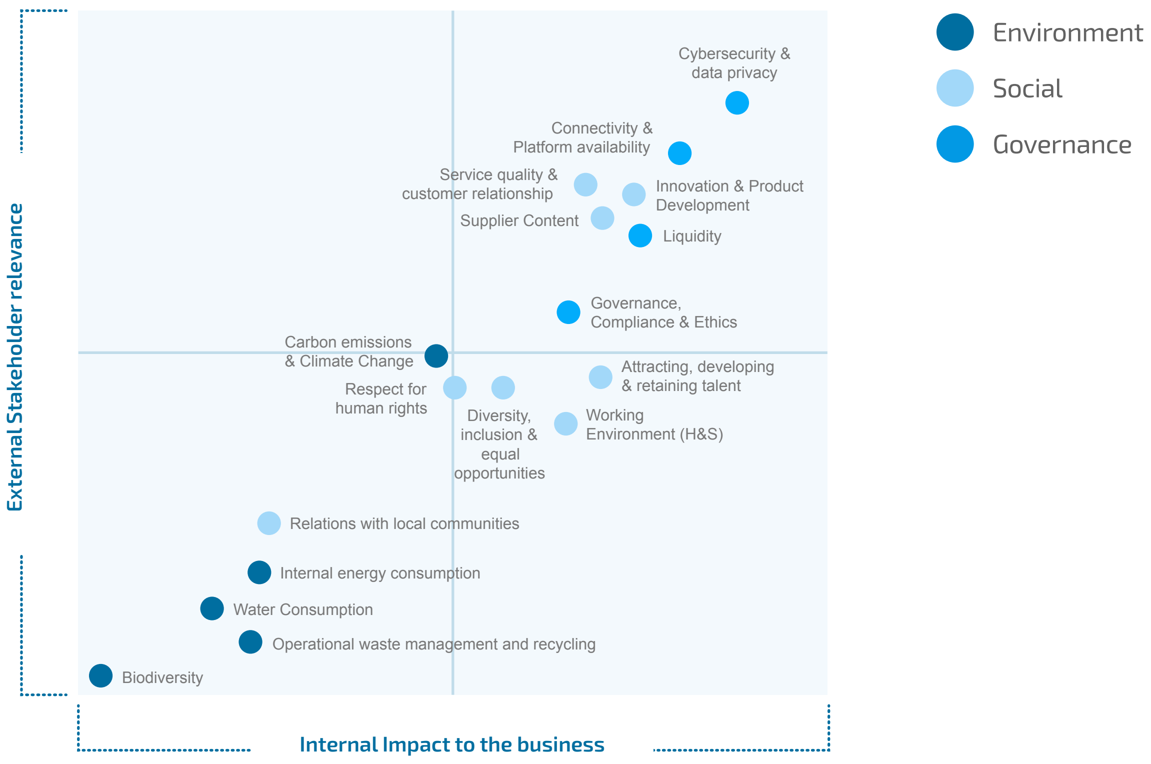
A three step process of identification, prioritisation and validation of material ESG areas was followed to determine the final ESG materiality matrix:

- **Identification:** the population of material ESG areas is based on a subset selected from the full universe of risks evaluated as part of our Group Risk Assessment process. This subset includes risks that impact; environment, social, governance, ethics, and sustainability, and was selected taking into account the following:
    - Regulatory, legislative, and political initiatives relating to sustainability and non-financial aspects, such as Spanish Law 11/2018 on non-financial information, and the UN Sustainable Development Goals (SDG).
    - Interviews with Senior Management (CSM) and key business stakeholders.
    - Benchmarking against peers in the technology, e-commerce, and travel sectors.
    - External party feedback (Proxy advisor & auditor recommendations relating to ESG topics, customer feedback).
- **Prioritisation:** once the subset of relevant material ESG areas was identified, they were prioritised based on the dual considerations of:
    - Internal impact on our business strategy, employees, and organization.
    - External impact on the environment, our customers, and on the communities in which we operate.
- **Validation:** the resulting prioritised areas of materiality ESG focus were shared with Senior Management, the Audit Committee, and the Board.
- **ESG Materiality matrix:** once validated, the materiality matrix was drawn up, visually representing these ESG areas from a dual materiality perspective; in terms of criticality of impact within the organisation (internal impact on the Company or our employees) and criticality of impact externally (impact outside the Company, outside its scope of control or on outside stakeholders).

B.1.2. MATERIALITY

We have identified 17 material ESG areas, and they are represented in the matrix below in terms of dual materiality impact internally and externally.

ESG Materiality Matrix



As a technological, e-commerce, customer facing company the most material areas of ESG where our organization has a direct impact are in the Social and the Governance dimensions of ESG, and this is reflected in the matrix. Although a significantly greater part of the non-financial information report is dedicated to these two areas of ESG, **for Environment, as an organization we are fully committed to responsible management of where we directly impact, and in contributing in a meaningful and positive way where we indirectly impact**.

Material ESG Areas

GOVERNANCE	Cybersecurity & data privacy	As an e-commerce customer focused business, ensuring there are robust mechanisms in place to guarantee the operational availability of our platform and protect our customer data.
	Connectivity & platform availability	
	Innovation & product development	Ensuring we stay ahead of the curve in the rapidly evolving technological environment in which we operate, applying continuous product innovation to anticipate and satisfy our customers needs.
	Governance, compliance & ethics	Strict compliance with all legal & regulatory obligations expected from us from bodies such as the CNMV, IATA, or Data Protection Agencies, and meeting the high standards of ethical behaviour demanded of us by our stakeholders.
SOCIAL	Service quality & customer relationship	As a customer centric one-stop travel shop, the combination of; • An extensive offering of content, sourced from reliable and ethically responsible suppliers. • And providing outstanding customer experience, with speed, transparency, reliability, sensitivity, and honesty are fundamental in building and retaining a larger loyal customer base.
	Supplier Content	
	Attracting & developing talent	The creativity & inspiration of our diverse team of eDOers fuels the innovation that maintains eDreams ODIGEO at the vanguard of the travel industry. Providing our eDOers with a secure, diverse & inclusive working environment, a healthy work-life balance, and the tools and guidance with which to grow and develop professionally, is fundamental to nurturing and retaining them, and attracting new talent in the future.
	Working Environment	
	Diversity, inclusion, & equality	
ENVIRONMENT	Carbon emissions & climate change	Although our direct operations do not have a significant impact on the environment and we fully offset the carbon emissions generated by our operations, we are committed to the implementation of initiatives that organically reduce our direct environmental footprint (electricity & water saving. reduced business travel, hardware recycling, transition to paperless offices...). We recognise the indirect impact generated by the products that we intermediate, and its importance to our stakeholders, and the need for initiatives to address it.
	Internal energy consumption	

ESG initiatives & indicators to address some of the other less material areas in the matrix (such as water usage, effluents and waste generation, social and environmental assessments of suppliers, human rights, and relationships with local communities) are also described within Section B of this report. Atmospheric pollution, including noise and light pollution, the consumption of raw materials and the protection of biodiversity are not material in our activities.

B.1.2. MATERIALITY

Climate Change Risk Management

eDreams ODIGEO, based on the recommendations of the TCFD (Task Force on Climate related Financial Disclosures), has performed an initial analysis of the risks and opportunities related to climate change across all its businesses and geographies, in the short to medium to long term.

The methodology considers:

- **Transitional scenarios** focused on the degree of implementation of climate change policies presented by the International Energy Agency (IEA) in its World Energy Outlook report.
- **Physical scenarios** that include various greenhouse gas emissions concentration scenarios and their physical impacts on the climate analysed by experts from the Intergovernmental Panel on Climate Change (IPCC).

Initial results of the analysis conclude that the short, medium and long-term risks are:

- **Transition risks** as the world economy moves to a more sustainable scenario, that could directly impact our business include:
  - Increases in airline fuel prices resulting from carbon fee/tax mechanisms.
  - Substitution of existing products and services (flights) for those with lower emissions (rail travel).
  - Regulatory measures (i.e. France & Austria bans on domestic flight routes impacting our existing portfolio of services).
  - Increased stakeholder concerns (growth in the flight shaming movement).
- **Physical risks** caused by increased frequency of extreme climate related natural events as carbon emissions increase, that could directly impact our business:
  - Inaccessibility of climate disaster affected regions to travellers, or loss of customer appetite for travel to these regions for safety reasons (earthquakes, wildfires, tsunamis, hurricanes…).
  - Supply chain issues resulting from damaged infrastructure.
  - Decreases in productivity in extreme weather conditions.

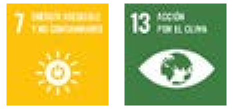
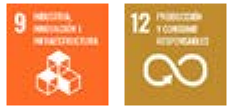
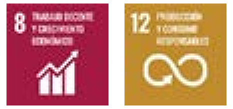
Throughout FY23 the current methodology for identifying exposure to physical and transitional risks and opportunities associated with climate change will be further developed, and more tangible scenario modelling performed over medium and long term time horizons.

B.1.2. MATERIALITY

eDreams ODIGEO's contribution to the Sustainable Development Goals

To ensure that our ESG strategy and materiality analysis is aligned with current global initiatives in ESG we have **mapped our material ESG areas to UN Sustainable Development Goals (SDGs).** Relevance in addressing applicable UN SDGs is a factor taken into consideration when prioritising each of the ESG strategic initiatives. The relationship between our material issues and the SDGs' targets, quantified according to the level of our contribution, has led us to prioritise the SDGs 3, 5, 7, 8, 9, 10, 12, 13, and 17.

The following tables summarise where our material ESG areas overlap with the Sustainable Development Goals, and how our approach aligns with them.

		Coverage of the material aspect		
		Internal (eDO business)	External (stakeholder)	Relevant UN SDGs to which we could contribute
Environmental	Carbon emissions & climate change	X	X	
	Internal energy consumption	X		
	Operational waste management & recycling	X		
	Water consumption	X		
	Biodiversity	N.A.	N.A.	
Social	Innovation & product development	X	X	
	Service quality & customer relationship	X	X	
	Supplier content	X		
	Respect for human rights	X		
	Attracting, developing & retaining talent	X		
	Diversity, inclusion & equal opportunities	X		
	Working environment (H&S)	X		
	Relations with local communities		X	
Governance	Liquidity	X		
	Cybersecurity & data privacy	X	X	
	Connectivity & platform availability	X	X	
	Governance, compliance & ethics	X		

B.1.2. MATERIALITY

eDreams ODIGEO Alignment with UN Sustainable Goals

GOAL 3: Good Health & Well-being

Our people are one of our most important assets, a source of innovation, a catalyst and driver of development and growth. We are firmly committed to facilitating eDOers with a healthy work-life balance, and promoting health and well-being throughout the organization, as healthy and motivated teams stimulate creativity and innovation.

GOAL 5: Gender Equality

We proactively encourage and promote measures to achieve real equality within our organisation establishing equal opportunities between men and women as a strategic principle within our Corporate and Human Resources Policies.

GOAL 7: Affordable & Clean Energy

Our main sites are powered with 100 percent renewable energy sources, and for shared offices we are partnering with other businesses and organizations to enable renewable energy purchases.

GOAL 8: Decent Work & Economic Growth

We are firmly committed to job stability, quality of employment, and permanent contracts, complemented with a strong learning & development offer, to attract and retain our talent. Our culture of flexibility, openness, accountability and trust empowers eDOers with flexibility and autonomy and is fundamental to their well-being and productivity. Our L&D offer aims to nurture a high-performance, motivated and cohesive workforce with great skills and performance levels.

GOAL 9: Industry, Innovation & Infrastructure

We collaborate throughout our supply chain to promote shared and sustainable growth, generating value through the joint development of new products and improvements to products.

GOAL 10: Reduced inequalities

As a Company we celebrate differences and see diversity as a key factor in building a network of diverse talent, capable of understanding customers needs, innovating and reflecting society in the business. Multiculturalism is the backbone of our Company, creating an environment of respect, tolerance and openness, where everyone fits in, contributes and thrives. Different perspectives and opinions only make our work environment richer and more interesting.

GOAL 12: Responsible Consumption & Production

We are committed to act with transparency and integrity, in all of our business dealings, and hold our suppliers and partners to the same exacting standards of ethical behaviour, and social and environmental responsibility, that we expect of ourselves and our teams. CyberSecurity and data privacy are of paramount importance to us as an e-commerce business processing significant volumes of customer sensitive data, and we are firmly committed to safeguarding these as robustly as possible.

GOAL 13: Climate Action

We are continually looking for initiatives that reduce our carbon footprint, and optimise our processes to lower greenhouse gas emissions and waste.

GOAL 17: Partnerships to achieve the Goal

We collaborate closely with different entities and associations to promote the spirit of the SDGs.

B.1.3. ESG & Sustainability Strategy

The ESG materiality analysis has enabled us to **focus on what is relevant, and where we can make a meaningful contribution to a sustainable future.**

> *"Our vision is to....*
>
> *....continue to reinvent travel and to stimulate global tourism, an industry that directly supports one in 10 jobs worldwide.*
>
> *......facilitate and foster deeper connections between diverse cultures across the globe, taking pride in the contribution of tourism to people's livelihoods.*
>
> *......help travellers discover the world encouraging sustainable travel, empowering them to make greener choices, through tech innovation in our platforms.*
>
> *.....work together with our eDOers, customers, partners, suppliers and investors to deliver on our mission to become a more diverse and socially responsible business"*

OUR FOCUS & TARGETS

Our current initiatives are the first steps in our journey. We will continue to learn and innovate and evolve.

	FOCUS	TARGET
ENVIRONMENT	Reducing emissions & consumption. Building sustainability awareness. Integrating sustainability into our business and culture.	Power our office locations with 100% green energy by 2024. Complete migration of our IT infrastructure to Cloud based (serviced by net zero emissions suppliers) by 2024. Maintain carbon neutrality for our direct operations going forwards. Achieve 100% coverage of the "greener choice" CO2 emission information on customer searches across all markets & websites (currently 85% of searches are evaluated on CO2 emissions). Further develop the eDOGreen brand climate and sustainability awareness program for employees and leadership in 2023.
SOCIAL	Enrich our customers travel experience via digital innovation. Foster an inclusive and diverse working environment. Contribute to tech awareness and development among our communities.	Accelerate further our best in class connectivity platform, and extend our pioneering Prime subscription offer to more markets, to further cement a long lasting relationship with our customers. **From FY23 specific ESG related bonus objectives have been set for our teams;** Net Promoter Score to reinforce commitment to our customers, and employee engagement based targets for our People Managers.
GOVERNANCE	Maintain high governance standards. Foster a culture of compliance throughout our teams.	For regulatory areas material to our business, attain certifications from best in class organizations. Continue to develop and build our online compliance training program.

B.1.4. EUROPEAN UNION TAXONOMY

As part of the European Green Deal, the EU strategic plan to make Europe the first climate neutral continent by 2050, the EU passed a number of regulations. The EU Taxonomy Regulation, Sustainable Finance Disclosure Regulation and the Benchmarks Regulation, form the basis for increasing transparency, facilitating sustainable investment, and promoting a cleaner environment, more affordable energy, smarter transport, new jobs, and improvements in the quality of life.

In December 2021, the Climate Delegated Act (CDA), supplementing Article 8 of the Taxonomy Regulation was published in the EU Official Journal. Coming into effect from 1 January 2022, the CDA specifies the content and presentation of information to be disclosed relating to environmentally sustainable economic activities, and the methodology used to comply with this disclosure obligation. The CDA requires the companies to include within their reporting:

- The proportion of revenue derived from products or services related to economic activities that is associated with Taxonomy-eligible activities (turnover).
- The proportion of total expenditure related to assets or processes that are associated with Taxonomy-eligible economic activity (CapEx).
- The proportion of operating expenses related to assets or processes that are associated with Taxonomy-eligible economic activity (OpEx).

Taxonomy-eligible economic activity means an economic activity that is described in the delegated acts supplementing the Taxonomy Regulation (i.e. the Climate Delegated Act as of now) irrespective of whether that economic activity meets any or all of the technical screening criteria laid down in those delegated acts.

Taxonomy-non-eligible economic activity means any economic activity that is not described in the delegated acts supplementing the Taxonomy Regulation.

Taxonomy-aligned economic activity means an economic activity that complies with all of the following requirements:

- the economic activity contributes substantially to one or more of the environmental objectives;
- it does not significantly harm any of the environmental objectives;
- it is carried out in compliance with the minimum safeguards; and
- it complies with technical screening criteria in the delegated acts supplementing the Taxonomy Regulation (i.e. Climate Delegated Act as of now).

Revenue, CapEx & OpEx

eDreams ODIGEO performed a review of all the eligible economic activities listed under the Climate Delegated Act, flagging those that could be potentially impacted by our business, and mapping them to the relevant GL accounts in our financial accounting system.

The only Taxonomy-eligible economic activity identified as per the Climate Delegate Act as of now is the following activity:

Activity description	Economic activity according to EU Taxonomy Guidance
Hosting of our productive & corporate infrastructure in Cloud platform suppliers using renewable energy and low or zero-carbon solutions.	8.1. Data processing, hosting and related activities

eDreams ODIGEO's eligible activity 8.1 Data processing, hosting and related activities is managed by Group Corporate IT.

Based on this analysis:

Proportion of eligible and ineligible activities according to Taxonomy in Revenue, CapEx and OpEx

	Total eligible economic activities FY22		Total non- eligible economic activities FY22		Total (M€); FY22
	M€	Proportion (in %);	M€	Proportion (in %);	
Revenue	0	—%	398.3	100%	398.3
Capital Expenditure (CapEx)	0.49	2%	29.51	98%	30.0
Operating Expenditure (OpEx)	12.70	60%	8.60	40%	21.3

Calculation of the aforementioned indicators has been based on the fiscal year ended 31st March 2022 statutory audited Consolidated Accounts presented in Section C of this integrated annual report.

B.1.4. EUROPEAN UNION TAXONOMY

For Revenue:

The key Taxonomy indicator relating to revenue has been calculated in the following way:

The net turnover derived from products or services, including intangibles, that is associated with Taxonomy-eligible/ aligned activities. (numerator)/total net turnover derived from products or services, including intangibles and defined as Group Revenue Margin (denominator).

In FY22, 0% the turnover of eDreams ODIGEO is associated with Taxonomy-eligible activities.

These revenues have been recognized in accordance with International Accounting Standard (IAS) 1, paragraph 82(a), adopted by Commission Regulation (EC) No. 1126/2008. The denominator of this key indicator is shown in the Consolidated Income Statement of eDreams ODIGEO FY22 Consolidated Financial Statements.

For CapEx:

The key indicator referring to Capex has been calculated in the following way:

Capex investment in Taxonomy-eligible activities that meet the eligible criteria (numerator)/Total Capex (as reported in the Consolidated Group CashFlow Statement) (denominator).

The total Capex covers additions to tangible and intangible assets during the financial year considered before depreciation, amortization and any re-measurements, including those resulting from revaluations and impairments, for the relevant financial year and excluding fair value changes. El total Capex cover costs that are accounted for based on Property, Plant and equipment (IAS 16), Intangible Assets (IAS 38) and Leases (IFRS 16).

See Consolidated Cash Flows Statement of eDreams ODIGEO FY22 Consolidated Financial Statements.

The numerator includes the Capex related to the purchase of output from Taxonomy-eligible economic activities and individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reduction (category c).

In FY22, the capital expenditure that is included in the denominator and comply with the criteria included under category c is the capital expenditure related with the activity 8.1 Data processing, hosting and related activities. eDreams is looking for suppliers that are using renewable energy and or can provide low or zero carbon emissions.

For OpEx:

The key indicator referring to Opex has been calculated in the following way:

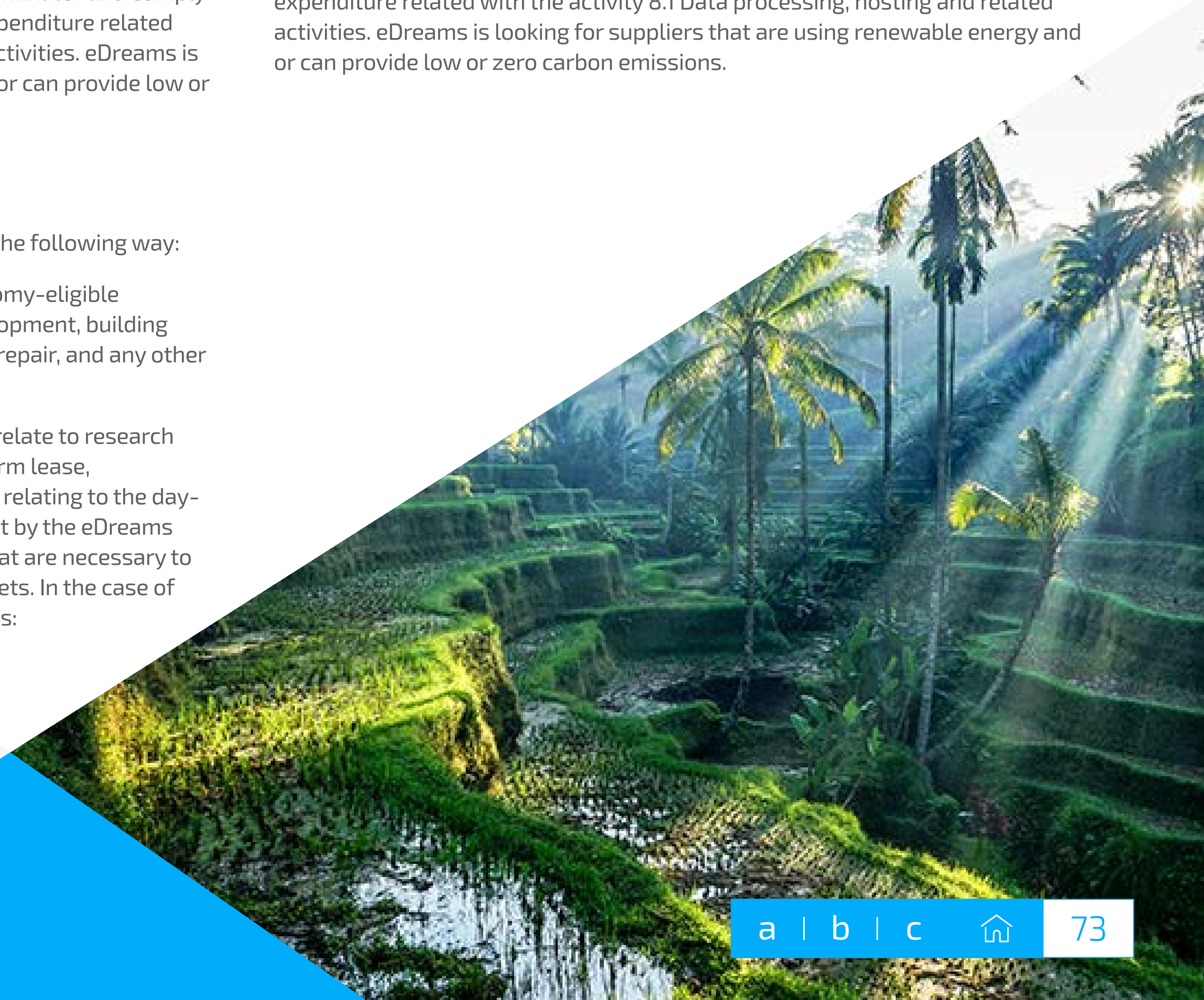
The proportion of operating expenses derived from Taxonomy-eligible activities (numerator)/ Opex related to research and development, building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures (denominator).

The denominator covers direct non-capitalized costs that relate to research and development, building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment by the eDreams ODIGEO or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets. In the case of eDreams ODIGEO, it includes specifically the following costs:

- Data storage and Compute engine services.
- IT maintenance services.
- Office rentals.

The numerator equals to the part of the operating expenditure included in the denominator that is related to the purchase of output from Taxonomy-eligible economic activities and to individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions as well as individual building renovation measures (category c).

In FY22, the operating expenditure that is included in the denominator and complies with the criteria included under category c is the operating expenditure related with the activity 8.1 Data processing, hosting and related activities. eDreams is looking for suppliers that are using renewable energy and or can provide low or zero carbon emissions.



Non Financial Information

B.2. Governance

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B.2.1. eDreams ODIGEO CORPORATE GOVERNANCE STRUCTURE

CORPORATE GOVERNANCE

eDreams ODIGEO continuously strives to achieve best practice in corporate governance, basing itself on the recommendations of Spain's Code of Good Corporate Governance for listed companies. **We are committed to transparency,** and publish information on our corporate website, of interest to all of our stakeholders, from investor presentations and financial statements, to governance reports and policies, to non-financial environment and social information.

As a listed company, we comply with specific regulations and standards, including those related to transparency and internal controls in financial and corporate governance reporting, in addition to risk management and monitoring practices.

> *"eDreams ODIGEO continuously strives to achieve best practice in corporate governance, committed to transparency, rigour and accountability"*

eDreams ODIGEO's corporate governance policies and procedures are designed to help the Company achieve its general objectives and protect the interests of its shareholders.

The bylaws of eDreams ODIGEO relating to corporate governance were drawn up for the Company's IPO in April 2014. Following the relocation of the registered office of the Group from Luxembourg to Spain in March 2021, the Company updated the Rules of the Organization and other corporate policies to adapt the regulations to Spanish Law. They are set out in the following documents:

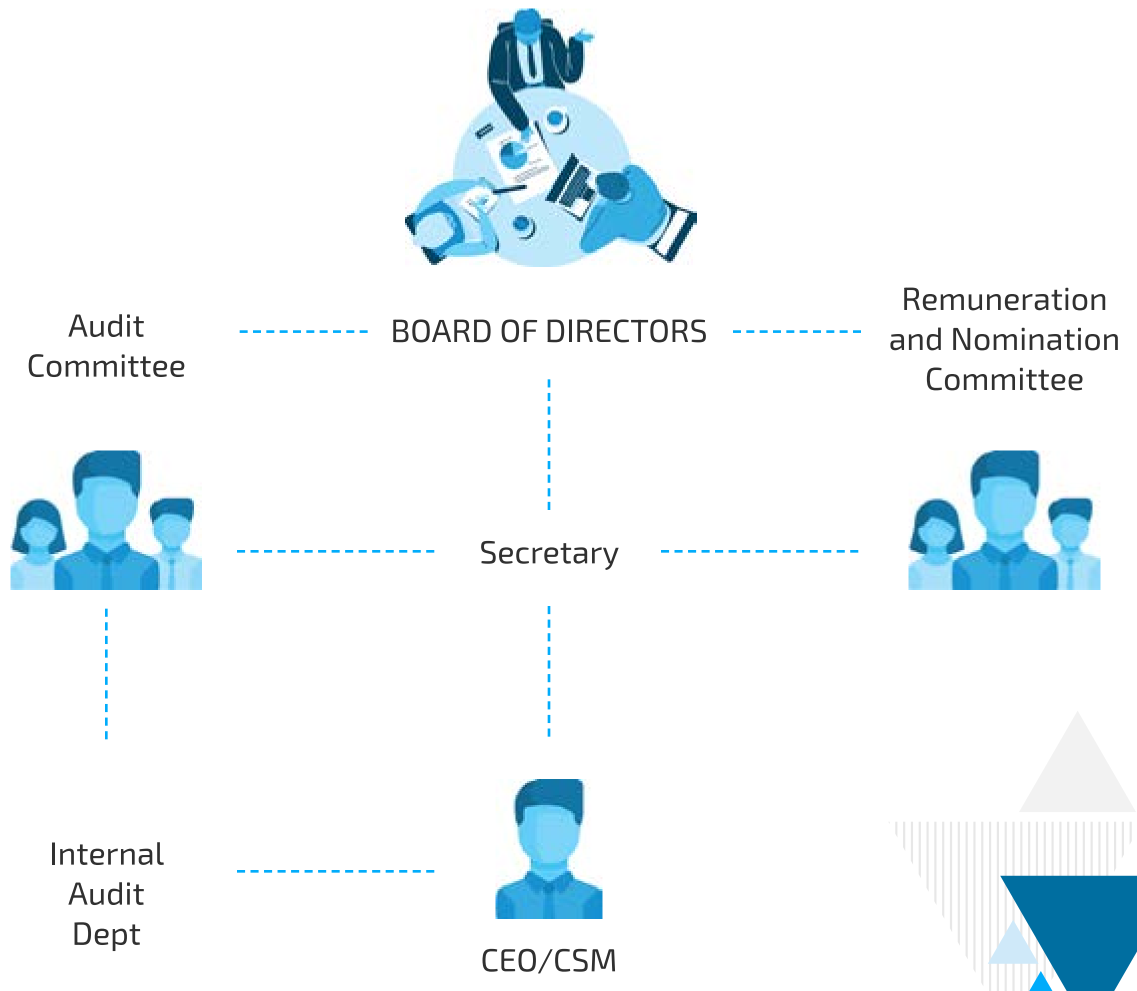
- Company bylaws.
- Internal Rules of Procedure of the Board of Directors.
- Regulations for the Shareholder's General Meeting.
- Internal Rules of Conduct Relating to the Securities Markets.

These documents are available for consultation in the "Investors/Corporate Governance" section of the Company's website:

https://www.edreamsodigeo.com/investors/corporate-governance/rules-of-organization/

B.2.1. eDreams ODIGEO CORPORATE GOVERNANCE STRUCTURE

SHAREHOLDER GENERAL MEETING



SHAREHOLDER MEETINGS

Annual and Extraordinary General Meetings of the shareholders constitute the highest authoritative body representing eDreams ODIGEO share capital.

During these meetings the shareholders exercise their powers exclusively in the spheres of corporate law and the Company's bylaws. These powers include: the appointment of Board members; the review and approval of the annual financial statements; the appropriation of results; the appointment of external auditors; the authorisation of the acquisition of treasury stock; and the supervision of the Board's activities. Both Spanish law and the Company bylaws confer upon Shareholder Meetings the exclusive power of adopting other important resolutions, such as bylaws modifications, mergers, decisions on critical business transactions that could result in the liquidation of the Company, as well as on the remuneration policy of the Board of Directors.

BOARD OF DIRECTORS

The Board of Directors is the highest representative, administrative, managerial and controlling body at eDreams ODIGEO, setting out the Company's general guidelines and economic objectives. The Board carries out the Company's strategy (steering and implementing Company policies), supervision activities (controlling management) and communication functions (serving as a link to shareholders).

In this regard, the Board of Directors is the body responsible for policies on: Remuneration and Hiring, Business Conduct on Security Markets, Corporate Social Responsibility, Risk Management and Control and Corporate Governance.

STRUCTURE OF THE BOARD OF DIRECTORS

The profile of the current Board members, men and women, responds to the needs of the Company, and is soundly based on the principles of meritocracy and diversity.

For the fiscal year ending on 31st March 2022, the Board consisted of nine members: 3 Independent Directors (the Chair and the two Committee Chairs), 4 Proprietary Directors, and 2 Executive Directors. Three of the nine Board members were women (33%). Among the Board members, there is a diversity of professional experience and academic knowledge (lawyers, economists, mathematicians, among others).

The number of Proprietary Directors required to sit on the Board was set in the original Articles of Association. As the two main shareholders reduce their shareholdings in the business, the Company is committed to replacing them with Independent Directors.

Maintaining a balanced and diverse mix of Directors is a primary consideration of the Board & Remuneration Committee.

B.2.1. eDreams ODIGEO CORPORATE GOVERNANCE STRUCTURE

BIOS BOARD MEMBERS

THOMAS VOLLMOELLER

Chair (Independent Director)

Born in Tübingen, Germany, Thomas was Chief Executive Officer at New Work SE, a leading professional business network with over 20 million users, in the DACH region (Germany, Austria and Switzerland).

He is currently Board Member at both Ravensburger AG and Conrad Electronic SE and member of the advisory board of Stiftung Mercator Deutschland GmbH.

Previously, Thomas held several key executive and non-executive positions such as Chief Executive Officer at Valora Holding AG, a publicly-traded international trading company; and, among other functions, as Chief Financial Officer at Tchibo GmbH, one of Germany's largest retail chains.

Thomas received a Doctorate from the University of St. Gallen and a Diploma from the University of Stuttgart-Hohenheim.

Thomas was appointed as Independent Chair Director by the Shareholders Meeting held on 30th September 2019 (effective 1st January 2020), and as of September 2020 for a period of three years, the latest re-appointment coming into effect from the date of relocation of the Company's registered office to Spain (10th March 2021).

CARMEN ALLO

(Independent Director)

Born in Logroño, Spain, Carmen has a wealth of experience in corporate and investment banking in large European and American banks, and as Audit Committee Chair of publicly traded companies on the Spanish stock market. She is currently Chair of the Audit Committee at CAF, having previously held a similar position at Natra. She is also currently a Professor at the Instituto de Empresa and Chair of the Investment Committee for Crisae Private Debt SLU.

Carmen has a degree in Mathematics from the University of Zaragoza and an MBA from Instituto de Empresa, and has attended executive programs at the London Business School and Harvard University.

Carmen was appointed as an Independent Director and Audit Chair as of 1st April 2020 for a term of three years. The decision was ratified in the Shareholders' General Meeting held in September 2020, with a subsequent reappointment coming into effect from the date of relocation of the Company's registered office to Spain (10th March 2021).

AMANDA WILLS

(Independent Director)

Born in Liverpool, Amanda is an award winning and highly respected UK travel industry executive. Starting her tourism career at Airtours PLC, where she became the first woman appointed to the Board of the United Kingdom Leisure Group. She subsequently spent over 13 years as Managing Director of the Virgin Holidays Group joining in September 2001. During this time under her leadership the company experienced exponential growth in both revenues and profit and became the market leader in long haul holidays. Her guidance led to an introduction of industry firsts in both products and services with an acquisition led strategy that penetrated new markets both in the UK and USA. During her tenure as Managing Director Virgin Holidays won many industry accolades.

She was recognised and honoured in the UK for services to British Tourism and her commitment to charity work and was awarded as Commander of the Order of the British Empire (CBE) by the Queen in 2014.

Amanda is also a Non-Executive Director and Chair of the Remuneration Committee of AirPartner Global Limited, a private jet charter and consultancy business.

Amanda was appointed for the first time as Independent Director by the Board of Directors on the 22nd July 2015 for a period of three years, ratified at the Shareholder General Meeting held on 20th July 2016. She was subsequently re-appointed for two further three year terms in Shareholder General Meetings held in September 2018, and September 2020, the latest re-appointment coming into effect from the date of relocation of the Company's registered office to Spain (10th March 2021).

B.2.1. eDreams ODIGEO CORPORATE GOVERNANCE STRUCTURE

BIOS BOARD MEMBERS

DANA PHILIP DUNNE

CEO (Executive Director)

Born in New York, Dana is the Chief Executive Officer at eDreams ODIGEO.

Previously, he served as Chief Commercial Officer of easyJet Plc; being responsible for sales (the significant majority of which were online), marketing, yield management, the contact centres, and customer proposition.

Prior to this he was the Chief Executive Officer and Head of AOL Europe Sarl., a Division of AOL LLC. He has a proven track record at high profile, international telecoms and media companies.

Before AOL he served as President of key business units at Belgacom and US West, two of the most successful Telcos in Europe and the US.

Dana has an MBA from Wharton Business School and a BA in economics from Wesleyan University. He has dual citizenship (American and British).

As at 31^{st} March 2022, he held 2,277,315 eDreams ODIGEO shares.

Dana was appointed as Executive Director in July 2015, and subsequently re-appointed for two further terms in Shareholder General Meetings held in September 2018, and September 2020, the latest re-appointment coming into effect from the date of relocation of the Company's registered office to Spain (10^{th} March 2021).

DAVID ELIZAGA

CFO (Executive Director)

Born in Madrid, David is the Chief Financial Officer of eDreams ODIGEO.

Prior to joining eDreams ODIGEO, he was Chief Financial Officer of Codere S.A., and before that he occupied various positions at Codere S.A., Monitor Group and Lehman Brothers. He holds degrees in Business and Law from Universidad Pontificia de Comillas–ICADE.

As at 31^{st} March 2022, he held 660,610 eDreams ODIGEO shares.

David was appointed for the first time as Executive Director by the Shareholders, in the meeting held on the 20th July 2016. He was subsequently re-appointed for two further three year terms in Shareholder General Meetings held in September 2018, and September 2020, the latest re-appointment coming into effect from the date of relocation of the Company's registered office to Spain (10^{th} March 2021).

LISE FAUCONNIER

(Proprietary Director)

Born in Paris, Lise joined Ardian in 1998. Before joining Ardian, she worked as an Investment Manager at Euris. As a Managing Director at Ardian, she notably led investments in Newrest, eDreams ODIGEO and Camaieu. She is also a Board member of Linedata, a company listed on Euronext, a member of the Supervisory Board of Trigo and Expleo, and Chair of the Supervisory Board of Staci. She began her career at Clinvest as a project manager in the mergers, acquisitions and restructuring department.

Lise was appointed as Proprietary Director (affiliated with the Ardian funds) for the first time by the Shareholders Meeting held on 18^{th} March 2014, and subsequently re-elected for two further three year terms in Shareholder General Meetings held in July 2017 and September 2020, the latest re-appointment coming into effect from the date of relocation of the Company's registered office to Spain (10^{th} March 2021).

B.2.1. eDreams ODIGEO CORPORATE GOVERNANCE STRUCTURE

BIOS BOARD MEMBERS

BENOÎT VAUCHY

(Proprietary Director)

Born in France, Benoît joined the Group in 2011 as Non- Executive Director of Opodo Limited and also previously served as the Chairman of the Group's Audit Committee. He is currently a Partner and a member of the Investment Committee and Executive Committee at Permira. He currently serves on the board of Permira Holding Limited as well as the holding companies of Vacanceselect Group, Universidad Europea and Lowell Group.

He previously served on the board and was the Chairman of the Audit Committee at NDS Group Ltd. and the holding company of Synamedia Group. Prior to joining Permira in 2006, he spent most of his career in leveraged finance including at J.P. Morgan in London.

Benoît was appointed as Proprietary Director (affiliated with the Permira funds) for the first time by the Shareholders Meeting held on 18th March 2014, and subsequently re-elected for two further three year terms in Shareholder General Meetings held in July 2017 and September 2020, the latest re-appointment coming into effect from the date of relocation of the Company's registered office to Spain (10th March 2021).

PEDRO LÓPEZ

(Proprietary Director)

Born in Madrid, Pedro joined Permira in 2006 and since 2016 he serves as Head of the Madrid office. He covers investment opportunities across several sectors and is a member of the Financing Group, having worked on a number of transactions including Magento, Althea, Schustermann & Borenstein (now Bestsecret.com), Universidad Europea (where he is currently Chair), and Neuraxpharm. He also spent several months on secondment in the London office in 2010.

Prior to joining Permira, Pedro spent four years at J.P. Morgan in London, where he worked in the M&A department and in debt capital markets and leveraged finance.

Pedro has degrees in Business Administration and Law from Universidad Carlos III, Spain.

Pedro was appointed as Proprietary Director (affiliated with the Permira funds) for a period of three years in the Shareholder General Meetings held on July 2017 and September 2020, the latest re-appointment coming into effect from the date of relocation of the Company's registered office to Spain (10th March 2021).

DANIEL SETTON

(Proprietary Director)

Born in Paris, Daniel joined Ardian in 2007. Since joining, he has been involved in more than 10 transactions across France, Belgium, the UK and Spain. He notably participated in the acquisition of Opodo Ltd and Go Voyages and was nominated Board Member until 2014; he also took part in the formation of eDreams ODIGEO in 2011.

Daniel currently holds the position of Managing Director in the Ardian Buyout team and is responsible for Buyout financing globally. He is also a Board Member of Inula Holding and at Monbake.

He is a graduate from HEC.

Daniel was appointed as Proprietary Director (affiliated with the Ardian funds) for a period of three years in the Shareholders' Extraordinary Meeting held on 26th February 2019 and September 2020, the latest re-appointment coming into effect from the date of relocation of the Company's registered office to Spain (10th March 2021).

B.2.1. eDreams ODIGEO CORPORATE GOVERNANCE STRUCTURE

AUDIT COMMITTEE

As of 31st March 2022, the Audit Committee is formed by three Non-Executive Directors, all selected for the knowledge and experience they can contribute to the role. Each member is appointed for a 3 year mandate, and can serve up to a maximum of 12 years. The Chair of the Committee is a Non-Executive Independent Director.

Carmen Allo
(Chair)
Independent Director
1 year on the Committee

Benoît Vauchy
Member
Proprietary Director
7 years on the Committee

Thomas Vollmoeller
Member
Independent Director
1 year on the Committee

The Articles of Association and Internal Rules of Procedure of the Board of Directors state that the primary purpose of the Audit Committee is to assist the Board of Directors in fulfilling its supervisory responsibilities relating to the integrity of the financial statements. It reports periodically to the Board of Directors on various activities including but not limited to: the adequacy and the effectiveness of the internal control systems, the Company's risk management system, corporate social responsibility and ESG reporting, and all Compliance related matters (including Group policies and procedures, whistleblowing). The Audit Committee also makes recommendations for the appointment, compensation, and retention of the external auditors, performing a periodic evaluation of their impartiality.

The Audit Committee hierarchically oversees the Internal Audit department, and informs the Board of Directors about its activities in the Board meetings usually held immediately after each Audit Committee meeting.

The Audit Committee meets at least once every quarter in order to review the periodic financial information to be submitted to the securities market authorities as well as the information the Board of Directors must approve and include within its annual public documentation. The Committee will also meet at the request of any of its members and whenever convened by its Chair.

During fiscal year 2022 (1st April 2021 to 31st March 2022), the Audit Committee met on seven occasions.

Depending on the agenda of the Committee, members of the management team and external advisors may also be invited to attend these meetings. External auditors are asked to attend the meetings of the Committee at least twice a year.

The Company Secretary keeps minutes of all Audit Committee meetings, which are available to all members of the Board of Directors.

The Audit Committee prepares an annual report on its activities. The report for the fiscal year 2022 covered the following areas:

- Roles and responsibilities of the Audit Committee.
- Composition of the Audit Committee.
- Activities and meetings of the Audit Committee.
  - Activities and items discussed by the Audit Committee.
  - Meetings held.
- Incidents and proposals for improving the Company's rules of governance and ESG, when applicable.

Audit Committee Activity Report FY22 (https://www.edreamsodigeo.com/category/investors/other-annual-reports/)

B.2.1. eDreams ODIGEO CORPORATE GOVERNANCE STRUCTURE

REMUNERATION AND NOMINATION COMMITTEE

As of 31st March 2022, the Remuneration and Nomination Committee is formed by three Non-Executive Directors the Chair of the Committee is a Non-Executive Independent Director.

Amanda Wills
(Chair)
Independent Director
4 years on the Committee

Thomas Vollmoeller
Member
Independent Director
1 year on the Committee

Lise Fauconnier
Member
Proprietary Director
7 years on the Committee

Among the primary responsibilities of the Remuneration and Nomination Committee are: submitting proposals for the appointment and removal of Directors, and reviewing the application of the Director Remuneration Policy to make proposals, together with the CEO, on the individual remuneration of Directors and to advise on any benefit or long-term incentive schemes.

The Remuneration and Nomination Committee, in accordance with its regulations, meets whenever it is convened by the Board of Directors, the Committee itself, or by its Chair. The Committee will meet at least twice (2) per annum and at such other times as it sees fit.

During the fiscal year 2022 (1st April 2021 to 31st March 2022), the Remuneration and Nomination Committee met on three occasions.

Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chief Executive, the Chief People Officer and external advisers may be invited to attend all or part of any meeting, as and when appropriate and necessary.

The Company Secretary keeps minutes of all Remuneration and Nomination Committee meetings, which are available to all members of the Board of Directors.

The Remuneration and Nomination Committee prepares an annual report detailing its activities. The report for the fiscal year 2022, covered the following areas:

- Roles and responsibilities of the Remuneration and Nomination Committee.
- Composition of the Remuneration and Nomination Committee.
- Activities and meetings of the Remuneration and Nomination Committee during the fiscal year 2022.
  - Activities and items discussed by the Remuneration and Nomination Committee.
  - Meetings held.
- Incidents and proposals for improving the Company's rules of governance, when applicable.

Remuneration and Nomination Activity Report FY22 (https://www.edreamsodigeo.com/category/investors/other-annual-reports/)

B.2.1. eDreams ODIGEO CORPORATE GOVERNANCE STRUCTURE

DIRECTOR SELECTION POLICY

The eDreams ODIGEO Director Selection Policy ensures that proposals for appointment or re-election of Directors are based on a prior analysis of the needs of the Group's Board of Directors, that they foster a diversity of knowledge, experience and gender, and are free from any implicit bias entailing any kind of discrimination. In particular, the candidates must be respectable and qualified persons, widely recognised for their expertise, competence, experience, qualifications, training, availability, and commitment to their duties. They must be irreproachable professionals with a personal and professional track record of respect for the laws and good business practices, and whose professional conduct and background are aligned with the principles set forth in the Business Code of Conduct and with the mission, vision, and values of the Group.

DIRECTOR REMUNERATION POLICY

The Director Remuneration Policy seeks to ensure adequate remuneration commensurate with the dedication and responsibility assumed, and in accordance with the remuneration paid on the market at comparable domestic and international companies, taking into account the long-term interest of all of the shareholders.

The Annual Director Remuneration Report is made available to the shareholders upon the call to the Annual Shareholders' General Meeting, and is submitted to a consultative vote during the meeting as a separate item on the agenda.

Both documents are available on our corporate website (https://www.edreamsodigeo.com/corporate-policies/).

REMUNERATION STRUCTURE

A maximum aggregated annual amount for the duties as Board members is defined in accordance with the Company by-laws and the Company's Board of Directors' Regulations. This aggregate amount is approved by the Shareholders' General Meeting and reviewed every three years.

The determination of each director's remuneration corresponds to the Board of Directors, which shall take into consideration the duties and responsibilities attributed to each director, the Board committees on which they sit and other objective circumstances that are relevant. In this regard, the remuneration of directors must maintain a reasonable proportion with the importance and economic situation of the Company, and the market standards of comparable companies.

The maximum amount to be paid to the Non-Executive Directors, as a fixed amount, for their duties as Board members, shall not exceed an annual amount of €500K for each of the years 2021, 2022 and 2023. This takes into account potential increases required in the future as Proprietary Directors are replaced with Independent Directors (for FY22 Non Executive Director remuneration totalled €315K).

Independent Directors:

Independent Directors are remunerated with respect to their effective dedication, qualification and responsibility, without constituting an impediment to their independence. Along these lines, the remuneration of the Independent Directors consists primarily of a fixed fee. The Board of Directors must also ensure that the remuneration received by those directors is sufficient to incentivise their dedication without compromising their independence. They are not entitled to incentive plans.

B.2.1. eDreams ODIGEO CORPORATE GOVERNANCE STRUCTURE

Proprietary and Executive Directors:

The Proprietary and Executive Directors do not receive any remuneration for sitting on the Board of Directors or any other Committee of the Board of Directors.

Executive Directors for their executive duties:

The Executive Directors receive an annual salary for their executive duties at the Company. The purpose is to reflect the market value of the role, and reward skills and experience. The total remuneration of the Executive Directors is made up of various components, primarily consisting of: Base salary (payable monthly); Short-term variable remuneration (eDreams ODIGEO annual bonus) and Long Term Incentive Plan.

The aggregate annual fixed remuneration of the two Executive Directors during the years in which the Director Remuneration policy is in force (2021, 2022, 2023) amounts to €1,058K per year. During this term the Board of Directors may decide to increase the aggregate annual fixed remuneration, one or more times, up to a maximum of 20% of that amount (for FY22 Executive Director fixed remuneration for their executive duties totalled €1,059K).

Note: full detail of Board Members Remuneration is detailed in the Annual Remuneration Report FY22 (https://www.edreamsodigeo.com/category/investors/remmuneration-of-directors-reports/).

eDreams ODIGEO SENIOR MANAGEMENT TEAM (CSM)

eDreams ODIGEO's Senior Management team consists of the Company's CEO, Dana Dunne, and other key executives reporting to the CEO – the CEO Staff Members (CSM). Together they set the strategy, direction and goals for the whole Company and ensure that all key departments are aligned.

B.2.2. ETHICAL FRAMEWORK AND MAIN POLICIES APPLIED BY THE GROUP

A. COMPLIANCE COMMITTEE

eDreams ODIGEO Compliance Committee was set up to review, address, and respond to any concerns raised by employees (eDOers) relating to business conduct and ethics, and compliance in general.

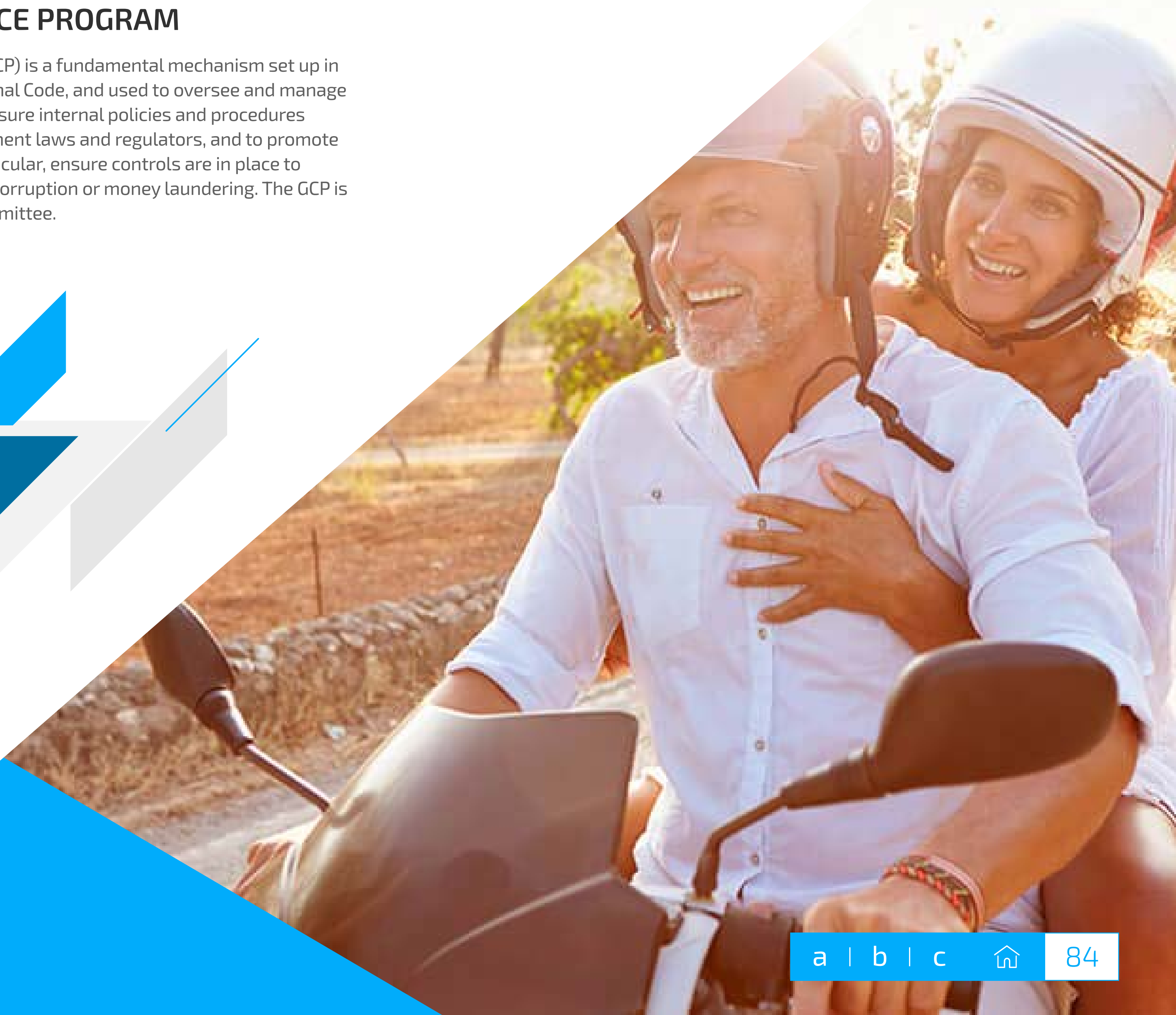
The Compliance Committee is made up of: the Chief People Officer, General Counsel, the Head of Internal Audit & Compliance, the Group Competition & Compliance Counsel, and the Governance Risk & Compliance Manager. Decisions are taken by a majority of its members.

The Compliance Committee is responsible for the following:

- **Monitoring compliance** with all of the policies covered within the GCP (Group Compliance Program);
- **Identifying and prioritising** specific areas of compliance;
- Ensuring the Group is up to date with **all significant regulatory changes,** and that standards, policies and procedures are adapted accordingly;
- Ensuring all **policies are communicated** widely and recommending any amendments deemed necessary;
- **Developing procedures** to promote the detection of compliance problems;
- Ensuring the adequacy of procedures for **eDOers to report concerns** related to GCP;
- **Evaluating** these concerns and providing timely and satisfactory responses;
- Maintaining the **confidentiality** of any concerns reported by eDOers;
- Implementing periodic **training on** issues relevant to GCP;
- Preparation of periodic **summary reports to the Audit Committee** and Executive Management.

B. GROUP COMPLIANCE PROGRAM

The Group Compliance Program (GCP) is a fundamental mechanism set up in accordance with the Spanish Criminal Code, and used to oversee and manage regulatory & compliance risk, to ensure internal policies and procedures meet the standards set by government laws and regulators, and to promote compliance risk awareness, in particular, ensure controls are in place to prevent activities such as bribery, corruption or money laundering. The GCP is supervised by the Compliance Committee.



B.2.2. ETHICAL FRAMEWORK AND MAIN POLICIES APPLIED BY THE GROUP

C. RELEVANT POLICIES

As a technology company servicing customers online, our main Group policies fall into three broad areas:

- **ETHICS AND INTEGRITY: we are fully committed to acting with the highest standards of ethics and integrity in our relationships with all our stakeholders**. The following Company policies provide guidance to reinforce our culture of ethical behaviour, respect for human rights, and rejection of active or passive bribery, corruption and money laundering.
  - **Our Group Business Code of Conduct:** sets out the basic principles to ensure all of our eDOers, contractors, and suppliers act ethically, honestly, with integrity, avoiding any form of corruption, and with respect for applicable laws, and for human rights.
  - **Our Gifts and Hospitality Policy:** prepared as a complement to the eDreams ODIGEO Business Code of Conduct to provide procedural information and guidance to all of our eDOers when giving or receiving gifts or hospitality.
  - **Our Group Anti-Money Laundering Policy:** sets out general guidelines to help identify, prevent, and provide early detection of any situation that may generate cause for concern or represent a risk in relation to money laundering and terrorist financing.
  - **Internal Regulations for Conduct in the Securities Markets:** set out the rules by which, as a publicly traded company, we commit to behaving at all times with the utmost diligence and transparency, keeping to a minimum any risk of conflict of interest or insider trading, ensuring that investors receive proper and timely information, for the benefit and integrity of the market.
  - **Our Group Procurement and Significant Outsourced Suppliers Policy** contains specific sections detailing the due diligence steps to be followed during the supplier selection process.
  - **Powers of attorney:** delineate those empowered to make commitments on behalf of the Company, and within the Company's sphere of operating activities.
  - **Travel and Expense Policy:** sets the rules governing business travel for eDreams ODIGEO team members.

- **IT SECURITY & DATA PRIVACY:** how we protect our systems, sensitive information, and the data privacy rights of our customers, against cyber-attack, negligence, or fraud. The following Group policies provide robust guidance to ensure secure protection and appropriate handling of information and systems:
  - **IT Security Policy.**
  - **Acceptable Use of Corporate Hardware & Software Policy.**
  - **Internal Privacy Policy.**

- **CONFIDENTIAL INFORMATION & COMMUNICATION:** each of us has a duty to protect confidential Company information, and ensure it is disseminated through the appropriate channels, at the right moment, and transparently and consistently. To help with this we have following policies:
  - **Handling Confidential Information Policy.**
  - **External Communication and Media Policy.**
  - **Appropriate Use of Social Media Guidelines.**

Other important policies include the CSR Policy which sets out the Group's ESG and environmental guiding principles, and the Plan for Equal Opportunities outlining key diversity principles.

Group policies are applicable to all persons anywhere in the world employed or otherwise engaged by eDreams ODIGEO, including seconded and temporary employees, third party contractors, and any other person or organization representing or acting on behalf of eDreams ODIGEO.

"Commitment to act with integrity"

B.2.2. ETHICAL FRAMEWORK AND MAIN POLICIES APPLIED BY THE GROUP

OUR GROUP BUSINESS CODE OF CONDUCT

At the heart of all our corporate values is our **Group Business Code of Conduct**, which outlines our ethical values and the most relevant policies to help **foster ethical behaviour** in all our operations and among all our eDOers.

A business can only be truly successful when it balances commercial objectives with responsible and ethical behaviour. At eDreams ODIGEO we believe ethical behaviour is fundamental to building a successful relationship with our customers, shareholders, suppliers, team members and the community at large.

Our Group Business Code of Conduct is designed to provide a frame of reference for ethical conduct, drafting business principles and commitments to eDreams ODIGEO's stakeholders, and defining expectations of team members in their daily decision-making and in their relationships with other stakeholders.

The Business Code of Conduct is provided to all of our eDOers and they are required to read it and sign off in acknowledgement that they agree to abide by these principles. It is available on both our corporate website (https://www.edreamsodigeo.com/corporate-policies/) and on our internal intranet, and is readily accessible to all stakeholders.

We expect all of our eDOers and suppliers to maintain the principles of integrity and standards of behaviour set out in our Business Code of Conduct. The main areas covered by the Code are:

- **Diversity and Inclusion: prohibiting discriminatory practices** (gender, age, disability, ethnic origin, family status, race, religion and sexual orientation) and harassment (sexual, physical or verbal) of any form.
- Promoting **equal employment opportunities**, with overall respect for human rights, and the interests of those our activities can affect.
- **Preventing corruption and bribery.**
- **Gifts and Hospitality.**
- **Ensuring the confidentiality of information** is respected by eDreams ODIGEO eDOers and third parties.
- Intellectual Property and Proprietary information.
- **Privacy and Data protection** of personal information.
- Ensuring **transparency** in all information reported.
- **External Communication and Government Inquiries.**
- Ensuring **fair market competition and antitrust.**
- **Working environment and well-being: preventing health and safety** risks and respecting eDOers' rights.
- **Corporate Social Responsibility and Sustainable Development.**
- **Conflicts of interest.**
- **Insider Trading.**
- **International trade.**
- Acting with **respect** in all situations.

B.2.2. ETHICAL FRAMEWORK AND MAIN POLICIES APPLIED BY THE GROUP

D. OUR COMMITMENT TO PREVENT BRIBERY, FRAUD, CORRUPTION, AND MONEY LAUNDERING

eDreams ODIGEO is committed to **winning business through fair and honest competition in the marketplace**. We are committed to the highest standards of ethics, complying with obligations under international anti-corruption and anti-money laundering laws, and discourage bribery and corrupt practices. To help us meet this commitment we use a combination of internal control systems, policies, training, and stringent disciplinary procedures.

In the event that a fraud is committed, the Company will promptly take such action as is appropriate to remedy the situation, clarify individual responsibilities, take appropriate disciplinary and legal actions, and leverage lessons learned in order to improve the internal controls wherever needed.

As part of our global anti-corruption efforts, we are committed to conducting our business professionally, fairly and ethically, and in full compliance with all anti-money laundering (AML) laws that may be applicable. We will actively pursue the prevention of money laundering and any activity that facilitates money laundering or the funding of terrorism or other criminal activities.

eDreams ODIGEO does not qualify as a "financial institution" which would be required to have an AML compliance program or file suspicious activity reports under the European and US regulations. Nevertheless, we have issued an Anti-Money Laundering Policy to follow industry best practices and as part of our risk management program to mitigate financial crimes risk.

We have not been impacted by any cases of bribery and corruption during this year or any year in the past.

E. HOW DO WE SPREAD THIS MESSAGE THROUGHOUT THE COMPANY

Our **commitment to high standards of ethical conduct** is reinforced not only via the aforementioned policies, but also via **targeted online training courses** provided to eDOers, and is firmly embedded within our core Company values.

All of our eDOers are required to take our online Compliance Training Program (CTP), which covers the main policy areas previously described: Ethics and Behaviours, IT Security & Data Privacy, and Confidential Information & Appropriate Communication.

Contemporary, interactive online training courses are delivered via the CTP on subjects such as Code of Conduct, Anti-Bribery, Anti-Money Laundering, Ethical Behaviour, Preventing Conflicts of Interest, Gifts & Hospitality, IT Security, PCI, & Confidential Information, and GDPR.

All courses are delivered with the relevant Group Corporate policy, **which must be read and signed in acknowledgement.** A **compliance training roadmap is defined and shared with the Audit Committee** at the beginning of each fiscal year. Key policies such as IT & Cybersecurity, Data Privacy, Business Code of Conduct, Anti-Money Laundering, and Gifts are shared on an annual basis.

During FY22 the training delivered to all our eDOers was focused on Ethics, CyberSecurity & Remote Working, Data Privacy and Diversity, Inclusion, & Equality.

To maintain our teams' awareness Company-wide refresher communications are sent out to remind the eDOers of the key areas of compliance, updated with new regulatory changes. These refresher communications are delivered in a number of ways: compliance shots video shorts, quizzes, screensaver messages, posters, and intranet articles.

As part of the onboarding process all new eDOers receive the aforementioned online training courses tailored to their position and responsibilities, in order to ensure they are quickly up to speed with Company expectations in the most critical areas of compliance relevant to the Group, and further cultivate an ethical culture across the organisation.

B.2.2. ETHICAL FRAMEWORK AND MAIN POLICIES APPLIED BY THE GROUP

F. REPORTING CHANNELS

We have made available a series of **reporting channels and procedures** to enable eDOers and stakeholders **to raise any concerns relating to infringements**, or non-compliance with the Business Code of Conduct or any other Group Policy, in an anonymous and confidential manner.

eDreams ODIGEO has an **open-door policy** that allows anyone the freedom to approach any member of management without fear of retaliation. In addition to this, eDreams ODIGEO has also made available 2 channels for reporting concerns confidentially:

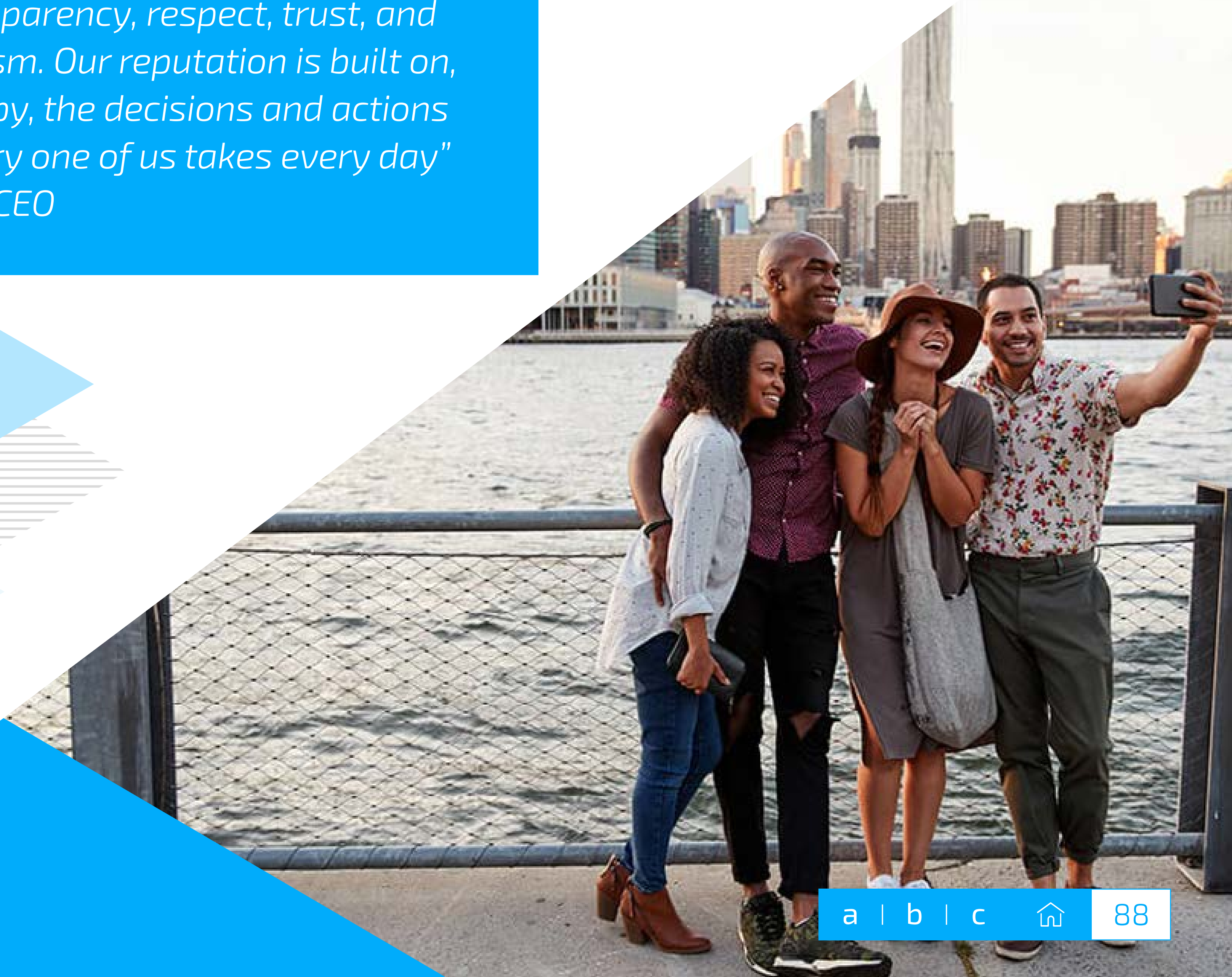
- The "Compliance Helpline", an intranet based form through which all eDOers can address queries and report confidentially and anonymously.
- A generic email address (compliancecommittee@edreamsodigeo.com) to be used by third party partners, suppliers, customers, in a confidential manner.

eDOers can select the one they are the most comfortable with, whilst external stakeholders may reach the Compliance Committee via the generic email.

The Compliance Committee is responsible for investigating and following up – **in strict confidentiality** – all communications received via these whistleblowing channels.

The identity of the person reporting an irregular action shall be deemed confidential. The Company is committed to take no direct or indirect reprisals against eDOers or other stakeholders reporting in good faith an irregular action, while also protecting the rights of the person subject to investigation. Any retaliatory actions taken will be subject to disciplinary measures.

> *"At eDreams ODIGEO, we value integrity, honesty,transparency, respect, trust, and professionalism. Our reputation is built on, and affected by, the decisions and actions each and every one of us takes every day"*
> *Dana Dunne, CEO*



B.2.3. RISK MANAGEMENT

RISK MANAGEMENT

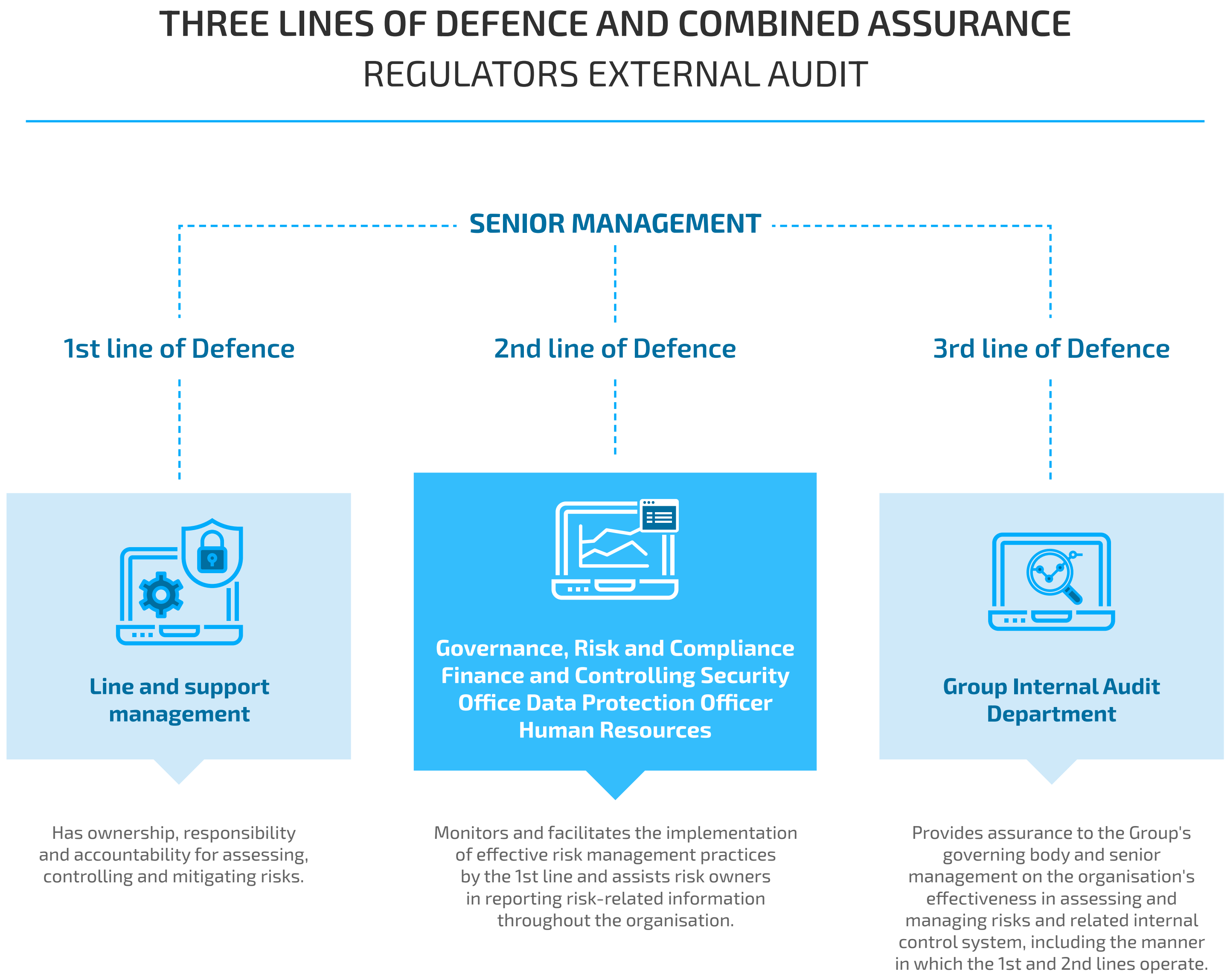
The Group Risk Management process involves the identification, measurement, and prioritization of risks. By evaluating the significance of each risk in relation to the achievement of strategic goals, it enables the business to implement appropriate risk management processes and contingency plans to mitigate the impact of risk materialization. Risks are assigned specific business owners responsible for valuation, mitigation, and action plans.

The Corporate Risk Map aggregates all critical strategic, compliance (legal, regulatory, and tax), **financial reporting, environmental, social, and market risks with a potential impact on Group Strategic Objectives.** It takes into consideration all brands across all geographies and markets, and is a fundamental element in the Group's decision-making processes.

The Corporate Risk Map prioritises risks according to impact (financial, operational, regulatory, environmental, and reputational) and likelihood of occurrence (based on the quality of the following factors: internal controls and processes, people, technology and audit & fraud history). Risks are evaluated on an "inherent risk" basis, the impact and likelihood of occurrence without factoring in internal preventative measures, and on a "residual risk" basis which is after taking into account these measures.

Tax and ESG risks are incorporated within the umbrella of the Corporate Risk Map in the same way as any other risk, and scored and prioritised according to probability and impact. For a detailed subset of the ESG related risks please see section B.1.2 Materiality.

The Risk Assessment exercise is prepared with the input of all key stakeholders in the business, and where necessary with advice from external experts (legal and tax specialists).



B.2.3. RISK MANAGEMENT

The following bodies are responsible for maintaining and supervising the eDreams ODIGEO internal control framework:

BOARD OF DIRECTORS

The Board of Directors has the ultimate responsibility for ensuring there is an adequate internal controls framework and risk management process in place. They are responsible for approving the risk control and management policy, as well as the periodic monitoring of the internal information and control systems.

AUDIT COMMITTEE

One of the primary duties of the Audit Committee is to support the Board of Directors in its supervisory duties.

The Audit Committee is responsible for supervising the internal control system. Among its functions with respect to the internal control and reporting systems, as delegated Committee of the Board of Directors, are:

- To manage and report the main risks identified as a consequence of monitoring the efficiency of the Company's internal controls through Internal Audit.
- To ensure the independence and effectiveness of the Internal Audit function: propose the selection, appointment, reappointment, and removal of the Head of Internal Audit; propose the department's budget; receive regular reports on its activities; and verify that senior management takes into account the findings and recommendations of its reports.
- To establish and supervise a mechanism whereby staff can report, confidentially and, if appropriate, anonymously, potentially significant irregularities within the Company that they detect, in particular financial or accounting irregularities.

3RD LINE OF DEFENCE

Group Internal Audit

The Audit Committee is assisted by the **Internal Audit department to fulfil these risk management responsibilities.** The Group Internal Audit department reports to the Audit Committee, and assists it in its mandate of monitoring the effectiveness of the Company's internal control and risk management systems. This is achieved through internal controls testing, financial and operational reviews, which result in periodic reports on deficiencies detected and the actions plan proposed to remediate them.

2ND LINE OF DEFENCE

Governance, Risk, & Compliance

The main responsibilities of the Governance, Risk & Compliance function are:

- **Maintenance and update of the internal controls framework** over financial reported information with input from control owners.
- **Advice and assessment** of the relevance, and degree of compliance with Group Policies and Procedures (with oversight from the Compliance Committee).
- **Monitoring compliance** with internal controls over Financial Statements.
- **Training** of Finance personnel on internal controls and best practices.
- Supporting the Group Internal Audit department with **testing procedures.**
- **Follow up on corrective actions** proposed by Group Internal Audit.

Finance & Controlling Function

Risk is managed on a continuous basis by the Company Chief Executive Officer and the Heads of each corporate functional area, in accordance with their respective scope of activity.

The functional teams within eDreams ODIGEO, primarily Finance & Controlling headed by the Chief Financial Officer (a member of the Board), play a critical role as they are responsible for the documentation, maintenance, and update of the various procedures & controls that govern their operations.

Data Protection Officer

Our Data Protection Officer (DPO) forms an essential part of the second line of defence.

From an internal perspective the DPO's primary role is to provide guidance across the organisation on all matters relating to data privacy, best practice, security, and compliance with the GDPR.

From an external perspective the DPO is fundamental in ensuring that we respond timely and accurately to all customer requests relating to their personal data, and in ensuring fluent dialogue and cooperation with local regulatory bodies.

IT Security Office

Cybersecurity is one of the key compliance domains within our Group Compliance Program. The IT Security Office, a cornerstone of our second line of defence, works round the clock to ensure that we have **robust and up to date Cybersecurity IT controls, leveraging knowledge gained from attacks experienced by peers in the sector,** and constantly challenging the existing environment.

B.2.3. RISK MANAGEMENT

FIRST LINE OF DEFENCE

The first line of defence is provided by our eDOers and management. The systems, internal controls, control environment and culture developed and implemented by our teams is crucial in anticipating and managing risks. **Our commitment to integrity and transparency begins with our own eDOers**, and at eDreams ODIGEO we value integrity, honesty, transparency, respect, trust and professionalism in our daily operations and relationships.

MANAGEMENT OF CORPORATE RISK ASSESSMENT

A formal Group Risk Assessment exercise is performed on an annual basis, involving all Senior Management team risk owners. This is shared with the Senior Management team, Audit Committee and Board of Directors who will review, and provide further input where relevant, and serves as one of the main drivers in determining the Internal Audit planned activities. For risk areas that require specialist knowledge (such as tax and local legal or regulatory matters) external advisors may be used to provide expert assessment.

Each of the risks is assigned to a Senior Management owner in the business responsible for managing it on an ongoing basis, and reporting on key risk indicators used to measure the level of risk, business initiatives currently in place, and where necessary, business action plans for the future to further mitigate the risk.

Risks are tracked and reported on a continued basis as part of the weekly CSM meetings the CEO has with all direct reports. In the event of materialization of a major risk, the Board would be notified timely, on an ad-hoc basis either via call or meeting.

Periodic updates are performed by Internal Controls & Compliance to obtain updates of the status and continued relevance of the key risks and mitigating measures implemented to address them.

The Board & Audit Committee are updated on a quarterly basis by the CEO & Senior Management team on business, ESG, and operational risk challenges, by the General Counsel on changes in the legal & regulatory risk environment, and by the Head of Internal Audit on risks arising from changes in the internal control environment.

On an annual basis the Audit Committee is provided with a detailed session by the Group Tax Officer on the tax environment, and by the General Counsel on the legal & regulatory environment.

B.2.3. RISK MANAGEMENT

RISKS THAT MAY ADVERSELY AFFECT OUR BUSINESS, FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Risks Related to the Travel Industry (Outside Company control):

- Global pandemics (such as COVID-19 and risk of emergence of similar pandemics in the future) with the subsequent threat to our eDOers and our customers health & safety, worldwide economic shutdown, and more specifically the reduction in travel sector volumes, and the knock on impact on revenues and liquidity.
- Localised events affecting travel safety such as political and social instability, wars and terrorist activity, or localised epidemics.
- General economic and political conditions in the core countries in which we operate (France, Spain, Germany, Italy, and the UK).
- Changes in current laws, rules and regulations and other legal uncertainties, in particular to data privacy and consumer protection legislation.
- Management and adaptation to changes in regulation and consumer demand linked to climate change.
- Deterioration in the financial condition or restructuring of operations of one or more of our major suppliers.
- Conditions required for obtaining and maintaining certain licenses or accreditations, especially IATA.
- Exposure to seasonal fluctuations and impact on comparability of quarterly and yearly results.
- Dependence on the level of Internet penetration.

Risks related to Climate Change & Energy Transition:

- The increasing frequency of occurrence of extreme meteorological events & natural disasters resulting from global warming such: as earthquakes, hurricanes, tsunamis, widespread flooding, and forest fires.
- Climate related regulatory & reporting changes such as the more stringent reporting obligations from the European Union Green Deal and bans on certain domestic flight routes.
- Growth in momentum of the flight shaming movement and adverse consumer perception of flight travel.
- Increased costs associated with the transition to more renewable sources of energy.

Risks Related to Our Business:

- Failures in technology due to system interruption or cyberattack, and the effectiveness of response plans.
- Processing, storage, use and disclosure of personal data, and prevention of data breach, and potential liabilities arising as a result of governmental and/or industry regulation.
- Management of any incremental cyber and data protection risks associated with remote working post COVID-19.
- Innovation, product diversification, the ability to keep up with rapid technological and industry trends, in particular with changing consumer travel preferences and additional health & safety requirements in the post COVID-19 environment, and the success of execution of these changes.
- Failure to retain or add new members to our Prime subscription program which has grown substantially over the past two years, could adversely impact growth and profitability.
- Changes in search engine algorithms and search engine relationships.
- Intense competition for advertising and metasearch revenue.
- Dependence on significant third party supplier relationships for: content, commissions, incentive payments, advertising and metasearch revenue, systems, processing, and fees.
- Competitive landscape of the travel industry, rapidly changing market, with many players.
- Retention of our highly skilled teams and the ability to attract additional qualified talent in the current environment of global tech talent shortage.
- Adverse tax events.
- Evolving customer demand, self-sufficiency, fee sensitivity, and increased awareness due to the evolution of social media.
- Reliance on the value and strength of our brands, and increased costs of maintaining and enhancing brand awareness.
- The ability to successfully grow the business via merger or acquisition, and the optimization of cost and the efficiency of integration of new businesses.
- Exposure to risks associated with booking and payment fraud.
- Protection of our Intellectual Property and against infringement of third party intellectual property rights.
- International operations involving additional risks and our exposure to these risks will increase as we further expand our international operations.

Risks Related to Our Financial Profile:

- Management of liquidity during the COVID-19 environment of drastically reduced booking volumes.
- Impairment of goodwill and other intangible assets.
- Significant leverage and financial products subject to restrictive debt covenants.
- Risks associated with currency fluctuations.

RISK THAT HAVE MATERIALISED DURING THE FISCAL YEAR

Risks that have materialised during the fiscal year include:

COVID-19 Pandemic

- Resurgence of the COVID-19 pandemic and mutant variations of COVID-19 after the disease had begun to subside, as well as renewed countermeasures by authorities, have extended the effects of the pandemic and reversed the limited recovery that had been made in the travel industry and in the economy in general and we cannot predict when these effects will end. The emergence of the more contagious delta and omicron variants were the most significant risk event that impacted the Group during the fiscal year. Many governments in Europe and elsewhere, imposed additional travel restrictions, and stringent health related travel requirements such as vaccine passports and PCRs making it difficult for incoming passengers from affected countries from entering their territories, or cancelling incoming flights from affected countries. The travel sector was one of the most directly impacted. Despite this, traveller confidence and appetite for travel has bounced back.
- COVID-19 has also increased the threat of supplier bankruptcy (airlines in particular). The adverse financial impact of maintaining grounded fleets, and compensating customers for mass cancellations of flights due to country border closures or more recently airline & airport staff shortages due to COVID-19, has seen airlines such as Atlas, FlyBe, Air Italy, South African Airways, TAME, Levels Europe, AIr Asia Japan, Tigerair Australia, Air Mauritius, Cathay Dragon, and AIr Namibia file for bankruptcy or Chapter 11 during the COVID period.
- During this challenging period, eDOers health and safety has continued to be our first and foremost priority, closely followed by attending to all of our customers needs, and ensuring our business remained liquid, resilient, with a refocus of strategic priorities to ensure the Group adapts and emerges stronger in the post COVID-19 travel landscape.

Russian invasion of Ukraine

- The Company only had a very small business in Russia, representing just 0.03% of its worldwide bookings and 0.3% across Eastern Europe. The Russian invasion of the Ukraine, and growing escalation in the intensity of hostilities, has increased geopolitical instability in Europe, with a knock-on impact to the travel sector, that include:
  - An intensified threat of cybersecurity attacks from Russia to Ukraine and NATO countries.
  - Travel safety concerns, and operational disruption caused by airspace closures, airline bans, and flightpath re-routings.
  - Energy-supply disruptions affecting economic activity and generating sustained inflationary pressure.
  - Economic sanctions such trade restrictions, and exclusion from the SWIFT banking system, adversely impacting airlines and customers that operate throughout the region.

Global Economic Conditions

- Both the COVID-19 pandemic and the Russian invasion of Ukraine have contributed to a deterioration in global economic conditions. Supply chain interruptions and energy supply disruptions are fuelling growing worldwide inflation, with rising oil & energy prices impacting carriers as they try to recover pre-COVID levels of activity, and general price increases leaving consumers with less disposable income.

Other

- The effects of other localised events affecting travel safety and customer choice of destination, including;
  - Continued political and social instability across the globe including: the fall of Kabul to the Taliban, and increased terrorist activity in the Middle East.
  - Meteorological events such as: the summer flooding in Germany, Central Europe, and China, wildfires in Australia, the US, and Turkey, Hurricane Ida in the US & Caribbean, and super typhoon Rai in the Far East, the earthquake in Haiti, and volcanic eruptions in La Palma, Indonesia, and the Philippines.
  - Aircraft related concerns such as the grounding of the Boeing 737 Max, and issues with the Boeing 777 & 787 models.
- Continued commercial and intellectual property disputes with Ryanair.
- Significant increases in regulatory environment and consumer regulation in some of the geographic locations, in particular in the UK and France.
- Although we are pleased to report that we have not experienced any significant information security breaches in the last three years, cyberattacks such as the data breaches suffered in recent years by BA, Marriott, EasyJet and Prestige Software are a constant reminder of the need for robust Cybersecurity controls and awareness and remaining vigilant.
- No significant customer data breaches were suffered during the fiscal year.
- No material Tax risks materialised during the fiscal year.

B.2.3. RISK MANAGEMENT

CYBERSECURITY (Governance and IT Security)

As an e-commerce business embedded in the cyber ecosystem, we recognise the importance of being able to anticipate, recover and adapt quickly to cyber incidents, based on a strong cyber-resilient approach.

With rapid advances in technologies, spurred by machine learning and automation advancements, come more sophisticated and proliferated cyber-attacks, as increasingly capable and affordable hacking resources become available to cybercriminals at relatively low (or in some cases no) cost. This trend shows no signs of slowing.

Management of cybersecurity risk, ensuring operational continuity of our platform, and protecting our customer data, are paramount concerns for our business. In this regard, our cybersecurity governance system is based on an IT Security strategy founded on the following 6 key domains to ensure we are aligned with business objectives running the Company ahead of Security threats.

Security Strategy

Security Governance
- Security Dashboard (indicators)
- Security Governance Model

Security by Desgin
- Security Architecture
- Security Development

Security Compliance
- Security Auditing and assessment
- Security Policy Framework

Security Monitoring
- Security Operations Center
- Security Incidents Response

Security Analysis
- Security Testing
- Vulnerability Analisis

Internal Security
- Security Awareness
- Digital Identity Security

Cybersecurity management is supervised by the Board of Directors. The Audit Committee and Board are kept apprised of Cyber & IT Security matters on a regular basis, by the CTO in detailed presentations, and the Head of Internal Audit who reports quarterly on the status of the Cybersecurity & ITGC control environment, and a dashboard of cyber threats suffered by type of attack.

Cybersecurity is managed transversally throughout the organisation, led by the Group CTO, and the Security Office & IT Operations teams, responsible for ensuring the strategic alignment of policies, and the effective execution of a robust prevent, detect, and respond controls framework.

Measures

eDreams ODIGEO's Cybersecurity Management Strategy is continually updated to reflect the latest requirements and threats in this area. The strategy seeks to increase the prevention, protection and investigation of cyber-attacks and, accordingly, to strengthen the Company's resilience in digital environments in order to ensure the protection of all eDreams ODIGEO's information assets.

This globally applicable strategy is based on three key areas: people, processes and technology.

eDreams ODIGEO's policies, processes, and controls, aligned with regulatory requirements, are based on a series of international standards and good practices, such as ISO 27001 and NIST SP 500-53. They set out to establish the basic lines of action that must be complied with by employees in terms of information security.

These measures are complemented by a cyber-risk insurance policy, and clean annual certifications that we are required to obtain in relation to PCI DSS and SWIFT environments, under which IT Security controls are stringently tested by external parties. The Group is in the process of formally certifying in ISO 27001 information security management and plans to conclude this process in FY23.

On the people side, training and awareness is a critical factor in embedding a deep culture of cybersecurity in the organisation. During FY22 we have continued to provide our teams with a constant flow of cyber-security campaigns, delivered via: online training courses, video shorts and security tips guides on the Company Intranet, complemented by organisation wide webinars from subject matter experts. Our Security Office periodically launch simulated phishing campaigns to assess the level of employee cyber-awareness.

Regarding the extension of the principles to the supply chain, eDreams ODIGEO establishes cybersecurity criteria that are required in the processes of procurement or contracting third party services, and a qualification evaluation system is being implemented for the main suppliers that process Company information.

B.2.3. RISK MANAGEMENT

Cybersecurity incident response procedure

The eDreams ODIGEO incident response procedure is based on incident management documentation developed by NIST (National Institute for Standard and Technology - Special Publication (SP) 800-61). It sets out how to manage, coordinate, classify, and execute the response to cybersecurity incidents. To facilitate this, eDreams ODIGEO uses an advanced suite of automated IT tools to monitor and alert for cybersecurity incidents impacting our IT infrastructure and systems. These alerts are analysed by our Security Team, and system rules and configurations are updated based on the learnings from these intrusion attempts. Automated alerting is the most relevant source of requests that activates the incident response procedure.

BUSINESS CONTINUITY AND CRISIS MANAGEMENT PLANNING

The Group's Business Continuity, Crisis Management and Disaster Recovery Plans regulate the mechanisms to be implemented in the event of a serious security incident. These mechanisms help maintain the service level within predefined limits, establishing a minimum recovery period, analysing the results and reasons for the incident, and aim to avoid or minimise the interruption to corporate activities.

The 2020-2021 COVID-19 pandemic served as a robust and successful test of the effectiveness of our BCP and Crisis Management protocols, The plans we had in place involved cross functional teams of critical personnel from each area of the business. Two cross functional task forces were quickly set up, including expertise from all key areas of the business to troubleshoot all potential ramifications, and implement business continuity measures covering a wide range of key areas including: a proactive communication & education exercise to the whole organisation, remote working from home testing, modelling of multiple scenarios and ensuring adequate cashflow to cover, cost reduction measures, monitoring of the financial stability of all key suppliers, etc.

We were able to successfully execute our business continuity plans, efficiently transferring to a 100% remote working environment, without any business disruption or loss in productivity, and effectively take care of our main priorities: our eDOers, our customers, and our liquidity. Once these immediate priorities were addressed we were able to focus on developing our business, continuing to develop product features for our customers and preparing the business to emerge even stronger in the post COVID environment.

Looking forward we recognise the importance of continually adapting response protocols to new geo-political events as that may materialise.

B.2.4. SUSTAINABILITY AND ESG MANAGEMENT

eDreams ODIGEO is one of the world's largest online travel companies and one of the largest European e-commerce businesses, recognised for its quality, independence and integrity. The Company has established a strong brand and reputation based on its pioneering spirit, empathy with the customer, focus on service, and constant commitment to innovation through cutting edge technologies.

As a global Group, we strongly believe in corporate social responsibility delivered in a context in which the business operations positively impact the environment and the local communities where it operates, and this is managed through our ESG programme, initiatives, policies, and teams.

Our Group Corporate Social Responsibility (CSR) policy sets the tone of how we manage ESG, our relationship with the environment and society, and how this is governed internally to promote a culture of social responsibility across the Group.

ESG impact is a key consideration in the Group's strategic planning and all current and future initiatives developed under the ESG umbrella aim to generate long-term value to the Company, its customers, its stakeholders and to the wider society in which we operate.

The policy is aligned with the eDreams ODIGEO Business Code of Conduct, in which behavioural patterns are consistent with eDreams ODIGEO values.

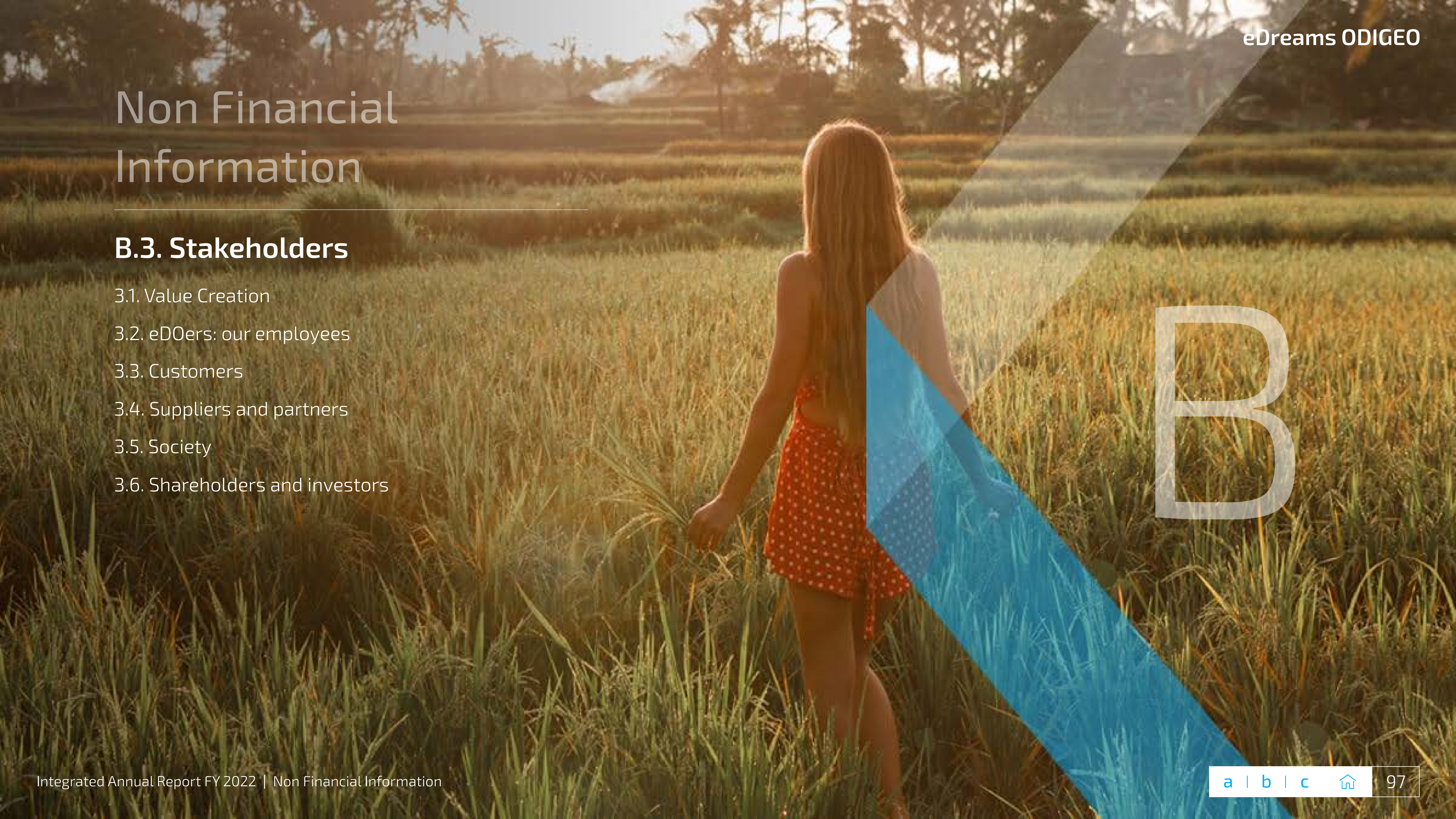
The principles governing the policy are:

- **Compliance with applicable law** in the countries and territories in which we do business, basing our relations with the competent public authorities in each jurisdiction on fidelity, reliability, professionalism, collaboration, reciprocity, and good faith.
- Integrity and a culture of ethical behaviour in the areas of **human rights, equal opportunities, labour practices, and the environment.**
- **Transparency and reliability** in the presentation of information and communication with shareholders, investors, eDOers, customers, suppliers, and other stakeholders.
- **Commitment to respect for the environment** and its sustainability; adding social value to our activity.

The Board of Directors of eDreams ODIGEO delegated supervision of ESG to the Audit Committee who are updated on a quarterly basis on the status of ESG related initiatives.

ESG for the whole Group is managed internally by the CEO and his CSM team, supported by a permanent internal body composed of the Facilities Director, Head of Internal Comms and GRC Manager, who coordinate and manage ESG initiatives on a daily basis and who meet every 2 weeks to review progress on the implementation of ESG initiatives. Activities are supported by a wider group of eDOers dedicated to actions focused on Sustainability (eDO Green), Solidarity, and Well-being (eDOWellness). The CEO and CSM are updated on the status, and on a quarterly basis related initiatives and targets are shared with the Audit Committee.

The current Policy was approved by the Board of Directors in June 2017. (https://www.edreamsodigeo.com/wp-content/uploads/sites/19/2016/08/Corporate-Social-Responsibility-Policy.pdf)



Non Financial Information

B.3. Stakeholders

B

B.3.1. VALUE CREATION

ONE STOP TRAVEL SHOP

eDreams opodo GOVOYAGES travellink liligo

As a leader in the worldwide OTA sector, **our goal is to keep reinventing travel and stimulating sustainable global tourism, facilitating and fostering deeper connections between diverse cultures across the globe,** taking pride in **the contribution of tourism to people's livelihoods.** This is made possible by **our disruptive business model, based on cutting edge technology, machine based learning and artificial intelligence, and managed by our skilled, innovative, and diverse team of eDOers.**

Through our **Prime subscription program (one of the key pillars of our ESG strategy)** we seek to create **an attractive one-stop platform and develop long term relationships with customers.** We believe that our Prime subscription program will allow us to **cultivate a much deeper relationship with our customers**. Our vision for Prime is for it to be the most innovative and best travel subscription program, covering all its members' travel needs. We believe that we have developed an innovative business model within travel that provides an attractive proposition for both our customers and us.

Our Employees "eDOers" & Society

"Our people are at the heart of our Company's purpose to reinvent and shape the future of travel, and we are proud of our ***network of diverse, creative talent****"*

Our Shareholders

"We believe in active and transparent communication, good governance, and involving our investors in a project they can look forward to"

Our Suppliers & Partners

"We provide access to the entire travel market with the aim of offering the widest choice to consumers, from suppliers with a good track record for ***integrity, ethics, safety & customer service****"*

Main suppliers & partners include: travel content suppliers, payment services, cloud technology, and outsourced call centres.

Our Environment

"As an e-commerce company, we believe that there are numerous opportunities for technology to be a powerful force for positive environmental change"

Our Customers

"We want to ***reinvent travel****, and we strive to be the customer centric, one stop travel company that customers turn to when looking for a long term relationship that makes their travel experience easier, more accessible and better value"*

B.3.2. eDOers: OUR EMPLOYEES

Our eDOers come first and foremost, and in keeping with one of our core values, we have been journeying together through these uncharted waters. The difficult backdrop of COVID-19 has only served to reinforce our corporate culture of togetherness and the eDreams ODIGEO's commitment to"Our eDOers", convinced that this is what is needed to earn the credibility and trust of our team members, the Company's greatest asset.

Our teams are the main axis of the eDreams ODIGEO business model and a catalyst and driver of development and growth. Our model is focused on people because their suggestions and ideas are a constant source of innovation. It is through their involvement and dedication, applying our values and methodology in their daily work, that these ideas are brought to life, contributing vitally to the Company's growth.

FY22 has been a year of recovery from both a business and people perspective, after a challenging FY21. During FY22 our People Strategy focused on the following pillars:

Overarching Principles	Priority	Description
Impact & Value.	eDOer experience.	**Automate & drive efficiencies using people analytics to improve our eDOers' experience.**
Automation & Self-service.	Engagement.	**Equip people managers to drive engagement within their team, and positively impact retention.**
Simplify & Consolidate.	Quality Talent.	**Transform talent acquisition, building our eDO brand to make eDO an attractive proposition and by driving internal mobility.**
Communication.		

During FY22 we set ourselves the objective of giving our eDOers an even better employee experience, and this was successfully achieved thanks to the following initiatives:

- Moving to a hybrid working environment, offering eDOers the flexibility to maintain a healthy work-life balance.
- Evolving our people analytics dashboards to offer real time actionable data to our leadership team on topics such as; speed of hiring, attrition cause, engagement and other relevant metrics.
- Reigniting our learning offer, ensuring that after a year of increased workload created by the pandemic, eDOers can once again fully leverage all the great learning opportunities available to them to develop skills and improve performance and leadership.
- Constantly monitoring engagement and eDOers' satisfaction relating to indicators such as work-life balance, business strategy or manager feedback.
- Strengthening our recruitment muscle, almost hiring at pre-COVID rates, and improving the quality of our hires.
- Focusing on internal mobility, facilitating career and growth opportunities within the organization for eDOers.

"Many eDOers recognise how much we are doing for them. We constantly gauge their engagement to understand what's working well and what needs our focus; we listen to their feedback to drive improvements, we launch well-being initiatives to make sure that they are feeling well, we encourage them to take time for learning. Briefly, we show our eDOers that we care about them as human beings"

B.3.2. eDOers: OUR EMPLOYEES

Over 1,020 eDOers	46 Nationalities	**Speak** 36 Languages	99% Permanent contracts
36.3 Average age	78% Millenials or younger	3.74 **Years** Average tenure	23,326 Hours of training

B.3.2. eDOers: OUR EMPLOYEES

COMMITMENT TO HUMAN RIGHTS, ANTI-SLAVERY, ETHICAL PRINCIPLES & EMPLOYEE FREEDOM OF ASSOCIATION

We are committed to respecting and promoting human rights, and the interests of those our activities can affect. We respect the human rights of our employees and stakeholders, seek to avoid infringing these rights and work to address any adverse human rights impacts we may be involved with. Our commitment is based on internationally recognised standards and principles, in particular the United Nations (UN) Guiding Principles on Business and Human Rights. eDreams ODIGEO expects its business partners to apply similar standards of corporate conduct.

eDreams ODIGEO Group Business Code of Conduct sections relating to Human Rights

- **Non-discrimination** (Diversity, Inclusion & Equality)
- **Fair wages**
- **Anti-slavery, child labour and human trafficking** (Quality job creation)
- **Work life balance**
- **Health and safety**
- **Freedom of association/ Collective bargaining**
- **eDOers Privacy and Data Protection**

B.3.2. eDOers: OUR EMPLOYEES

DIVERSITY, INCLUSION, & EQUALITY

Our people are at the heart of our Company's purpose to help shape the future of travel. **As a Company we see diversity as a key factor in building a network of diverse talent, capable of understanding customers' needs, innovating, leading the transformation of the industry, and reflecting society in the business.** For all these reasons, a fundamental pillar of eDreams ODIGEO corporate culture is based on diversity, equality, and inclusion and a key component of our eDO Value, We Explore, Grow and Discover.

In FY22, **eDreams ODIGEO's millennial workforce of over 1,020 people, with an average age of 36.3, is driven by one clear mission: making travel easier, more accessible, and better value for our 17 million customers worldwide.** We strive to ensure that our knowledge, expertise and leadership translate into value for our customers and contribute to the success of our stakeholders.

The complexity of our industry calls for the most qualified and accomplished workforce, equipped with the talent and skills to support our aspirations as a global technology leader in the travel sector. We have the privilege of attracting such talent; and we also work hard to ensure that eDreams ODIGEO retains that talent and continues to be a strong employer and recruiter. The variety and flexibility of our culture, and our team representing 46 different nationalities, and speaking 36 languages, naturally embrace diversity and inclusion while fostering collaboration and innovation. **At eDreams ODIGEO, we welcome and celebrate differences, and work hard to ensure that our corporate environment is based on equality of opportunity, fairness, respect and dignity for all our eDOers.** We view differences based on gender, age, race, culture, ethnicity, sexual orientation and disabilities, as strong assets not only to enrich our corporate culture and values, but more importantly as a business imperative in today's complex, global and interconnected world. Through our Business Code of Conduct, we formalise our commitment to promote these aspects. The policies and actions relating to selection, hiring, training and internal promotion of employees are based on criteria of capacity, competence and professional merit.

Multiculturalism is the backbone of our Company, creating an environment of respect, tolerance and openness, where everyone fits in, contributes and thrives. Different perspectives and opinions only make our work environment richer and more interesting. We are proud of our diversity, acknowledge this great advantage and invest in ensuring that we leverage its full potential: cultural awareness is explicitly outlined as a primary core competency required of our eDOers.

We firmly believe that a diverse and inclusive workforce is critical to the success of our Company, our customers, our eDOers, our shareholders, our suppliers and more generally, of all the communities in which we operate.

At eDreams ODIGEO, we strive to be as inclusive as possible. The Company has elected to professionally integrate people with disabilities, in compliance with the Spanish Law on General Disability (LGD), in two ways; via outsourcing to Special Employment Centres as providers of cleaning services, and via direct hire. As at 31st March 2022, 5 employees were sourced via special employment centres, and 3 employees hired directly.

> *"We are on an exciting journey that is transforming our business and reinventing the travel experience for consumers.To maintain our strong growth, we are looking for the best and brightest international talent to join us and help us continue disrupting the market and driving tech innovation in the e-commerce sector"*
> *Dana Dunne, CEO*

B.3.2. eDOers: OUR EMPLOYEES

Gender equality is extremely important at eDreams ODIGEO.

Equal treatment and opportunities between men and women, and prevention of direct or indirect discrimination based on gender, are fundamental pillars of our policies. We proactively encourage and promote measures to achieve real equality within our organization establishing equal opportunities between men and women as a strategic principle within our Corporate and Human Resources Policies, and reinforced through our Group Business Code of Conduct.

During FY22 we have achieved a global workforce balance of 39.2% female and 60.8% male across our different locations vs 41.3% female and 58.7% male in FY21. The main factor contributing to the FY22 female/male ratio continues to be the that the global talent pool from which we recruit IT related positions (accounting for 41% of our workforce) remains predominantly male.

As an organization, we support the principle of equal treatment and opportunities in all areas and talent decisions based on meritocracy and do not tolerate discrimination on the grounds of gender, sexual orientation, marital status, disability, age, race, political and religious beliefs, trade union membership or any other kind of basis.

Our **Equality Plan,** (in adherence with Spanish Organic Law 3/2007), is integrated into the Collective Agreement in Spain. The Plan aims to guarantee a quality working environment, advance equal treatment and opportunities, guarantee fair pay, prevent and eliminate any possibility of discrimination,and ensure that the objective of a healthy family and work-life balance is met.

The Equality Plan tackles different aspects key to a more equal work environment; the main areas of focus being:

- Inclusive, non-sexist communication.
- Assessment to verify there are no salary gaps based on gender.
- Reduction of the gender gap within IT.

The Equality Plan is being reviewed and an updated version will be issued during 2022. As a complement to the Plan, to facilitate implementation and raise employee awareness we have a **Protocol for the prevention of all forms of harassment, as well as online training courses on zero tolerance and inclusive language.** These are available for all eDOers to consult on our intranet.

Our **Equal Opportunities Committee**, formed by Company representatives and eDOers, is entrusted with overseeing that we meet the objectives set out in the Equality Plan.

Our recruitment policies are based on the capacity, competence and professional background required for a position, and job offers are gender-neutral; ensuring that the best candidate is selected for the vacancy without any bias. Professional executive search firms employed by eDreams ODIGEO are also required to provide a comprehensive and diverse list for all recruitment initiatives.

Awareness is fundamental to promoting a cohesive working environment, making it possible to build healthy working relationships, prevent discrimination and create united and competitive teams. In return, the Company gets its best asset: eDOers who are passionate about their work, which translates into a direct increase in efficiency and productivity.

Equality related initiatives in FY22 included;

- Activities for World Women's week in March 2022 to promote an equal work environment:
  - Panel discussions and Q&A sessions with eDO women leaders to inspire others to fulfil their career expectations.
  - Campaigns and quizzes focusing on inspirational women in history.
- Relaunch of the in-house designed online training course "Zero Tolerance", on diversity and harassment, providing our professionals with the knowledge and tools to operate in a dynamic and inclusive context.

B.3.2. eDOers: OUR EMPLOYEES

FAIR WAGES AND COMPENSATION

Every eDOer has the right **to fair compensation for their work.** The Company is committed to remunerating employees in line with the labour market best practices and local legislation.

Equal pay is an area that we monitor closely, working to ensure that our salary ranges are designed to avoid discrimination based on gender. eDreams ODIGEO managers are fully aware of their responsibilities in this regard, and during **FY22 as part of the compensation review and proposal process for FY23, people managers were provided with gender pay gap data for their teams, to help them make well balanced decisions.**

We believe that when you strive to succeed and go the extra mile, your individual and collective performance will strongly contribute to our common goals and Company performance.

In addition to a competitive market salary, we offer our eDOers different forms of variable bonus compensation based on individual, team, and Company performance. The Company also offers benefits such as a flexible compensation plan to eDOers, allowing them to redistribute up to 30% of their gross annual salary on the following products: medical insurance, kindergarten, restaurant and transport tickets. Over 40% of eDOers made use of the flexible plan in FY22 and FY21.

QUALITY JOB CREATION

We are firmly committed to job stability and quality of employment, with nearly 100% of our eDOers on permanent contracts, 98% of which are full time. As a policy we do not use non-regular employment as this does not align with our philosophy of stimulating, developing, and retaining our talent, within a quality and secure work environment.

Slavery, child labour, and human trafficking are abuses of an individual's freedom and rights. We are totally opposed to such abuses in our direct operations, our indirect operations, and our supply chain as a whole.

As a Company we endeavour to ensure that slavery and human trafficking do not take place in any part of our business or our supply chain. We comply fully with the UK Modern Slavery Act requirements, and require all of our significant outsourced suppliers to provide certifications of compliance on an annual basis, reflecting this commitment in our annual Responsible Business Conduct (UKMSA) statement available on our corporate website.

B.3.2. eDOers: OUR EMPLOYEES

WORK LIFE BALANCE

eDreams ODIGEO has a culture of flexibility, openness, accountability and trust. We believe that a healthy work/personal life balance, and empowering our eDOers with the **flexibility and autonomy** to decide when, and from where, to work is fundamental to their well-being and productivity. Our **Flexible Working Policy and the family oriented measures** support this philosophy:

Flexible Working Policy

Our Flexible Work Policy provides the framework for eDOers to work remotely effectively and efficiently, maintain high performance and engaged and connected teams. The policy defines practices, responsibilities and procedures for eDOers aimed at optimizing the possible benefits available to all. Benefits of Flexible Work impacting eDOers, teams and eDO are:

- Improved motivation and engagement.
- Better work-life balance and individual well-being.
- Improved productivity and focused time.
- Greater talent attraction.

The key principles of the eDO Flexible Working Policy are:

- Hybrid home-office model
- Mutual Flexibility
- Information shared timely & openly
- Trust
- Focus on outcome, not time-in-seat
- Accountability
- Adaptability

> *"Performance must be judged by results generated within a healthy working environment"*

In order to ensure all our eDOers have a remote workplace that meets all Health & Safety recommendations and enables them to replicate working conditions at home, we have equipped our eDOers with ergonomic chairs, screens and laptops, and secure VPN connections with sufficient bandwidth to the internet, as well as a monthly allowance to cover associated costs. In addition, we have also provided them with a number of resources to facilitate this process on an ongoing basis:

- **Security Tips for Remote Working** Guide & Online CyberSecurity training courses to ensure their home environment is as robustly protected as the office environment.
- **Customised guidelines and learning resources** to help team members implement effective strategies to move from face to face to remote work.
- **Improved and more flexible channels of communication** moving from email or chat to Slack channels, creating a stronger sense of community across all areas. People from all teams across eDO started sharing their workspace, quickly reaffirming a sense of community.

This flexibility successfully contributes to our efforts to reinforce the attractiveness of our Company and its work environment in the market. We strongly believe that it fits perfectly with our ambition to promote a culture of flexibility, openness, accountability and trust within the Company, and increase eDOers engagement, motivation, and loyalty.

Family oriented measures:

To facilitate work-life balance for staff members with children or that have to take care of a family member, we offer:

- **Flexible schedule:** giving our eDOers the opportunity to organise their working hours to accommodate family commitments.
- **Personal leave:** option to take a day or a period off if an emergency or personal circumstance comes up.
- **Birth and child care leave:** take leave period in the event of maternity (including an extension from legally mandated 15 day allowance to 20 days for breastfeeding), paternity, adoption, custody for adoption and foster care of a child.
- **Working hours reduction:** reduction in working hours to take care of a child under 12 years of age, a dependant family member, or a disabled person.

B.3.2. eDOers: OUR EMPLOYEES

> *"As a leading company in the travel tech sector, innovation is part of our DNA. We are constantly innovating in all aspects of the business, and of course, we also do it in the way in which we work and how we manage our teams and our talent. We are proud to present a pioneering work system that is a first in our industry and that gathers the best of each working model, which will ensure the best results for the business as well as the highest work-life balance for our team members"*

eDOers HEALTH & SAFETY

eDreams ODIGEO **is firmly committed to a safe work environment.** Our Health and Safety Committee is dedicated to continuous improvement and ensuring all issues relating to the prevention of occupational risks are addressed.

We have put in place **measures to create a healthy work environment for eDOers, contractors, authorised visitors, and anyone else who may be affected by our operations, to optimise physical, psychological and social conditions.**

We set levels of occupational safety beyond the minimum required to comply with regulations, aligning programmes and procedures to all local standards, and implementing them at local levels following the approval of the Health and Safety Committee.

eDreams ODIGEO collaborates with organizations specialised in health, safety and risk prevention. At eDreams ODIGEO we are firmly committed to following the guidelines of all Governments in countries where we have office locations and eDOers. Our eDOers safety and well-being comes first and it is of paramount importance to ensure that our teams can work in the safest conditions.

The healthy work-life balance of our eDOers is of paramount importance to us, and we are firm believers of the relevance of eDOers well-being in terms of creativity and motivation.

The additional health & safety and sanitation measures implemented across our office locations as a result of COVID-19, to ensure cleanliness and adequate social distancing, and certified by accredited Health & Safety experts, remain in place, and are welcomed by our eDOers.

For remote working, in addition to connectivity and security measures, we have rolled out a number of measures to safeguard the emotional well-being of our eDOers, and help them stay connected.

Notable examples include:

In the office:

- **Cleaning service measures** were reinforced in each office to ensure regular disinfection of critical contact points such as door handles, taps, flushes, water coolers and lift buttons. Hand sanitiser dispensers were installed at all floor entrances, and in all collaborative areas and meeting rooms.
- **Specific signage** to reinforce the main H&S COVID-19 measures at the office such as to keep the safety distance, maximum room capacities.
- **A desk booking reservation tool** with a triple objective of ensuring; the maximum capacity of the floors is respected, guaranteeing the safety distance between eDOers, and, as a track & trace tool should an office COVID-19 case be detected.
- **Reinforced communications** via organization wide webinars, the eDOers intranet, the in-house TV channel, screensavers, and a series of Company-wide eDO talks on health related matters such as; overcoming tough times & strategies to help cope, nutrition and diet, health & safety measures in the office, and exercise and fitness tips.

At Home:

- **Ergonomic comfort** via delivery to our eDOers' homes of computer screens, keyboards, and ergonomic chairs, footrest, mousepad and others to ensure they have the similar ergonomic and healthy work conditions at home that were available to them in the office.
- **Reinforced communication** with weekly update webinars from the Executive Management team to the whole Company providing a Q&A forum to respond to eDOers concerns, providing visibility on business performance, explaining specific COVID-19 response measures being taken, including main actions to support remote work, highlighting and recognising outstanding teams, and ensuring that all eDOers have available to them numerous virtual human contact touchpoints and support.

B.3.2. eDOers: OUR EMPLOYEES

eDOWellness

The well-being of our eDOers has always been a priority at eDO. Following the switch to remote work and subsequent loss of daily face to face contact precipitated by the pandemic, **we recognised the increased importance of caring for our eDOers physical and mental well-being**, and to complement the support channels provided in FY21, during FY22 **launched a new initiative, "eDOWellness"**, created by eDOers for eDOers, with different measures designed **to improve our overall health and well-being.**

One of the main aims of this program is to offer eDOers a **dedicated space for mental health, and support for issues such as stress management, digital health, emotional wellness and financial health**, delivered via a combination of eDOTalks, virtual and on-site activities, articles on #eDOHUB, posters and #eDOTV. Focusing on a different topic each month, eDOWellness provides advice subjects such as nutrition, sports and physical exercise, stress management, visual health, postural hygiene and ergonomics, digital health, skin care, social wellness, family conciliation, sleep and rest, emotional wellness or financial health.

Other Mental Well-being Activities

Other activities dedicated to eDOers mental well-being include:

- **Emotional support:** we offer a number of touchpoints our eDOers can reach out to for external counselling and psychological support.
- **eDO Support Network:** a peer support network. We truly believe that connecting & talking to each other is a healthy practice.
- **Remote Social Events:** individual and team initiatives have flourished organically; virtual yoga classes, online team gaming, virtual after-work drinks, magic shows and talent competition, are good examples of the sense of togetherness and strong engagement of the eDreams ODIGEO family.
- **Stronger sense of togetherness and community:** thanks to the SLACK channels, we have created a stronger sense of community across all areas, including channel forums, how-to guides and videos, and a number of virtual social events.

Health & Safety Training

We have updated our H&S courses offering to reflect the new normal of remote working and continued presence of COVID. Employees have access to new H&S courses that tackle occupational risk(ergonomics, psycho-social, and safety) management at home and in the office.

The success and effectiveness of all of the aforementioned eDOers well-being measures has been reflected in **zero work related accidents** and no significant health & safety incidents during FY22.

B.3.2. eDOers: OUR EMPLOYEES

UNION REPRESENTATION AND COLLECTIVE BARGAINING

We are **committed to ensuring freedom of association. Works councils have been established in all Company entities with a significant headcount.** The right to associate freely and bargain collectively is communicated actively at a local level via emails, notification boards, and screens in canteens.

The continuous dialogue between the Company and the eDOers representatives is articulated through the Works Council and Trade Unions with whom the Company maintains fluid communication, with periodic meetings addressing issues relating to working conditions, equality, prevention of occupational hazards, career path, etc., and the existence of committees designed to address specific topics such as Health and Safety or Equality Plans.

eDOers PRIVACY AND DATA PROTECTION

Employees and all stakeholders are bound by all the applicable laws and regulations regarding privacy and data protection regulations. We understand and fully respect the importance of the privacy of our customers and any other data subject (such as employees, contractors, etc.).

We transparently inform our users and customers as well as our employees about all relevant information regarding data protection. We explain, in particular, who is responsible for their data, why we collect their data and which legal basis we rely on, which kind of data we collect, who will be the recipients of their data, how we protect their data, and how they can control the data we have from them. This information is provided in our websites' and app's Privacy Notice and in the employees Privacy Notice.

eDOers CONCERN REPORTING & ESCALATION PROCEDURE

eDreams ODIGEO has an open door policy that gives our eDOers the freedom to raise ethical questions or concerns to management without fear of retaliation. We proactively encourage our eDOers to maintain the highest standards of ethics and integrity and have made available multiple channels (including an anonymous channel), for eDOers to voice any concerns they may have on related matters.

In addition to this eDreams ODIGEO has made available 2 channels for confidential reporting of concerns:

- The **"Compliance Helpline"** – an intranet based form through which all eDOers can address queries and report confidentially and anonymously.
- A generic email address **(compliancecommittee@edreamsodigeo.com)** to be used by eDOers, third party partners, suppliers, customers, in a confidential manner.

eDOers can select the one they are the most comfortable with, whilst external stakeholders may reach the Compliance Committee via the generic email.

The Compliance Committee is responsible for investigating and following up – **in strict confidentiality** – all communications received via these whistleblowing channels.

We have not received any concerns raised relating to Human Rights violations during this year or any year in the past.

B.3.2. eDOers: OUR EMPLOYEES

DEVELOPING OUR TALENT

eDreams ODIGEO 's Learning & Development offer is one of the key motivating factors frequently highlighted by our eDOers, which contributes not only to attracting talent, but to retaining and strengthening it.

We have a specialised team of Learning & Development experts, dedicated full time to identifying development needs and designing the right learning strategies to best support eDOers development and performance. The L&D team works closely with the People Business Partners and People Managers who share development goals agreed with direct reports, and on the basis of this bespoke training plans are designed tailored to each eDOers' needs. This is all consolidated into an annual L&D Plan offered to all eDOers via our Learning Page and managed on the eDOAchieve Learning Management System, which is also used to track each eDOers Training Record.

Our intranet eDOHUB has a dedicated "skill of the month" section, where the Learning and Development team shares a capsule to help eDOers develop and grow, complemented by a weekly "time to learn slot" set apart in eDOers calendars.

During **FY2022** we relaunched **the L&D Plan** and revamped our learning offer as part of our commitment to offer eDOers learning opportunities to develop technical skills and soft competencies, focusing on the following areas:

- **Onboarding experience:** identifying the key moments during a new hire's first week and month, and following up with them to ensure a smooth integration in the company.
- **Ongoing learning offer:** we are proud of our extensive and customised learning offer that allows our employees to choose amongst diverse learning methods such as virtual webinars, on demand face-to-face workshops, online courses, virtual content library and guidelines specifically tailored to our business environment. This ongoing learning offer is focused on:
  - Business knowledge.
  - Role-specific skills.
  - Soft skills.
  - Language classes.
  - Health & Safety.
  - Compliance training.
- **Tech Academy:** we relaunched a customised training offer for tech teams with the aim of keeping our teams up to date around key technologies and market trends.

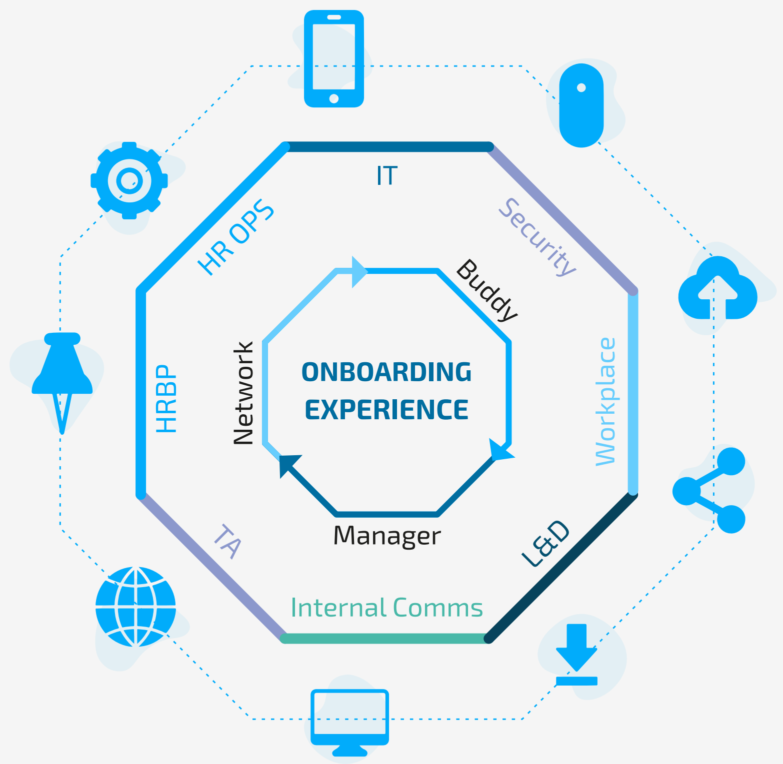
B.3.2. eDOers: OUR EMPLOYEES

- **Leadership Development:** our tailored management program has continued to equip managers with the right skill set to foster ownership and reinforce our eDOValues within their teams. We also offered people managers specific webinars and learning resources to make the best use of our engagement tool with their teams and to be able to leverage the feedback to improve team mood. People managers also participate in training sessions to help them effectively manage their team's performance. People managers can also apply to individual coaching sessions to help them address challenging situations.
- **Graduate Program:** we launched the first graduate program with the aim of attracting young talent, bringing enthusiasm and creativity to eDO. The Graduate Program will not only allow us to accelerate our hiring to achieve our business goals but it will also help us create a pipeline of future technical experts and leaders. We recently started hiring the first graduate, offering them a structured 12-month plan covering technical training by specific technology to ensure that junior profiles get to the expected level of technical excellence.
- **eDOValues & Culture:** we believe that our culture is one of our main assets. eDOers value our dynamic work environment and our forward looking culture. As we continue to grow our teams during FY23, expanding into new locations and considering that we are now working in a flexible work environment where remote work is more present, we want to make sure that we maintain the strong cultural values that have made us successful up to date. The eDOValues initiative is a one year plan that includes diverse activities designed and driven altogether with teams from new locations to embed the eDOValues and to reinforce the sense of belonging across all locations.

Our L&D offer aims to nurture a high-performance, motivated and cohesive workforce with great skills and performance levels. eDOers are aware of the value of developing individual and collective talent, as well as the Company's capacity to recognise and take advantage of it, a fact that is demonstrated by the 20% of our eDOers during FY22 being promoted to positions of greater responsibility and 31% internal movements including changes of roles, scope and teams.

The availability of **career development opportunities** is one of the main drivers of **engagement and retention**. During FY22 we put a lot of emphasis on extending our career paths program called Learn & Grow to additional business areas, which was well received by our eDOers and the successful impact reflected in the increased number of internal moves from promotions and role changes during FY22. We now have formal career paths covering 85% of eDO.

> *"Our eDO Mobility Policy encourages eDOers to move across teams, functions, levels and locations within our company. Helping our team members move within eDO, encouraging them to pursue their ambitions to progress on more challenging positions is an essential part of our eDO values and helps to ensure that each team will offer our talented eDOers relevant career opportunities"*



B.3.2. eDOers: OUR EMPLOYEES

PERFORMANCE MANAGEMENT

At the start of every financial year, once the strategic priorities have been announced, all of our leaders drive interactive discussions to set the objectives for the new financial year, and ensure full alignment throughout the organization. This is achieved via team workshops, one to one conversations, and various other activities to ensure that all eDOers have a clear understanding on what must be prioritised during the new fiscal year to achieve our business results.

For us, setting objectives implies defining both the "what" and the "how". What needs to be achieved, including KPIs, and the values and behaviours expected.

People managers hold mid-year performance review conversations to revisit the objectives set at the beginning of the year, assess progress against them, and identify additional development actions required to support effective performance.

At the end of the fiscal year the full annual appraisal process is held to rate the performance of all eDreams ODIGEO eDOers.

Recognition is a powerful motivator and every year, we hold the eDO Global Awards to recognise and reward exceptional individual performance in a number of different categories (leadership, team player, performance & results, innovation, customer focus, values).

EMPLOYEE ENGAGEMENT IMPROVING eDOers EXPERIENCE

Our People Team is heavily focused on providing people managers with the right KPI's for them to make the right decisions. To accomplish this, during FY22 the People Team made available to the senior leadership team an HR analytics dashboard, which includes the demographic profile of each function and key indicators, to help focus and make the right people-related decisions.

During FY22 we continued to develop many of the recruitment initiatives started during FY21, aimed at attracting talented people from across the globe. These include:

- Update of our career site.
- A hiring acceleration plan to broaden and diversify our talent sources.
- Improving benefits packages.
- Reinforcing our employer branding strategy to raise brand awareness, especially in new locations.

Not only did we focus on hiring more and faster, but we also focused on improving new hire experience, conscious of the fact that following the pandemic a new hires' first day could be at the virtual office. A cross functional pod was created with a remit to continuously improve the new joiners' experience. In line with our goal of becoming more data driven, we also incorporated new hires' feedback surveys and focus groups to gather objective and qualitative input on how to improve new team members' transition and integration with eDO.

> *"FY21 and FY22 was a time for recovery after a tough period where we were strongly hit by the pandemic. We have shown an amazing ability to adapt our business, and this was thanks to our people. Change has actually been a good thing for us, our results are the best proof.*
>
> *During FY23 we want to put a strong focus on our people. We want to hire the best people, provide a wow onboarding experience to new joiners, offer clear career opportunities while offering best-in-class employee experience"*

B.3.2. eDOers: OUR EMPLOYEES

Internal Communication

Internal communication is a key factor in generating and maintaining eDOers' engagement with the Company, as well as a powerful lever of change management.

As we have adapted to remote working in the pandemic, the role of Internal Communications has become ever more important. Faced with continuous challenges, responding swiftly and making optimal use of both its knowledge and its versatile digital tools, to ensure our eDOers have been kept well informed, supported, engaged, and entertained, maintaining the sense of togetherness and community we lived by prior to the pandemic.

Engagement at eDO

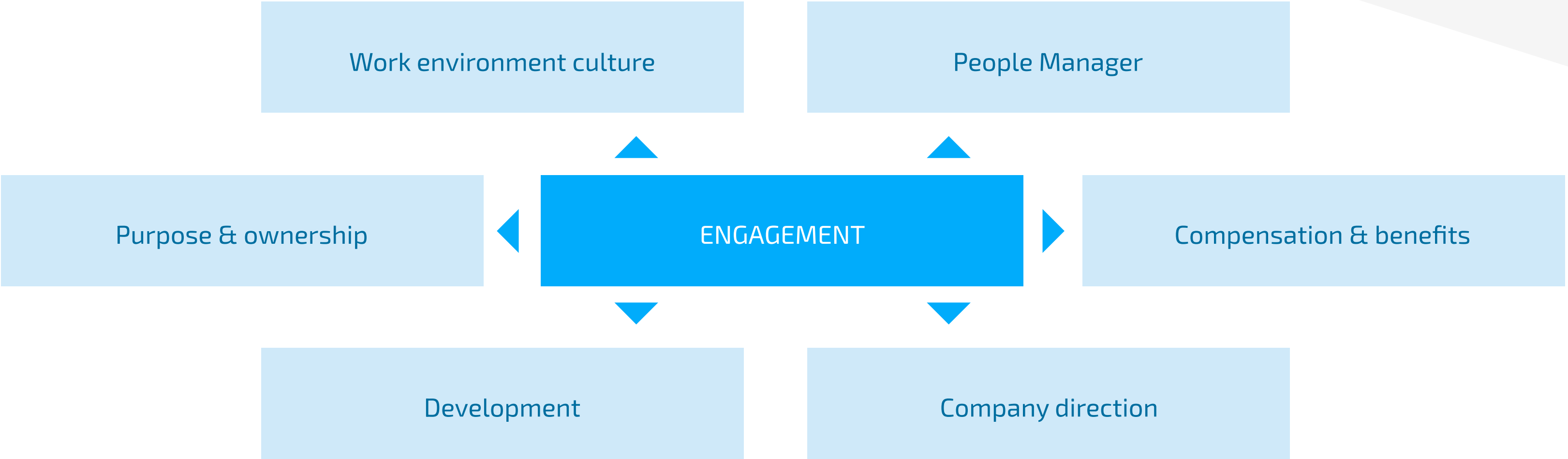
During the pandemic our main concern was understanding how our eDOers were dealing with its impact at work and in many cases on a personal level. At that time, we introduced a weekly pulse check, the eDOer Barometer, to assess team members' mood, inviting them also to share with us their main concerns. This pulse check has enabled us to identify and address the main stress factors.

Because of its resounding success and effectiveness, we decided to improve it and continue to use it as a vital tool to regularly measure engagement going forwards. The goal of the eDOer Barometer is to understand factors having a positive impact on eDOer engagement and areas that we need to further improve the work environment.

Post barometer survey, people managers will receive a summary results report they can review with their team members facilitating conversations about what is impacting their engagement and identifying actions to address any concerns. This valuable input is also analysed by the People Team to work with the business areas on key initiatives to positively impact making eDO a better place to work.

The eDOer Barometer measures 6 engagement areas, in addition to mood and open comments.

eDOer Barometer Categories



TALENT RETENTION

Testament to the success and effectiveness of the measures with which eDreams ODIGEO prioritises eDOers well-being, development, loyalty, and engagement, our **average length of service has increased to 3.74 years.** The technology sector in which we operate typically has a high voluntary attrition rate due to the high demand for and mobility of its skilled technicians. **Our voluntary attrition rate has improved down to 16%**, in FY22 compared with 17% in FY21, and we strive to further reduce this rate in the future with continued focus on our eDOers.

Attracting and retaining talent is a key ESG area for eDreams ODIGEO, and to reflect our commitment to this, the Board approved inclusion of an objective relating to eDOer experience for FY23 for the leadership team.

> *"In order to build an engaging work environment, we constantly look to understand what matters most to our people"*

B.3.2. eDOers: OUR EMPLOYEES

The increase in headcount during FY22 reflects the initial steps in our strategic initiative to grow our global workforce by 50% by the fiscal year 2025 to support the Company's next phase of growth as it continues to successfully transform into a subscription-based business.

Distribution of employees by gender and job category

Job Category			FY22			FY21
	Female	Male	Total	Female	Male	Total
0. Executive Board Member	—	2	**2**	—	2	**2**
1. Senior Management	13	39	**52**	10	32	**42**
2. People Managers	59	90	**149**	60	91	**151**
3. Individual contributor	331	493	**824**	315	422	**737**
Grand Total	**403**	**624**	**1,027**	**385**	**547**	**932**

Distribution of employees by gender and age

			FY22			FY21
Age	Female	Male	Total	Female	Male	Total
1. <30	78	81	**159**	76	79	**155**
2. 30<50	314	521	**835**	303	448	**751**
3. 50+	11	22	**33**	6	20	**26**
Grand Total	**403**	**624**	**1,027**	**385**	**547**	**932**

Distribution of employees by gender and country

			FY22			FY21
Country	Female	Male	Total	Female	Male	Total
Spain	361	546	**907**	349	490	**839**
Hungary	6	24	**30**	7	24	**31**
France	15	6	**21**	14	7	**21**
Italy	6	17	**23**	4	11	**15**
Germany	8	5	**13**	8	5	**13**
Portugal	5	21	**26**	—	5	**5**
UK	1	4	**5**	2	4	**6**
Australia	—	1	**1**	—	1	**1**
USA	1	—	**1**	1	—	**1**
Grand Total	**403**	**624**	**1,027**	**385**	**547**	**932**

Distribution of employees by gender and contract type

				FY22			FY21
Gender	Contract Type	Full Time	Part Time	Total	Full Time	Part Time	Total
Female	Permanent	385	12	**397**	374	11	**385**
	Temporary	4	—	**4**	—	—	**—**
	Intern	2	—	**2**	—	—	**—**
Male	Permanent	614	5	**619**	542	4	**546**
	Temporary	1	—	**1**	1	—	**1**
	Intern	4	—	**4**	—	—	**—**
Grand Total		**1,010**	**17**	**1,027**	**917**	**15**	**932**

B.3.2. eDOers: OUR EMPLOYEES

Average distribution of employees by job category and contract type

	FY22						FY21					
Job Category	Permanent		Temporary		Interns		Permanent		Temporary		Interns	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
0. Executive Board Member	2	—	—	—	—	—	2	—	—	—	—	—
1. Senior Management	53	—	—	—	—	—	45	—	—	—	—	—
2. People Manager	143	4	1	—	—	—	158	3	—	—	—	—
3. Individual contributor	738	12	2	—	3	1	781	13	3	1	2	—

Average distribution of employees by gender, contract type and age

		FY22						FY21					
		Permanent		Temporary		Interns		Permanent		Temporary		Interns	
		Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Female	1. <30	63	1	—	—	1	1	80	1	—	—	—	—
	2. 30<50	300	8	2	—	—	—	311	9	1	1	1	—
	3. 50+	8	2	—	—	—	—	5	1	—	—	—	—
Male	1. <30	57	3	1	—	2	—	82	4	1	—	1	—
	2. 30<50	487	1	—	—	—	—	489	1	1	—	—	—
	3. 50+	21	1	—	—	—	—	19	—	—	—	—	—

B.3.2. eDOers: OUR EMPLOYEES

Involuntary leavers by gender and job category

	FY22			FY21		
Job Category	Female	Male	Total	Female	Male	Total
0. Executive Board Member	—	—	—	—	—	—
1. Senior Management	—	1	**1**	—	—	—
2. People Managers	1	1	**2**	1	1	**2**
3. Individual contributor	10	11	**21**	8	2	**10**
3. Individual contributor – Call Centre	—	—	—	16	11	**27**
Grand Total	**11**	**13**	**24**	**25**	**14**	**39**

Involuntary leavers by gender and age

	FY22			FY21		
Age	Female	Male	Total	Female	Male	Total
1. <30	—	3	**3**	1	1	**2**
2. 30<50	11	10	**21**	22	11	**33**
3. 50+	—	—	—	2	2	**4**
Grand Total	**11**	**13**	**24**	**25**	**14**	**39**

Average remuneration

Average remuneration shown includes total compensation (base salary, annual bonus and long-term incentives).

The significant year on year increase in average compensation and widening of the salary gap at Executive & Senior Management level is due to 3 main factors:

1. FY21 compensation was lower because of the ERTE (April-November).

2. FY22 LTI rights based compensation increased significantly in value as the share price more than doubled (FY22 ave. price at time of delivery of €7,35, compared with an ave. price in FY21 of €3,29).

3. Given the ratios of male to female population within the tech industry the distribution of LTI awards is also skewed in favour of males this impacts not only the number of recipients but also the seniority, with more senior roles receiving higher awards.

Average remuneration by job category (€)

Job Category	FY22	FY21
0. Executive Board Member	3,720,965	1,230,633
1. Senior Management	384,665	192,681
2. People Managers	86,637	63,775
3. Individual contributor	50,950	36,796

Average remuneration by gender (€)

Gender	FY22	FY21
Female	55,354	39,868
Male	96,199	58,416

B.3.2. eDOers: OUR EMPLOYEES

Average remuneration by age (€)

Age	FY22	FY21
1. <30	40,827	31,963
2. 30<50	77,011	50,725
3. 50+	349,480	163,612

Pay Gap of Average Compensation by job category

Job Category	FY22	FY21
0. Executive Board Member*	N.A	N.A
1. Senior Management	40%	37%
2. People Managers	18%	18%
3. Individual contributor	22%	13%
Total Pay gap	**42%**	**32%**

Note: Pay gap, shown as a percentage, calculated as the difference between the average compensation of male employees and the average compensation of female employees, divided by the average compensation of male employees, with positive percentages reflecting a gap in favour of males, and negative percentages in favour of females.

*Note *: Both Executive Board Members are male, no female within this category.*

Pay Gap of Median Compensation by job category

Job Category	FY22	FY21
0. Executive Board Member*	N.A	N.A
1. Senior Management	36%	12%
2. People Managers	26%	14%
3. Individual contributor	25%	20%

Note: Pay gap, shown as a percentage, calculated as the difference between the median compensation of male employees and the median compensation of female employees, divided by the median compensation of male employees, with positive percentages reflecting a gap in favour of males, and negative percentages in favour of females.

*Note *: Both Executive Board Members are male, no female within this category.*

Average remuneration of Board Directors (Independent and executive), including the variable remuneration, allowances, indemnities, the payment to long-term savings systems and any other perception broken down by gender (€)

	FY22		FY21	
	Female	Male	Female	Male
Board of Directors (Executive)	N.A	3,735,771	N.A	1,242,387
Board of Directors (Independent) (1)	70,000	175,000	70,000	175,000

Note:

(1) Remuneration paid to External Directors consists of an annual fixed fee for membership of the Board, plus an additional annual fixed fee for Chairmanship / membership of the Board's Committees. Hence, total remuneration received by External Directors only depends on the time they serve on the Board during the year, and whether they are also members of one or more of the Board's Committees during part or the full year. More disclosure on the Annual Remuneration Report.

B.3.2. eDOers: OUR EMPLOYEES

Average remuneration or similar work positions*

Department	Job Position/Role	FY22 Salary Gap** Average Remuneration Female/Male	FY21 Salary Gap** Average Remuneration Female/Male
Revenue Management	Data Scientist	9%	6%
IT Department	Front End Software Engineer****	(3%)	3%
IT Department	Java Developer	(5%)	1%
IT Department	Java Senior Software Engineer	(1%)	9%
IT Department	Java Software Engineer ****	2%	0%
IT Department	Lead Engineer	2%	13%
Product Management	Product Designer	2%	(5%)
Product Management	Product Manager	2%	6%
Marketing	VIP Communication***	2%	(52%)

** Analysis includes all departments with job positions/roles with 10 or more incumbents, having more than one person for each gender.*

***Positive percentages reflecting a gap in favour of males, and negative percentages in favour of females.*

**** In FY21 the gap was distorted by the fact that 4 male members of the team were on ERTE salary reduction compared with 1 female member of the team.*

***** In FY21 all Software Engineers (Front End, Java) were reported in an aggregated total.*

Hours lost due to sick leave

	FY22			FY21			
	Female	Male	Total	Female	Male	Total	Var %
Sick Leave	39,272	18,336	57,608	27,600	11,992	39,592	46%

*Note *: The significant increase in hours lost to sick leave during FY22 was a direct consequence of the spread of the much more contagious, but less lethal Omicron & Delta variants of COVID as people emerged from confinement, returned to normal daily life and herd immunity was achieved.*

Accidents in the workplace or commuting to work

	FY22		FY21	
	Female	Male	Female	Male
Accidents in the workplace with leave	—	—	—	—
Accidents commuting to work with leave	—	—	—	—
Accidents in the workplace without leave	—	—	—	2
Accidents commuting to work without leave	—	—	—	—

*Note *: No work related accidents/occupational related illness resulting in lost working days occurred in FY22 nor FY21. In FY21 two accidents were reported affecting male employees. Neither resulted in lost working days.*

Accident rates

	FY22	FY21
Lost work days due to accidents; (#accidents/#employees) *100,000	—	—
Lost work days due to accidents on the way to/from work; (#accidents/#employees) *100,000	—	—
Accident rate - during working hours;(#accidents during working hours /(#employees * hours worked in the period)) *1,000,000	—	—
Serious injury rate - during working hours; (#days of accidents during the period/(#employees * hours worked in the period)) *1,000	—	—

B.3.2. eDOers: OUR EMPLOYEES

Lost work days by type of injury

	FY22		FY21	
	Female	Male	Female	Male
Neck/Back/Shoulders	—	—	—	—
Multiple parts of the body	—	—	—	—
Lower extremities (Wrist/Ankle/Feet)	—	—	—	—
Upper extremities	—	—	—	—

Percentage of employees covered by collective bargaining agreements

Country	% of Employees covered	
	FY22	FY21
Spain	100%	100%
France	100%	100%
Italy	100%	100%
Portugal	100%	100%
Rest of Europe	0 %	0 %
Total employees covered	**95%**	**94%**

Training hours by gender

	Female	Male	Total
Training Hours FY22	8,296	15,030	23,326

Total number of training hours per job category

		1. Senior Management	2. People Manager	3. Individual contributor	Total
FY22	Total hours of training	622	3,231	19,473	23,326
	Employees per category	54	149	824	1,027
	Average hours of training per employee/ job category	**12**	**22**	**24**	**23**
FY21	Total hours of training	344	1,781	5,794	7,919
	Employees per category	44	151	737	932
	Average hours of training per employee/ job category	**8**	**12**	**8**	**8**

Note: Senior Management figures include the two Executive Directors.

Note: During FY22 we have started reigniting our learning offer after over a year of crisis. During FY21, there was an overall decrease in the number of training hours delivered due to the absence of face to face courses because of COVID-19, and reduced working hours during the ERTE period (April – November).

B.3.3. CUSTOMERS

CUSTOMERS AT THE CENTRE – WE STAND BY OUR CUSTOMERS

Customers are at the heart of everything we do. **We are a customer centric company**, and put our customers first and foremost. While bookings and sales returned to normal, this past year continued to be challenging for our travellers and we were there to support our customers through these difficult times.

Our utmost priority during this period has been to stand by our customers and provide them with the best possible assistance and the easiest and most intuitive tools to navigate disruptions in their travel plans. With this in mind, we continued to execute on our strategy and initiatives to digitise the service experience and provide customers with self-service tools to manage their post booking needs, including trip disruptions.

Our leading technology capabilities have been key in allowing us to create a world leading customer self service platform that allows customers to **easily manage their bookings and autonomously perform relevant actions**, such as managing trip disruptions, make booking changes or cancellation requests, from anywhere and anytime, without having to contact us. These improvements have facilitated the agility of our response during the pandemic but will also help us emerge stronger as the market returns with 85% of customer servicing requests now coming in on digital channels.

We are thankful for the tireless efforts of all the eDOers who worked against the clock to come up with innovative solutions to support our customers in such difficult times, in what is the largest operational effort ever seen in the Company's +20-year history.

> *"We are helping our customers see the world through being their one-stop trusted travel partner"*

1 INNOVATIVE TRAVEL SUBSCRIPTION MODEL

2 UNIQUE END TO END JOURNEY MANAGEMENT

3 LEADING MOBILE & AI

4 DIVERSIFY & GROW

PRIME – OUR COMMITMENT TO A LONG LASTING RELATIONSHIP WITH OUR CUSTOMERS

We are committed to building a deeper, broader and more lasting relationship with our customers, and our Prime subscription program is fundamental to helping us achieve that goal.

Our Prime product is designed to meet the changing preferences of consumers, who increasingly value convenience and value for money in the booking process, as well as having the flexibility to choose from and compare a wide range of holiday options at the touch of a button.

With the average consumer holding memberships of three or more subscription services incorporating everything from food delivery to video streaming, Prime allows members to benefit from price savings, while being able to research and book trips that have been tailored to their individual needs.

B.3.3. CUSTOMERS

CUSTOMER SERVICE AND ATTENTION

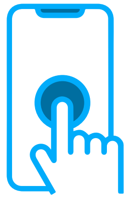
Our offer is underpinned by high customer service standards, managed by best-in-class partner companies. Unlike many airlines, we have **implemented 24-hour customer service and digital service channels** meaning **we are always there to support our customers whenever they need.**

During the pandemic we have leveraged our technological expertise, and invested heavily in technology and cutting edge capabilities to provide our customers with 24-hour customer service, and will continue to focus our efforts in providing customers with a seamless travel experience as the leading one-stop-shop for travel in Europe.

> *"Making the customer journey frictionless and pain-free is our goal"*

CUSTOMER CONTACT TOUCHPOINTS

Informational
Help Center & Chatbot



Self-Service
My Trips

Assisted
Phone & Chat

Customers have multiple options through which to contact us and service their needs:

Informational
Help Center & Chatbot: our customer will typically begin their journey in our informational channels interacting with the chatbot or consulting Help Centre articles that resolve a variety of frequently asked questions (FAQs).

Self-Service: MyTrips
When a customer needs to manage their booking in any way, be it making a change, or adding additional products or services, they can do this in a seamless manner through the My Trips customer self-service functionality, where all the information about their booking is available.

Assisted: Phone & Chat
If our customers prefer personal contact, or our self-service tool does not address their needs, then they can easily move to an assisted channel where they will be assisted by an experienced agent.

If a customer is not satisfied with the service and resolution they have received, they can raise a complaint relating to our products or services through a dedicated space on our website, via the Help Centre, or via any of the contact channels we have available - phone, chat, email or social media - and our support teams will facilitate the customer's request by providing them with a link to a complaint form.

Complaints are managed by a dedicated team of senior agents, who will carefully look into each case with the goal of resolving the customer's issue as quickly and as satisfactorily as possible. Through our systems, we actively track and monitor the resolution of customer complaints using metrics like time to respond to the customer and number of cases that have been managed and closed. We also use this feedback to continuously improve the experience and service we offer to our customers.

In FY22 we had 0.58 complaints* per 100 passengers who had a departure with us, a 12% reduction when compared with the previous year (0.66 complaints per 100 passengers). 99% of customer complaints we received were managed and closed.

**Note: We look at unique customer complaints submitted on our Help Center as a ratio of the total number of customers who had departure in FY22.*

B.3.3. CUSTOMERS

CUSTOMER ENGAGEMENT

As part of our continual quest to make our customers happier, we use a number of different survey techniques to measure customer satisfaction and help us identify areas for improvement.

eDreams ODIGEO has a dedicated User Research team, who manage a series of activities across our main markets to gather knowledge from our customers and evaluate engagement levels.

These insights help us to learn fast and enable our Product Owners, Developers and Designers to be cost and time effective during the ideation, iteration, improvement and implementation phases of eDreams ODIGEO products and services.

During FY22, the User Research team used Net Promoter Score (NPS) complemented by a series of ad hoc surveys, and in FY23 plan to implement a new customer satisfaction framework to gather more granular actionable insights around a series of specific factors that influence the customers' experience and satisfaction with our brands.

> *"With demand for leisure travel rebounding at a strong pace, our subscription-based model is increasingly attractive for travellers as it enables them to resume their travels after lockdown and reconnect with the world and their loved ones with the highest levels of convenience, personalisation, flexibility and choice"*
> *Chief Marketing Officer at eDreams ODIGEO*

ACCESSIBILITY AND USER FRIENDLINESS OF OUR PRODUCTS

Our products are available to our customers via multiple digital channels. **A prime consideration of our product design teams is user experience and we strive to make the booking journey for our customers as simple, efficient, and pleasant as possible.**

Our offer is underpinned by **high customer service standards, managed by best- in-class partner companies**. Unlike many airlines, we have implemented 24-hour customer service.

The Company has been investing heavily in cutting edge capabilities to further improve automated customer self-servicing functionalities and thus respond to travellers' demand for enhanced 24/7 communications, and will continue to focus its efforts, and provide customers with a seamless travel experience as the **leading one-stop-shop for travel in Europe.**

We comply with the following accessibility requirements stipulated in the Spanish Website Accessibility Law 56/2007:

- Text can be resized to 200% without loss of content or function.
- No use of images of text.
- Offering several ways to find pages, with clear headings and labels, ensuring keyboard focus is visible and clear.
- Using consistent navigation menus, icons and buttons.
- Error configuration to: suggest fixes when users make errors and reduce the risk of input errors for sensitive data.

And will take into consideration in our web design process any additional requirements relevant to us as per the EU Accessibility Act, which will come into force in 2025.

> *"The travel industry has been highly impacted by this crisis and this also means it's a great opportunity to make a difference by offering disruptive solutions"*

B.3.3. CUSTOMERS

USER-GENERATED CONTENT AND USER CONDUCT

Responsible oversight of user-generated content and user conduct

Our websites are purely transactional, offering the option to search and book flight tickets, hotel rooms or other travel-related ancillaries. We do not offer or directly manage user generated content on any of our websites.

User generated content in the form of reviews may be present on the web pages of some of the partners eDreams ODIGEO has white label agreements with. Appropriate management of this content is guaranteed by the robust controls and terms of usage these partners have in place.

Measures to ensure the protection of minors

As with user generated content, our websites are purely transactional, offering the option to search and book flight tickets, hotel rooms and other travel-related services. Access to our websites is not age restricted as the nature of the information we are displaying is not sensitive (dates, price and slots for travelling services) and can be safely read by any person, without the need for age verification system, PIN restricted access or filtering software.

RESPONSIBLE MARKETING

We are committed to responsible marketing guided by the principles of law in all of the jurisdictions in which we operate and we run our activities in compliance with applicable laws, including the obligation to have clearly distinguishable communications and fair marketing practices.

CUSTOMER DATA PROTECTION

eDreams ODIGEO and all of our stakeholders are bound by all applicable laws and regulations related to but not limited to privacy and data protection (e.g. General Data Protection Regulation -GDPR-, ePrivacy Directive as well as the proposed ePrivacy Regulation, national data protection laws such as Spanish Data Protection and Digital Rights Law -LOPDGDD).

We are fully committed to maintaining the privacy and the appropriate security of the personal data provided by our customers, and all other data subjects such as employees, contractors, etc. This means, among other obligations, to comply with data processing principles (i.e. lawfulness, fairness and transparency, data minimisation, data accuracy, storage limitation, integrity and confidentiality, purpose limitation, accountability).

Privacy Notices and Data Subject Rights

We have a unique Privacy Notice for all our commercial websites and apps, in order to make it simpler for our customers to find the relevant information.

In our Privacy Notices we commit to only collecting personal data on a lawful basis (i.e. necessity of providing a service, complying with the law, based on our customer's consent, etc.) and to clearly specify the use to which the data collected will be applied.

We are committed to keeping our users and customers as well as our employees informed in a timely and transparent manner on all relevant information relating to data protection. We explain, for example, who is responsible for their data, why we collect their data, on which legal basis we rely, what type of data we collect, who will be the recipients of this data, how we protect their data (including data retention policy and security measures), and how they can control their personal data (including their data subject rights and the possibility to lodge a complaint with a Supervisory Authority). This information is provided in our websites' and apps' Privacy Notice and the employees' Privacy Notice, respectively.

eDreams ODIGEO commits to implementing appropriate technical and organisational measures to prevent unauthorised or unlawful processing of personal data and against accidental loss or destruction of, or damage to, personal data. We will retain personal data no longer than is necessary for the purpose it was obtained for.

To simplify this for our data subjects (e.g. customers, employees), we have created a user friendly Privacy Form linked to our Privacy Notices where the data subject can contact the Data Protection Office to exercise their data subject rights (e.g. access, rectification, opposition, erasure, etc.), in a simple and easy to understand way. A specific team is dedicated to carefully reviewing and managing the data subject rights.

B.3.3. CUSTOMERS

Privacy and Security Policies & Procedures

We have a number of Group Policies that set out internal rules and provide guidance to our stakeholders, on ensuring data is kept secure and free of privacy violations. These policies include: the eDO Group Privacy Policy, the Information Security Policy, Group Confidential Information Policy, and the Corporate Hardware & Software Acceptable Use Policy.

eDreams ODIGEO has a specific team dedicated to carefully reviewing all data requests received from data protection authorities and law enforcement authorities, to ensure we are fully compliant with the applicable laws.

Privacy by Design has been integrated as a step in our product development lifecycle to guarantee that any new feature or product that involves customer information follows data processing principles and data subjects' privacy is respected since the beginning of any project.

Data processing activities are registered and updated on a regular basis on an industry leading Privacy, Security & Compliance solution. We update accordingly our Registry Of Processing Activities (ROPA) and launch annually questionnaires for Legitimate Interest Assessments (LIAs), Data Privacy Impact Assessments (DPIAs) and Asset Assessments and Data Mapping.

Under the direction of our Data Protection Office and Security Office in close cooperation and alignment, we are continuously monitoring data protection and IT Security requirements and creating and implementing the corresponding measures and processes and provide advice, expertise, and training.

Technical & Operational Measures (TOM)

Cyber & IT Security is of paramount importance to us as an e-commerce business processing significant volumes of customer sensitive data, and this is managed by a robust set of prevent, detect, and respond Cyber & IT General Controls (ITGC), that are frequently tested internally by our Security Office, Internal Audit, and externally by our auditors and outsourced penetration testing service providers.

Our Technical & Organisational Measures are fixed by our Security Office team based on the international standards (e.g. covered in the corresponding ISO 27000s series).

eDreams ODIGEO has a cyber-insurance which covers, apart from the corresponding policy coverage, the advice and support when dealing with potential data breaches.

These controls are complemented by frequent training and awareness campaigns delivered to our employees via a number of channels which include:

- Online training courses in GDPR, Confidential Information, and CyberSecurity.
- Short compliance shot videos delivered on our intranet.
- Transforming the International Data Protection Day (28th January) into a Data Protection Week at eDreams ODIGEO, with activities & events held over 5 days, including an eDOtalk, intranet articles, & gymkhana of different quizzes.
- Targeted intranet campaigns and corporate screensaver messaging on subjects such as how to identify phishing, or work securely from the home environment.

B.3.3. CUSTOMERS

(TOM's) in outsourced data processing

When outsourcing data processing to a third party we expect our suppliers and outsourced partners to maintain appropriate standards of security and control over our customers' information.

Third party data processors are contractually required to implement adequate measures to ensure information security, and these requirements are extended to third party data sub-processors.

When the circumstances require (e.g. long contracts that require personal data processing of a significant number of data subjects and significant data), we will monitor and review controls with third party data processors (such as with call centres).

During the fiscal year ended March 2022 the Company had:

- Not suffered any relevant cyber-incident impacting customer data.
- Not received any customer legal claims relating to customer privacy violations from third parties.
- Managed 100% of data requests received from local Data Protection Authorities on time and satisfactorily.
- Not been fined by investigated or received any complaint from any local Data Protection Authority regulatory bodies.

"We take the responsibility of maintaining the data security and privacy of our customers, employees and other third parties extremely seriously"

B.3.4. SUPPLIERS AND PARTNERS

OUR SUPPLY CHAINS

At eDreams ODIGEO we are served by the following main supply chains:

- Travel Content Related Suppliers.
- Cloud and Technology Service Providers.
- Outsourced Contact Centres & Other Suppliers.

TRAVEL CONTENT RELATED SUPPLIERS & PARTNERS

As one of the world's largest online travel companies, and one of Europe's most significant e-commerce businesses, our travel solutions content which includes flights, hotels, dynamic packages (flight plus hotel), trains, car rentals, and ancillaries (such as seats, bags, insurance and more), is sourced from a wide range of suppliers. These include: airlines, hotels, GDS', aggregators, white label partners, car rental suppliers, train operators, and insurance providers.

Our technology enables us to compare prices across all of the suppliers of our travel products, efficiently combine multiple products, and quickly provide our customers with a range of suitable travel plan options tailored to their needs. Having all the travel options in one place means easy trip planning without having to visit dozens of websites.

We use our technology to create bespoke proposals tailored to each customer's needs and preferences from billions of itinerary combinations and fares (from hotels and airlines directly, from global distribution systems (GDS), aggregators, wholesalers and other partners). We can either connect to an airline or hotelier directly, source inventory via white labels (selling another Company's product), or collaborate with partner companies.

To offer our customers the most suitable products, we work closely with aggregators, airlines, tour operators, hotels, car rental companies and destination services supply partners. By the end of FY22 we had aggregated over 690 airlines as well as offering over 2.1 million accommodations.

During FY22 eDreams ODIGEO entered into a number of significant strategic distribution agreements further expanding our unique offering of travel content to consumers globally.

- The **strategic technology agreement with the GDS Travelport** enables eDreams to leverage its modern, lightweight, highly functional microservices distribution system, providing access to additional content from world leading airlines, as well as unique ancillaries and airline fare families, meaning customers will receive the cheapest fares for any existing flight, and the largest choice of unique enhancements and additional services. Travelport's retailing and merchandising capabilities will offer eDreams ODIGEO customers more flexibility and choice in their bookings, allowing them to create tailored routes which meet their exacting requirements. The customer-centric approach is also poised to benefit the business' airline partners.
- The **strategic partnership NDC agreement signed with the IAG Group (British Airways & Iberia)** enables travellers all over the world to benefit from increased flexibility, more competitive fares, and new methods of travel personalisation. This NDC agreement will streamline options for customers based on user preferences and deliver an improved customer experience.

B.3.4. SUPPLIERS AND PARTNERS

Added value to partners and suppliers

Access to our extensive pool of more than 17 million customers served across 45 different markets around and significant booking volumes, allow our partners to increase profitability through higher occupancy rates as many of our partners, such as airlines and hoteliers, are fixed asset owners. **The economics of these assets in which there is perishability, dictates that, aircraft seats and hotel rooms occupancy increases fall directly to the bottom line. Equally important is yield maximization, and as the largest in Europe for flights and second largest in the world, we bring the most people to the auction for aircraft seats and hotel rooms, increasing the likelihood of a higher price, which in turn helps our partners better manage their yield curve.**

We are **the first in our sector to offer a subscription programme to our customers, and with our Prime Membership we are able to not only offer our customers better value offers, but also build a smoother, more personalised, and lasting relationship with them.** Our airline partners benefit from the fact that Prime Members are not competing in bookings and acquisition vs. their own direct sales channel, as Prime represents a closed-, opaque- and subscribed member group and thus opening new targeting opportunities instead of competing. Prime members are high value customers, with increased repeat booking rate.

With consumers now seeking more choice, the eDreams ODIGEO OTA model becomes even more relevant for travellers as it enables them to access the entire global travel market in a one-stop-shop. This also benefits airline and accommodation providers as they can sell seats and rooms to customers who are less loyal to a particular airline and hotel brand than pre-pandemic and more likely to compare and combine different travel providers for a summer holiday.

Commitment to sourcing from reputable, solvent suppliers with a good track record for safety & customer service

Selling travel online is not a regular e-commerce business. We are accredited by IATA, (International Air Transportation Association) meeting stringent requirements, and have contracts with the global distribution systems (GDS), Amadeus and Travelport, enabling us to sell our products and perform ticketing on behalf of our suppliers.

Customers' health & safety, and peace of mind is a top priority for us, and never more important than in the current environment as we learn to live with COVID-19. Our teams constantly monitor the list of airlines banned within the EU (https://transport.ec.europa.eu/transport-themes/eu-air-safety-list_en), for failure to adhere to the applicable international safety standards, and will remove content worldwide when necessary.

eDreams ODIGEO showcases the airlines that have successfully adapted to offer outstanding service to their customers in the face of a global crisis, using a unique 360° analysis of information from over 61,000 customer reviews, and data from over 690 airlines.

During this year of travel uncertainties, we have closely monitored the risk of airline bankruptcy. Our dedicated team ensures that whenever an airline bankruptcy happens all customers affected are promptly informed and duly assisted.

> *"After a year of disruption and national lockdowns people are keen to plan trips abroad, but they are assessing more than the flight time, outbound airport and holiday destination. Travellers are looking for competitive fares, strong customer experience, convenient routes, flexible booking policies, COVID-19 insurance cover and hygiene scores, and this is where we excel"*

B.3.4. SUPPLIERS AND PARTNERS

CLOUD AND TECHNOLOGY SERVICE PROVIDERS

During FY22 we have continued to **migrate our infrastructure to Cloud suppliers giving us improved agility & scalability to develop and roll-out features that further enhance the product offering and travel experience for our customers**. This transition to a Cloud based infrastructure also helps address two of our material ESG risks; reinforcing cybersecurity, compliance, and data protection under the umbrella of Cloud suppliers' advanced security tools, as well as contributing to a more sustainable business model, using carbon neutral suppliers powered by renewable energy.

OUTSOURCED CONTACT CENTRES & OTHER SUPPLIERS

We outsource a significant part of our customer service and part of our back office support services, to partners with a solid track record for operating with high standards on a global basis, to ensure a personalised and tailored experience for our diverse customer base.

> *"As travel and consumer demand continue to evolve in the post-pandemic world, we believe our strategic approach and market-leading products will enable us to remain at the forefront of the future of travel, tomorrow and beyond"*

RELEVANT POLICIES & TRAINING

In keeping with our commitment to act with transparency and integrity in all of our business dealings, we have a number of relevant Company policies applicable to all suppliers and partners, that reinforce the need to behave ethically, respect human rights, and comply with all applicable laws, in particular anti-corruption laws that prohibit active or passive bribery.

We closely monitor suppliers that work at our facilities, checking that they comply with their ethical, tax and employment obligations.

Relevant policies include (see fuller detail in Section B.2.2. Ethical framework):

- Group Business Code of Conduct.
- Group Procurement & Significant Outsourced Suppliers Policy.
- Group Information Security Policy.
- Group Gifts & Hospitality Policy.

When we start a direct relationship with a new supplier we provide them with a copy of the eDreams ODIGEO Business Ethics Principles, an abridged version of our Group Business Code of Conduct (both are available on our corporate website), and where applicable they are required to sign our IT security and Data Protection clauses.

We hold our suppliers and partners to the same exacting standards of ethical behaviour, and social and environmental responsibility, that we expect of ourselves and our teams.

All partners and suppliers must comply with all appropriate laws and regulations in all countries and jurisdictions in which they operate. In particular as regards laws and regulations pertaining to health and safety, labour, human rights and discrimination, freedom of association of its employees, insider trading, taxation, data privacy, competition and anti-trust, the environment, public tenders, and anti-bribery.

Our Procurement team that centrally manage the supplier adoption process, and Business Owners from the key departments engaging with suppliers receive specific compliance training in relevant areas such as Anti Bribery & Corruption, Anti Money Laundering, and Business Ethics, to ensure that Group Policies and standards are reinforced.

We are totally opposed to any form of discrimination or human rights' abuse in our direct operations, our indirect operations, and our supply chain as a whole. As a Company we endeavour to ensure that slavery and human trafficking do not take place in any part of our business or our supply chains, and we have **a zero-tolerance policy towards violations of the laws banning forced labour, slavery and human trafficking,** and to discrimination of any type.

B.3.4. SUPPLIERS AND PARTNERS

VENDOR SELECTION/DUE DILIGENCE

We are diligent when choosing who to enter into business with, in particular with our outsourced functions. To help us with this we perform a number of processes and validations to gain assurance on a potential supplier's track record in areas such as business performance, financial stability, IT security & data breach history, health & safety, and human rights record.

To assist our Business Owners with this we perform internal and external Partner Security Assessments (PSAs) pre-engagement, to assess the potential risk exposure of the commercial relationship. During FY22 these supplier self-assessments were improved to include more detailed questions, in particular relating to: Cybersecurity, Privacy, and ESG criteria (ethics, corruption, fraud and environmental matters).

These measures include **Partner Security Assessments (PSAs),** to assess the potential risk exposure of the commercial relationship, which includes:

An internal assessment (IPSA) completed by the Business Owner, covering the following areas:

- The company's reputation and performance track record.
- Financial stability & solvency.
- Potential conflicts of interest.
- Track record in quality of customer service.
- The number and competence of staff and managers.
- Compliance with legal obligations relating to tax, human resources and social security.
- Suitable civil liability insurance cover with a reputable company.
- Quality assurance and security management standards (e.g. ISO 9000 and ISO/IEC 27001), in particular specific requirements relating to the service outsourced (e.g. Compliance with the Payment Card Industry Standards if outsourcer is going to have access to customers' credit card information).
- Track record with regards to human rights, child labour, and modern slavery.
- Supplier history of penalties, fines, and negative publicity.

An external assessment (EPSA) to be completed by the external supplier which includes self assessment questions covering:

- Policies and track record in key compliance areas such as anti-bribery, anti-corruption, anti-fraud, anti-money laundering, business ethics, human rights, child labour, labour standards, environment, data protection, IT security, and EU, US and UK trade sanctions.
- Licenses & permits required.
- Security related information & processes relating to; disaster recovery, incidence management, vulnerability detection, intrusion resolution, cyber-security & third party insurance cover.
- If handling, processing , or storage of personal data is involved, the supplier will be required to sign a Data Protection Agreement (DPA), and answer the following data privacy related questions:
- Compliance with data protection regulations, information security policies, ability to restore the availability and access to personal data, information classification policy, registry of personal data processing activities, data protection notices, Data Protection Impact Assessments (DPIAs), employees' training sessions, Privacy by Design and by Default, data minimization, appropriate security measures (TOMs), ISO/IEC 27000 series or any other standard, not been fined in the last 36 months, audited in the last 36 months by a third-party.
- PCI compliance (when customer credit card information involved).
- DPO or similar role contact appointment and contact data.
- Security Officer or similar role contact appointment and contact data.
- Procedures to handle and respond to individual's exercising their data protection rights (e.g. right to access, right to be forgotten, right to object, etc.).
- Description of the nature of the data processing (including processing location with legal representative designated in the EU in case of processing outside EEA), storage, retention, sub-processors & location, and data relationship between the parties.
- Possibility of encryption and/or pseudonymisation on eDreams ODIGEO's side.
- For International Data Transfers; Jurisdiction with a European-sufficient level of protection, implementation of supplementary and appropriate security measures (TOMs) in order to comply with Schrems II CJEU Decision.

B.3.4. SUPPLIERS AND PARTNERS

In addition to the EPSA, eDreams ODIGEO will also require potential suppliers to:

- Sign eDreams ODIGEO's Non Disclosure Agreement (NDA) if confidential data is to be shared.
- Include appropriate liability clauses in the agreement (with respect to damage caused by wilful, misconduct, gross negligence, breach of confidentiality and data protection obligations or breach of any applicable imperative law).

Once a supplier has been selected a SLA (Service Level Agreement) is included within the contract clearly defining the agreed parameters of expected performance, with clear penalty clauses for adverse deviations in the service level targets offered.

EVALUATION OF SUPPLIERS

It is eDreams ODIGEO's policy to periodically evaluate suppliers of goods, and/or services, taking into account the following criteria:

- Meeting contractual obligations (KPIs and SLAs).
- Supplier's previous record of performance and service.
- Ability of the supplier to render a satisfactory service.
- Compliance with eDreams ODIGEO Business Code of Conduct ethical standards.
- Competitiveness of prices offered by the supplier.
- Quality and conformance to specifications of supplier's product/services.

Although at present eDreams does not carry out social and environmental audits of its suppliers, it works continuously to align ESG criteria with sustainable management of the supply chain.

SUPPLIER CERTIFICATIONS

On an annual basis, the Company publishes a Responsible Business Conduct (UK MSA) statement (based on the definitions set out in the UK Modern Slavery Act 2015 guided by the UN Universal Declaration of Human Rights - Articles 23 and 24 - relating to labour conditions) which details the steps that the Group and its subsidiaries have taken **to ensure that slavery and human trafficking are not taking place in any of our supply chains or any part of our business.**

As part of this process significant suppliers or partners on whom we rely for outsourced labour, in countries that could be potentially more susceptible to human rights risk, are sent on an annual basis a certification to attest that they are in compliance with the UN Global Compact's Ten Principles and are committed to:

- Supporting and respecting the protection of internationally proclaimed human rights.
- Ensuring that we are not complicit in human rights abuses.
- Upholding the freedom of association and the effective recognition of the right to collective bargaining.
- Rejecting all forms of forced and compulsory labour.
- Supporting the effective abolition of child labour.
- Eliminating discrimination in respect of employment and occupation.
- Supporting a precautionary approach to environmental challenges.
- Undertake initiatives to promote greater environmental responsibility.
- Encourage the development and diffusion of environmentally friendly technologies.
- Work against corruption in all its forms, including extortion and bribery.

During FY22, our existing contact centre suppliers, and outsourced back office support functions partners provided certificates confirming their commitment to compliance with the UK Modern Slavery Act, adherence to internationally recognised human and employee rights, the prohibition of child labour and forced labour, observing and promoting ethical business conduct, adherence to legal standards and environmental rules (based on the Ten Principles of the UN Global Compact). The Responsible Business Conduct Statement FY22 is publicly available (https://www.edreamsodigeo.com/category/investors/other-annual-reports/).

B.3.5. SOCIETY

The COVID-19 pandemic brought worldwide tourism to a complete halt overnight. Millions of people lost the opportunity to explore different places and embrace different cultures and customs, as countries went into lockdown, and travel opportunities were severely restricted.

During this hiatus in travel we have continued to work ceaselessly focusing on how best to serve our customers and get society and the economy moving again, as we emerge from the pandemic, accelerating a number of customer-centric initiatives that take into consideration the altered travel landscape, and customer expectations and priorities.

As our purpose states we want "**to help people discover their world through travel**". "**We are enablers, we help people explore their world and we connect them through travel, making it easier for them to broaden their horizon**".

As one of the leading employers in Barcelona, eDreams ODIGEO is committed to the local communities and where possible takes measures to preserve the quality of the local environment at all locations in which it operates.

We understand and value that society and the environment are important issues for our employees and where possible endeavour to facilitate and promote channels for them to proactively manage these areas in the following ways:

- **GO!Teams** is an initiative launched by and for eDreams ODIGEO employees to foster and stimulate an open and connected culture, via a series of social events.
- **ESG at eDO:** as a Company, we recognise that we have a responsibility towards the environment and communities where we operate. Actions are focused around three pillars:
  - **#Sustainability (under the logo eDOGreen):** actions, solutions and tips to produce less waste, better recycling, and preserve our planet.
  - **#Solidarity:** initiatives to support local communities and help people in need.
  - **#Well-being (under the logo eDOWellness):** tips, actions to preserve our physical and mental health and make us happy at work.

B.3.5. SOCIETY

OUR KEY ACHIEVEMENTS

During FY22 we are proud of a number of community initiatives that have been carried out by eDO volunteers.

As a team, we have performed the following initiatives:

#Sustainability

- Improvement of waste management and energy efficiency in our office locations.
- Promoting environmentally friendly behaviour and habits across the Company.

#Solidarity

- A number initiatives to support the refugee crisis in Ukraine.
- Donation of reconditioned computers to charity.
- Contribution to Banc Aliments food collection (Gran Recapte).
- An initiative at our Spanish offices in collaboration with the SEUR Foundation called "Bottle tops for a new life", where employees recycle bottle tops with the objective of helping children with serious health problems.
- Collecting food, toys, warm blankets and clothes, etc. for people in need.

#Well-being

- The well-being of our employees has always been a priority at eDO, and we have always put health and safety first. With the launch of eDOWellness we have taken a step further to improve our overall health and well being.
- Our flexible working policy and remote working practices, provide eDOers with all of the tools to enable them to work ergonomically.
- Emotional support channels, support groups, and training courses, are available to take care of our eDOers mental well-being.
- Fostering the eDreams ODIGEO team culture via sports and cultural events for employees.
- Negotiation of discounts with local gyms and sports facilities or instructors to promote a good work-life balance for employees.

ASSOCIATIONS

eDreams ODIGEO is committed to fair competition and trade practices in the sector in which it operates and is currently a proactive member of the following trade associations across Europe, with a combined membership cost in FY22 of €134.4K (not reported in FY21 as immaterial), in membership fees spread across all of the organisations:

EU:

- EU Travel Tech (EUTT): an organisation that represents and promotes the interests of global distribution systems (GDSs) and travel distributors towards all relevant European stakeholders from industry to policymakers.
- EU Tech Alliance (EUTA): an organisation that represents home-grown European tech companies.

Spain

- Emisores Españoles: an organisation that represents listed companies.
- Confederacion Española de Agencias de Viajes (CEAV): representing Spanish tour agents. We are members of the Compensation Fund.
- Asociación Corporativa de Agencias de Viajes Especializadas (ACAV): representing Spanish travel agencies.

France

- Les Entreprises du Voyage (EDV) representing Travel Agents in France.
- Syndicat des Entreprises du Tour Operating (SETO): an association representing French tour operators.

Germany

- DRV: German Travel Association, the leading special interest group of the German tourism industry.

Italy

- Netcomm: Italy's leading e-Commerce trade association.

B.3.5. SOCIETY

AWARDS AND RECOGNITION

At eDreams ODIGEO we strive for excellence and feel driven by our purpose to help people discover the world through travel. We are very proud of our achievements – be they at a Company, team or individual level – and each milestone motivates us to innovate even more with our customer in mind and make eDO the most successful online travel one-stop-shop.

We are proud to have received prestigious awards for our consumer and corporate brands. During FY22 we were recognised for:

- Annual Computing Awards - Multi Cloud.
- World Travel Award - Spaiń s leading Online Travel Agency 2021.
- BILD "Germaný s customer favourites".
- WELT - Number 1 in customer satisfaction for online booking.

These recognitions are a proof of our continuous dedication to putting our expert customers first, by providing them with the tools to search further and faster than anywhere else online, comparing millions of travel options in a matter of seconds to provide a personalised service.

For full details of all the awards eDreams ODIGEO has earned visit https://www.edreamsodigeo.com/about-us/awards/

RELATIONS WITH GOVERNMENTS

The Company manages its business in accordance with its corporate values and its ethical and conduct framework. It also ensures strict compliance with ruling legislation in each country.

eDreams ODIGEO is characterised by absolute political neutrality, and has a strict policy of not making economic or any other type of contribution to political parties or candidates in elections.

In relation to local governments, eDreams ODIGEO always acts independently of any political power, maintaining transparency in its dealings with public and administrative institutions.

During FY22, eDreams ODIGEO and it subsidiaries did not receive any subsidies or other form of government assistance.

During FY21, eDreams ODIGEO received 2 subsidies/assistance from the Spanish government to alleviate the effects of the restrictive measures taken to mitigate the effects of COVID-19.

- A subsidy to compensate for the temporary reduction of working hours (staff furlough) or "ERTE", the Spanish acronym for an Expediente de Regulación Temporal de Empleo.
- A syndicated loan guaranteed by the Spanish Official Credit Institute (ICO).

TAX CONTRIBUTION

The Group's compliance with its taxation duties, in relation to taxes paid directly by the Group as well as taxes collected by it from third parties but derived from the Group´'s activities, is part of its core contribution to the sustainability of public finances and the development of the jurisdictions in which it operates.

The Group promotes a reciprocal cooperative relationship with the various tax administrations, based on the principles of transparency, mutual trust, good faith and loyalty.

The Group is BEPS compliant. This is inspired by the results of the Base Erosion and Profit Shifting (BEPS) Project reports promoted by the G20 and the OECD, which aim to align value generation with appropriate taxation where said value is generated. They also reflect the commitment to comply with and respect both the letter and the spirit of tax regulation in the jurisdictions in which the Group operates, in accordance with Chapter XI of the OECD Guidelines for Multinational Enterprises.

The Group complies with local laws and regulations in all jurisdictions in which it operates. Where there could be doubt about the correct treatment applied by the Company, the Company ensures that it has proper arguments which support its tax treatment. The Company is not active in any non-cooperative jurisdiction.

	Profit Before Tax		Income Tax Paid	
Tax Jurisdiction	March 22	March 21	March 22	March 21
Australia	63	785	2	48
France	(4,125)	(13,241)	201	(101)
Germany	335	285	(95)	26
Gibraltar	47	0	0	0
Hungary	(112)	19	0	0
Italy	326	(49)	0	7
Luxembourg	0	0	0	0
Portugal	1	(103)	13	(5,063)
Spain	(73,669)	(122,178)	1,802	168
Sweden	27	(3,431)	0	109
UK	7,106	(468)	(6)	(474)
USA	(137)	(260)	(73)	0
Total	**(70,138)**	**(138,641)**	**1,844**	**(5,281)**

B.3.6. SHAREHOLDERS AND INVESTORS

THE INVESTOR RELATIONS DEPARTMENT

It is of vital importance for eDreams ODIGEO to maintain effective and straightforward communication with all stakeholders in the capital markets, ensuring transparency with regard to Company performance.

The Investor Relations department maintains an open dialogue with the financial community, including current and potential investors (whether institutional or retail), research analysts, debt holders, credit rating agencies and regulatory bodies such as the CNMV (Spanish National Securities Market Commission), and strives to build long-term relationships based on credibility and trust.

The Group uses various communication channels to guarantee the quality and frequency of its relationship with the institutional investors and shareholders. Our Investor Relations department acts as a permanently open and transparent channel through which we can communicate with shareholders and institutional investors and attend to their queries and requests for information. We aim to communicate effectively and proactively, delivering relevant information in a consistent and timely manner.

The Investor Relations department is part of the Group Finance department, with its Head of Investor Relations reporting to the Chief Financial Officer.

During FY22, the Investor Relations team hosted 360 meetings (year-on-year increase of 80%) with 170 institutional investors. Special emphasis was placed on investor targeting, around 60% of the institutions we met in FY22 were new introductions generated through this source and made through IR targeting. A number of Virtual Global Roadshows and one in person were held during the year, over 60% of which were organised directly by the Company for existing and potential new shareholders. The Senior Management team dedicated 32 days to investor meetings held via a combination of virtual roadshows and conferences with investors located in cities including; Singapore, New York, Boston, Chicago, San Francisco, Los Angeles, Miami, Toronto, London, Edinburgh, Frankfurt, Paris, Barcelona, and Madrid.

In November, we hosted a very successful Capital Markets Day, with over 188 institutional investors attending, of which 88 were equity investors, and 32 attended in person (over 70% travelling from outside of Spain, mostly coming from the US and United Kingdom).

In addition, in June 2021 our Investor Relations team was recognised at the highly esteemed European IR Magazine Awards, and was voted by sell side analysts and institutional investors as Top 5 Best Overall Investor Relations Team in Europe, and our Director of IR as Best IR Professional in Europe in the Small Caps category too.

Our corporate website www.edreamsodigeo.com is the main official channel of communication between eDreams ODIGEO and shareholders, institutional investors and the general public. In the section "Investors", they can find all the information required by the laws and regulations of the securities markets. This is updated on a continual basis.

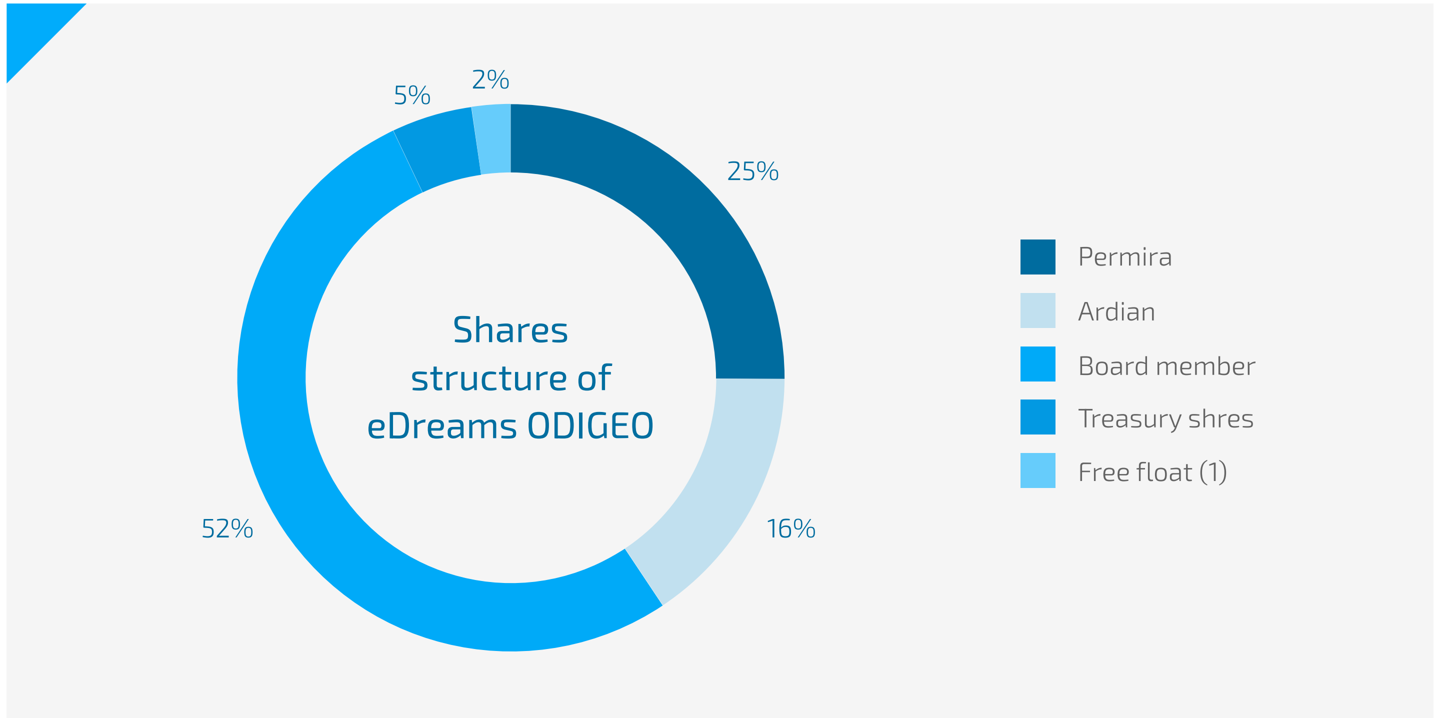
B.3.6. SHAREHOLDERS AND INVESTORS

As of 31st March 2022 the shareholders structure of eDreams ODIGEO was as follows:

Shareholder	Number of Shares	%Share Capital
Permira	32,011,388	25.1%
Ardian	19,843,560	15.6%
Board Members	2,936,729	2.3%
Treasury shares	6,062,839	4.8%
Free Float (1)	66,750,543	52.3%
Total	**127,605,059**	**100%**

(1) The free float has been calculated on the basis of shareholder notifications of voting rights communicated to the Company as of 31st March 2022 in accordance with the Royal Decree 136272007 and other information made available to the Company by shareholders by taking the total number of shares issued less the Strategic Shareholders Shares, the shares held by Directors, and Treasury Shares.

Free Float Composition:	Number of Shares	%Share Capital
Cairn Capital limited	14,471,669	11.3%
Sunderland Capital Partners LP	6,371,316	5.0%
Other less than 3%	45,907,558	36.0%



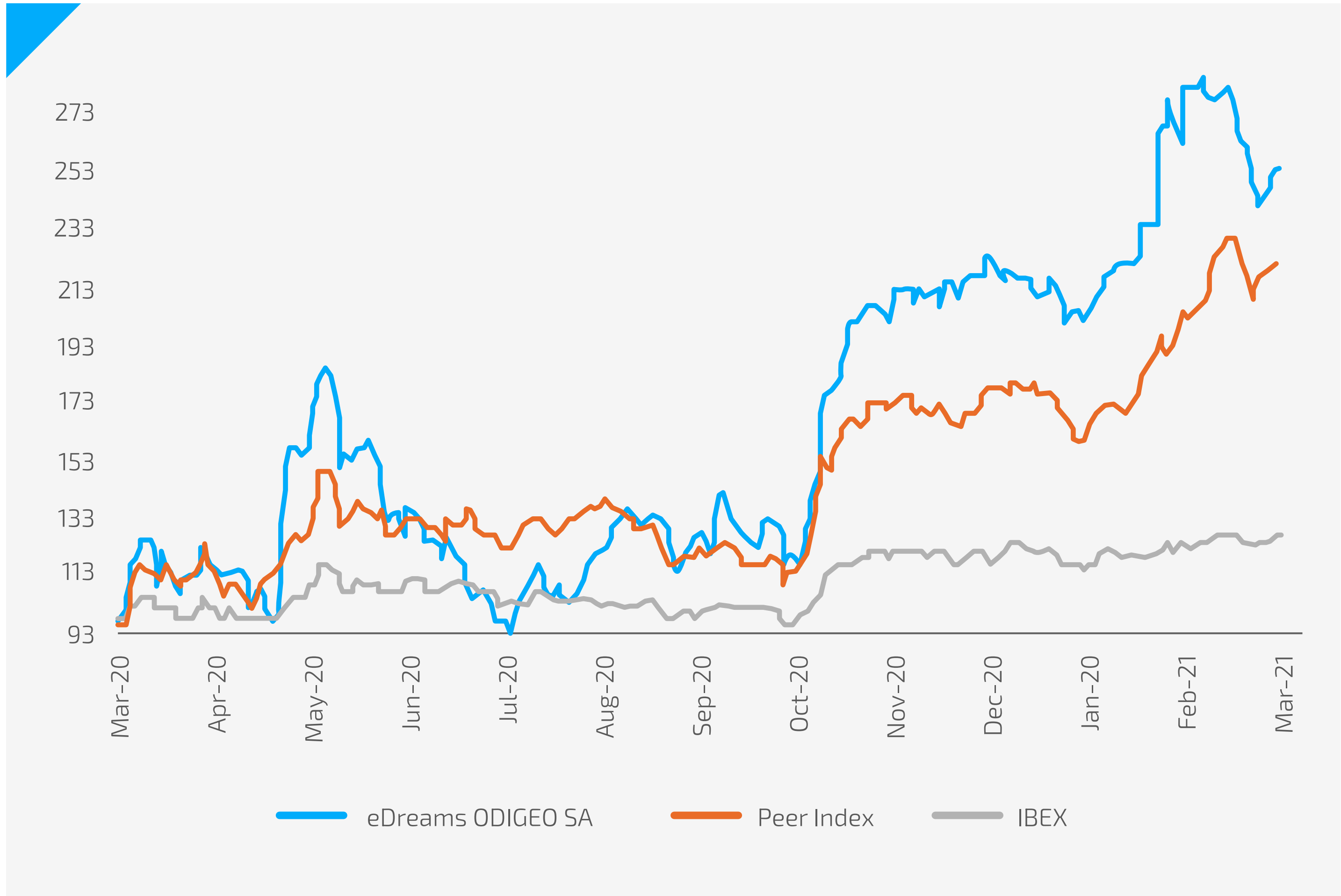
B.3.6. SHAREHOLDERS AND INVESTORS

THE STOCK MARKET

In FY22 the COVID-19 pandemic with the subsequent travel restrictions and the Russian invasion of Ukraine, adversely impacted global equity and bond markets.

Within this context in 2021 we were the number one performing stock in the Spanish IBEX 35 and one of the top 3 on all major European exchanges. Our share price re-rated by 133%, outperforming the IBEX 35, Global Online Travel and Global Subscription companies by 126, 131 and 152 percentage points, respectively. The positive performance of the share price since the 31st of March 2020, when COVID-19 hit us the most, has been promising and indicates renewed investor faith thanks to the success of our subscription program (Prime), the Company's overall strategy and business model, and the agile response during the pandemic. In addition, the Company announced long term targets.

If we look at our equity performance during COVID-19, from the 31st of March 2020, eDreams ODIGEO's share price (up 335%) has outperformed all the Global OTAs (up 83% on average), Global Subscription companies (up 1% on average) and the IBEX 35 (up 83%).



eDreams ODIGEO | Open: 1.84 | High: 9.88 | Low: 1.72 | Close: 8.05
31/03/2020 – 31/03/2022

eDreams ODIGEO shares, since our lowest point in October 2014 and the management change thereafter, continue to be the best equity performer over a long period. Our share price between the 25th October 2014 (our low point) and the 31st March 2022, has increased by 687%, outperforming by 705pp, 527pp and 646pp, the IBEX 35, the benchmark Spanish stock market index, and the Global Subscription, and Online Travel companies indexes, respectively.

B.3.6. SHAREHOLDERS AND INVESTORS

eDreams ODIGEO share price performance vs Peers & Spanish Market

	Since our lowest point and management change	During COVID-19	2021	FY22
From	25th October 2014	31st March 2020	1st January 2021	31st March 2021
To	31st March 2022	31st March 2022	31st December 2021	31st March 2022
eDO	**687%**	**335%**	**133%**	**71%**
Global Subscription	160%	1%	(19)%	(38)%
Global OTAs	41%	83%	2%	(18)%
IBEX 35	(18)%	24%	8%	(3)%
IGBM	10%	36%	11%	(2)%
Global OTAs				
Booking Holdings	106%	75%	8%	1%
Despegar	(53)%	115%	(24)%	(10)%
Expedia	140%	248%	36%	14%
Lastminute.com	157%	80%	50%	2%
On the Beach	(69)%	56%	(5)%	(50)%
Trip.com	27%	7%	(23)%	(42)%
Tripadvisor	(19)%	(1)%	(27)%	(42)%

	Since our lowest point and management change	During COVID-19	2021	FY22
From	25th October 2014	31st March 2020	1st January 2021	31st March 2021
To	31st March 2022	31st March 2022	31st December 2021	31st March 2022
eDO	**687%**	**335%**	**133%**	**71%**
Global Subscription				
Teamviewer	(49)%	(63)%	(73)%	(63)%
Spotify	14%	24%	(26)%	(44)%
Netflix	581%	0%	11%	(28)%
Bumble	(33)%	(33)%	(21)%	(54)%
Duolingo	(7)%	(7)%	4%	(7)%
Hellofresh	287%	34%	7%	(36)%
Peloton	(9)%	0%	(76)%	(77)%
Salesforce	256%	47%	14%	0%
Dropbox	11%	28%	11%	(13)%
Zoom	226%	(20)%	(45)%	(64)%
Wix.com	542%	4%	(37)%	(63)%
Baxter	104%	(4)%	7%	(8)%

Our market capitalisation as of 31st March 2022 was €1,027 million. The average daily trading volume in the FY22 was 152,025 shares (€917,780). The proportion of our stock in free float is 52%.

Non Financial Information

B.4.The environment

B

B.4. THE ENVIRONMENT

As an e-commerce company, we believe that there are numerous opportunities for technology to be a powerful force for positive change.

While our core activities have a relatively low impact, and we consume low volumes of electricity and water, by virtue of the fact that we are an online business, we are always looking to find ways in which we can reduce our direct environmental footprint, implementing sustainable practices, both in the office and when work takes us away from the office, in procurement and purchasing processes, in the use of energy and water, waste management, travel, and in each of our business processes.

We recognise the indirect environmental impact generated by some of the products that we intermediate, and to address this our teams are committed to exploring meaningful initiatives that can truly contribute to a brighter future for travel and our planet.

As part of our commitment towards the Paris Agreement's goal of limiting global warming to 1.5°C, we have been carbon neutral for the past 3 fiscal years, and looking forward have formalised our climate strategy in an "Ecological Transition Plan" which will guide us further towards the goal of net zero for our direct operations by 2030, and towards making a meaningful contribution to a sustainable travel sector.

This Plan details the steps and proposed actions in our journey geared towards reducing the effects of climate change, progress towards decarbonization, efficient management and responsible consumption, and the development of more sustainable products.

We are committed to reducing emissions & consumption.

We will continue to implement new technologies and more sustainable alternatives that reduce emissions, consumption, and waste in our direct operations, as they become available.

We are committed to building sustainability awareness.

We will use our scale, tech innovation in our platforms, and extensive network of travel provider partners, to create travel itineraries that enable our customers to clearly assess the environmental impact of their journey, empowering them to make greener and more sustainable choices.

We are committed to integrating sustainability into our business and culture.

We will lead by example for our eDOers, and partners by incorporating pro-sustainability practices into our day to day, facilitating and empowering them to make sustainable choices.

REDUCING EMISSIONS AND CONSUMPTION

Targets

- Complete our objective of powering 100% of our office locations with 100% green energy by 2024. (building on the 90% we have currently achieved).
- Complete migration of our IT infrastructure to Cloud based (serviced by net zero emissions suppliers) by 2024.
- We have been carbon neutral for our direct operations since 2020, and aim to maintain this status going forwards.

Energy use & emissions

We follow the Greenhouse Gas Protocol (GHGP) to manage and report our CO_2 emissions. eDreams ODIGEO's operations have a direct, **but very limited carbon footprint impact** on the environment, in the following ways:

- In Scope 1, **eDreams does not use natural gas or diesel.** The scope 1 emission is not relevant for the Company.
- In Scope 2, we include **emissions linked to the use of electricity (kWh) at our office buildings** worldwide.
- In Scope 3, we include emissions generated by **business travel of our employees** (Km travelled by air+train). **The main share of our IT infrastructure is now Cloud based (serviced by net zero emissions suppliers). The residual IT infrastructure that remains serviced by the two outsourced data centres we use is immaterial, and our share of emissions data has not been made available to us.**

Scope 2 – which accounts for GHG emissions from the generation of purchased electricity consumed by a company

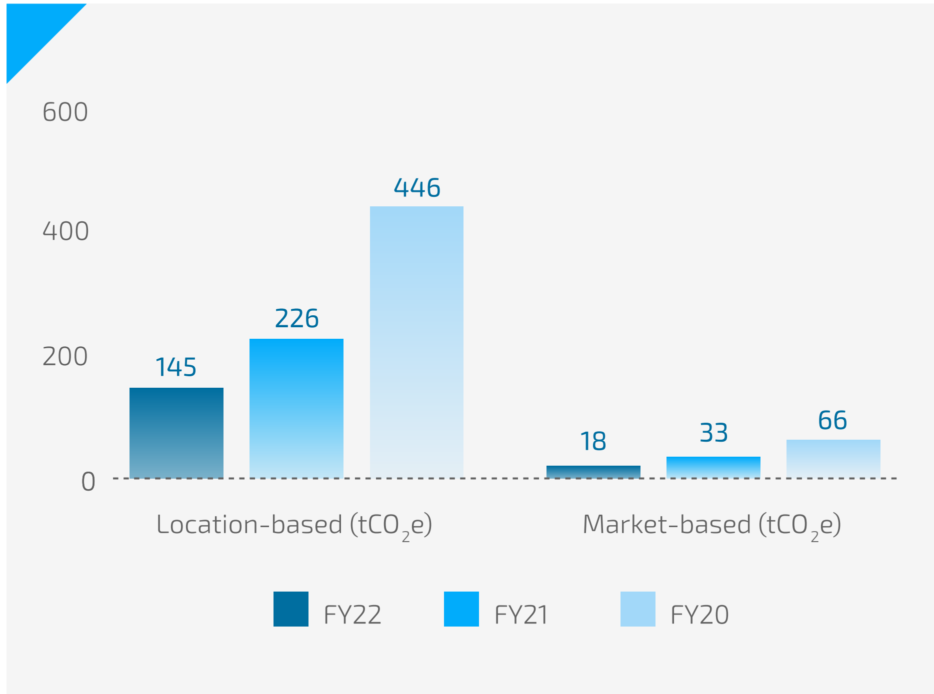
The only source of Scope 2 GHG emissions generated by eDreams ODIGEO is to power our rented office locations, using purchased electricity. We have reduced our electricity consumption at our office locations by -(6)% from 862,825* kWh in FY21 to 812,468* kWh in FY22 , due primarily to the closure of our offices for long periods of time as a result of COVID-19 lockdowns, and also in part to a downscaling of office space at some of our European locations such as London, Paris, and Milan, and in the energy efficient re-opening plan of our main sites in Barcelona, re-opening only several floors in one of the 2 multi-floored buildings we operate in.

**Note: 99% of the electricity emissions information is based on actual invoices for the calendar year 2021. The remaining 1% of emissions relate to small co-working offices for which the electricity calculation has been estimated based on the leased square metre area of the offices.*

We are very conscious keeping GHG emissions to a minimum, and from FY20 purchase our electricity in Spain (representing 91% of our total Group electricity consumption) **from an energy supplier which only sources 100% green energy. With this measure we have continued to reduce the Scope 2 market based carbon footprint generated by our electricity consumption at our office locations by (45)% (from 33 tCO2e in FY21 to 18 tCO2e in FY22).**

B.4. THE ENVIRONMENT

Tables on CO_2 Emissions (tCO_2) – Scope 2**
(Offices)



*Note**: For the location-based emissions of electricity consumption, the grid electricity emissions factors have been used for the different countries where eDreams ODIGEO operates; the emissions factor come from CarbonFootprint (https://www.carbonfootprint.com/docs/2022_03_emissions_factors_sources_for_2021_electricity_v11.pdf). For the emissions of electricity consumption using the market-based method, the same emissions factors have been used, with the exception of the data reported in Spain. For Spain, the emission factor comes from the Comisión Nacional de los Mercados y la Competencia (CNMC). Since 2020, all the electricity purchased by the company in Spain comes from renewable sources.*

Energy Intensity

	FY22	FY21	FY20	Variation FY22 VS FY21
Electricity consumption all eDreams ODIGEO sites (kWh)	812,468	862,825	1,686,267	(6)%
Square Metres all eDreams ODIGEO sites	10,732	13,904	13,904	
Intensity (Electricity Consumption per square metres/per annum)	76	62	121	

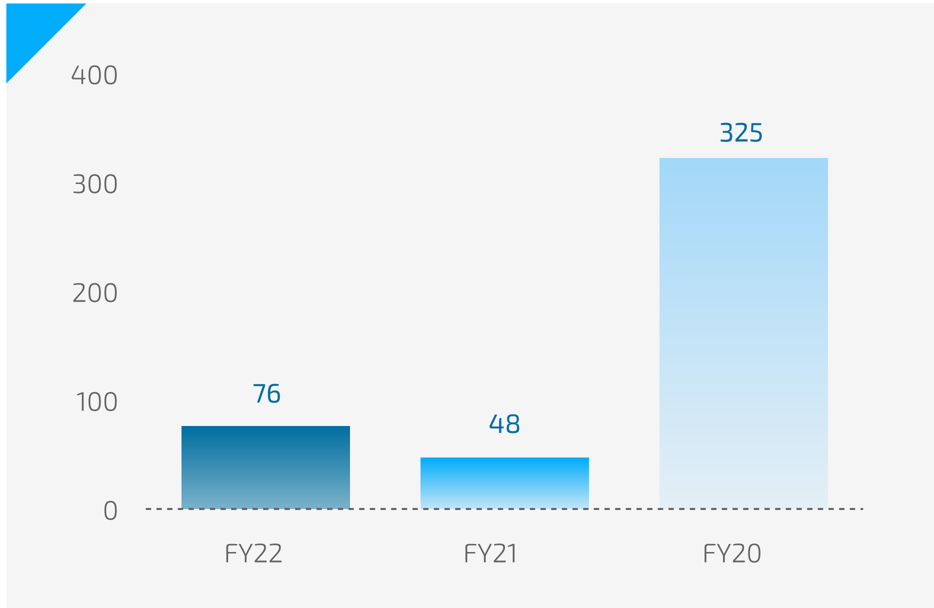
In the last quarter of FY20, eDreams ODIGEO Group successfully passed energy efficiency audits (in accordance with the European Energy Efficiency Directive), carried out by Schneider Electric at our most significant office locations in Barcelona, and London. No material recommendations were raised.

Scope 3 – which covers emissions associated with business travel and outsourced data centres

Business travel

During FY22, as lockdown restrictions were eased during large parts of the year Scope 3 emissions relating to employee travel (air + train) for business trips increased in comparison with FY21. However when comparing to pre-COVID volumes of business travel, the **underlying reduction in overall levels is here to stay, as our teams have readily adopted more environmentally friendly options such as videoconferencing, and it is unlikely that we will return to pre-pandemic levels of business travel**.

Tables on CO_2 Emissions (tCO_2e) – Scope 3*** (business travel)



*Note***: We calculate our emission based on the emissions factors from DEFRA (air) and the OECC Carbon Footprint Calculation Guide 2021 (train).*

B.4. THE ENVIRONMENT

Cloud infrastructure and Outsourced Data Centres

Cloud Infrastructure

During FY22 we have continued to migrate our infrastructure to Cloud data centres, helping accelerate eDreams ODIGEO further along the path towards sustainability. Cloud's platform and technologies help drive better performance, and reduce energy consumption compared with on-site servers that need to be constantly powered by electricity. Our Cloud services supplier matches its energy usage with renewable energy purchases, is 24/7 carbon free, consumes 50% less energy than average data centres, and has 1.11 power usage effectiveness (PUE).

The annual equivalent gross carbon footprint generated by our Cloud based activity was 645,144 kgCO_2e. These represent emissions apportioned to eDreams ODIGEO from the lifecycle emissions from Google Cloud ́s electricity consumption. These emissions are considered scope 3 emission, under the Greenhouse Gas Protocol. Google Cloud ́s net operational greenhouse gas emissions was 0 KgCO_2e as Google invests in enough renewable energy and carbon offsets to neutralise the global operational greenhouse emissions of Google Cloud.

Outsourced Data Centres

The remaining infrastructure run through traditional outsourced data centres is minimal, and will be reduced even further in the short term.

For this residual infrastructure, eDreams ODIGEO's share of emissions data has not been made available by the supplier. However the two outsourced data centre suppliers we use are well positioned to support the eDreams ODIGEO sustainability agenda, with serious commitment to providing the Company with services based on energy efficient infrastructures that reduce overall emissions, and tight security measures to protect our data. Both data centre suppliers are certified in Environmental Standard (ISO 14001), Energy Management standard (ISO 50001), and IT Security Management standard (ISO 27001).

Our outsourced data centre suppliers strive to achieve the lowest possible PUE scores, applying a number of energy efficient techniques including; frequent measurement and benchmarking of power usage, regulating airflow by preventing mix of hot and cold air, aligning hot and cold aisles, aisle containment, reducing airflow leaks, periodically checking raised flooring for gaps and potential airflow gaps, controlling air temperature, regulating humidity, and turning off redundant machines.

Our main outsourced data centre in Barcelona is a member of the Green Grid group of companies collaborating to improve the resource efficiency of data centres, and has won several awards such as International Data Centre & Cloud Awards for Energy Efficiency and Environmental Sustainability.

Internal Operations Carbon offset

As a complement to the ongoing initiatives to reduce our internal operational energy use and carbon emissions, for the third consecutive year, **we have achieved carbon neutrality of all our GHG emissions derived from our purchase of electricity and business travel, via the purchase of carbon offsets in Gold Standard and Verified Carbon Standard certified projects** supporting: global reforestation, biodiversity, and the global transition to renewable energy.

Water usage

Water consumption that is directly under our control, at our office buildings in kitchens, toilets, etc. is relatively low and reduced in FY22 compared to FY21 primarily because of a downscaling of office space at our Barcelona Diputacion office from 5 to 3 floors midway through FY22, and in a water consumption conscious re-opening plan of our main sites in Barcelona, re-opening only several floors in one of the 2 multi-floored buildings we operate in.

For the two outsourced data centres we use, our water consumption data has not been made available to us.

The consumption in m^3 for the fiscal year of the two main eDreams ODIGEO sites located in Barcelona was 1,280 m^3 ((45)% less vs FY21).

Water Intensity

	FY22	FY21	FY20	Variation FY22 VS FY21
Water Consumption eDreams ODIGEO Barcelona sites (m3)	1,280	2,315	5,524	(45)%
Square Metres Barcelona sites*	8,277	9,674	9,674	
Intensity (Water Consumption per square metres/per annum)	0.15	0.24	0.57	

**Water consumption is only reported for our 2 main Barcelona offices (which account for approx 80% of the total m2 of our operations) as for the remaining smaller offices the water is included in the rental cost and the landlord does not provide the information.*

B.4. THE ENVIRONMENT

BUILDING SUSTAINABILITY AWARENESS

Targets:

- Achieve 100% coverage of the "greener choice" CO_2 emission information on customer searches across all markets & websites (currently 85% of searches are evaluated on CO_2 emissions).
- Further develop the eDOGreen brand climate and sustainability awareness program for employees and leadership in 2023.

With our customers

We believe in our responsibility to make sustainable travel choices easier for our customers. In line with our customer centric strategy, during FY22 we launched the "greener choice CO_2 emissions" feature in our booking platform, to add sustainability information to our search results, one of the first OTAs to offer this to customers.

With our eDOers

- Creation of a CSR page on the company intranet, and a CSR Slack channel where ESG related tips/ideas/facts are shared on a weekly basis.
- The CSR eDO G+ community where employees can volunteer to help with ESG initiatives (activities include; beach cleaning, toy donations, food bank collections).
- eDOGreen talk "Journey to Zero Waste Office"' to raise awareness amongst eDOers on the impact of our individual actions and promoting a more sustainable way of living.
- Encouraging employees to walk and cycle, and promoting the use of carpooling and public transportation.
- Sticker campaigns "Switch me off before you go go" on all laptops/screens, and energy savings stickers.
- Green message on signatures.

INTEGRATING SUSTAINABILITY INTO OUR BUSINESS AND CULTURE

Targets:

- Continue our transition to a green supply chain, and identify further opportunities to upgrade to more sustainable suppliers, applying the same sustainability principles used for our transition to Cloud for IT infrastructure, (serviced by net zero emissions suppliers).
- Continue along the advanced path to a 100% paperless office by 2024.

B.4. THE ENVIRONMENT

Waste management and circular economy

As an online technology business, we generate very little waste, and the limited waste generated at our premises is from canteens, (pleasant, comfortable equipped areas where our eDOers can eat meals brought from home), and general office use, and is managed in accordance with regulations in each local country. Despite our low levels of waste generation we are committed to a reduce-reuse-recycle policy, and have developed management procedures aimed at minimizing waste and reducing single-use plastics. We actively promote a paperless office and strive to keep paper consumption at our premises to a minimum, maintaining most of our documentation electronically, and for the limited printing we do generate, automated badge-based printing systems are in place to restrict consumption, and monitor and identify areas for improvement.

Supply chain - Green procurement

Sustainability and environment impact are key considerations factored into our procurement decisions.

- **Cloud Services:** energy consumption and emissions have been reduced by:
    - The move away from the fixed on premise infrastructure where energy was being consumed regardless of server usage, to the flexible virtual infrastructure where energy is only consumed when servers are used.
    - The 100% renewable energy matching promise of our Cloud supplier.
- **IT hardware & software:** our Procurement team is responsible for ensuring our office IT equipment is certified to or in compliance with internationally acknowledged standards. Laptops & monitors, our most significant items meet ENERGY STAR Versions 5.0 & 6.0, Blue Angel, TCO, European Eco-label and meet EPEAT Gold & Silver standards.
- **Office supplies:** the change to remote working resulting from the pandemic has generated the added benefit of a significant reduction in the procurement of office supplies, and more reliance on a paperless office. Going forward this has also enabled the Procurement & Facilities teams to explore and prioritise sustainable suppliers for future purchases.

End of Life Management of Hardware

- **Donation:** reusing obsolete PC screens and other electronic equipment, and recycling of electronic appliances and office furniture via donations to charity.
- **Disposal:** we outsource the destruction and disposal of obsolete IT equipment to a specialised company, fully certified in ISO 14001 (Environmental Management) & ISO 27001 (Information Security Management), who ensure the equipment is destroyed or dismantled and recycled, in a secure and environmentally friendly way.

B.4. THE ENVIRONMENT

Other day-to-day operations

Our eDOers are enthusiastic and responsible in the uptake and promotion of environmentally-friendly practices. Below are some examples of initiatives implemented at our eDreams ODIGEO locations:

- Switching off laptops, PCs, and other electrical devices, such as monitors, before leaving the office.
- Switching off TV screens and any equipment in meeting rooms.
- Centralised control of air conditioning and heating systems, with time controls, to adapt room temperature to the current weather conditions and avoid unnecessary consumption.
- Maximising the use of natural light, before artificial light timers kick in, and automatic switch off at predetermined hours.
- Avoiding business travel in favour of video and audio conferences whenever possible (as outlined in the eDreams ODIGEO Travel Policy).
- Using chat instead of mobile phones.
- Replacing incandescent bulbs with LEDs.
- Using only Eco-Label cleaning and disinfection products.
- Recycling bins are installed at all of our locations to facilitate the recycling of organics, plastics, cans and light packaging, paper and other waste.
- Replacing individual use waste paper baskets with central recycling points on each floor.
- Separating and collecting waste: implementing a proper infrastructure to facilitate waste separation for recycling (general waste, packaging and organic).
- Special recycling bins for: batteries, electric and electronic devices, plastic caps.
- Reusing waste paper (from the printer) whenever possible, making use of the blank side for notes, and sending used paper for recycling (no significant paper consumption during FY22 and FY21).
- Mugs and water bottles for all employees, reducing the consumption of single-use plastic cups.
- Using compostable cups & biodegradable stir sticks compatible with organic bins.
- Replacing coffee capsules for ground coffee machines: organic waste.
- Using tetra bricks vs individual milk bricks.
- Replacing individual sugar sachets with sugar dispensers.
- Replacing paper towels with new efficient hand dryers.
- Replacing paper advertising with digital channels.
- Motion sensor taps in washrooms.
- Installing air diffusers in the taps to reduce the water flow and consumption.
- Avoiding the use of bottled water in favour of water fountains.
- Switching to eco-friendly printers, and default configuring them to greyscale, two sided and ECO mode.
- Implementing electronic signature to reduce the printing and delivery of hard-copy contract versions.

OTHER ENVIRONMENTAL CONSIDERATIONS: BIO-DIVERSITY, RAW MATERIALS, PROTECTED AREAS, NOISE, LIGHT POLLUTION, ETC.

eDreams ODIGEO's direct operations do not use raw materials in any significant quantities, do not generate significant noise or light pollution, and do not have any direct impact on protected areas or areas of biodiversity, as our offices are located in the city centre. These are not considered material ESG risks for us.

ENVIRONMENTAL RESPONSIBILITY AND ANY PROVISIONS FOR ENVIRONMENTAL RISKS

Although our activities do not fall under the scope of the Spanish Environmental Responsibility Law 26/2007 requiring specific environmental responsibility insurance cover, our existing civil responsibility insurance policy includes a clause covering responsibility for any direct pollution caused by our activities.

The Group has not been subject to any claims, fines, or actions relating to its environmental impact in FY22, and has a history of never having accrued a fine or claim. Given this unblemished record and the nature of our business, we have not accrued any provisions for environmental risks.

Non Financial Information

B.5. Contents index of the Law 11/2018 & GRI indicators

B

B.5. CONTENTS INDEX OF THE LAW 11/2018 & GRI INDICATORS

GENERAL INFORMATION			
Content	Description	GRI Standards indicator	Location/Chapter, pages/Observation
Business model	A brief description of the group's business model, including its business environment, organization and structure, the markets in which it operates, its objectives and strategies, and the main factors and trends that may affect its future evolution.	102-2, 102-4, 102-6, 102-7, 102-10	A2.1 (11-12), A2.2 (13-27), A2.3 (28), A2.5 (39-61), B1.2 (66-70)
Policies applied by the Group	Policies applied by the Group, including the due diligence procedures applied to identify, assess prevent and mitigate significant risks and impacts, and to verify and control, as well as the measures that have been adopted. Inclusion of non-financial information KPIs that enable progress evaluation, and comparability between companies and sectors, in accordance with approved national, European, or international frameworks.	103-2, 102-16	B2.1 (76, 81, 82), B2.2 (84-88), B2.4.(96), B3.2. (102-103, 105, 100), B3.3. (122-123), B3.4 (127), B4. (143-144)
Main risks	Main risks related to those issues linked to the group's activities, including, where relevant and proportionate, its commercial relations, products or services that may have negative effects in those areas and how the group manages those risks, explaining the procedures used to identify and evaluate them in accordance with the national, European or international reference frameworks for each subject. This should include information on the impacts that have been identified, giving a breakdown of these impacts, in particular on the main risks in the short, medium and long term.	102.15	B1.2 (68), B.2.2. (87), B2.3 (89-94), B3.2.(106-107), B3.3. (121), B3.4. (126, 127, 129), B4. (144)
Report profile	Mention in the report of the reporting framework (national, European, or international) used to report non-financial information indicators.	GRI Standards	B1.1 (65)
	Materiality Assessment.	102-46, 102-47	B1.2 (66-70)
Information on ENVIRONMENTAL MATTERS			
Environment Management	Current and foreseeable impacts of the Company's activities on environment management and, as the case may be, on health and safety.	103-2	B1.2 (68;71), B2.3 (92), B3.2 (106-107)
	Procedures for environmental assessment of certification.	103-2	B4 (141, 143)
	Resources dedicated to environmental risk prevention.	103-2	B4 (144)
	Applying the principle of precaution.	102-11	B4 (138-144)
	Amount of provisions and guarantees for environmental risks.	103-2	B4 (144)
Pollution	Measures to prevent, reduce or repair CO_2 emissions that seriously impact the environment, taking into consideration all activities that generate atmospheric pollution.	103-2, 302-4, 302-5, 305-5, 305-7	B4 (138-144)
	Measures to prevent, reduce or repair emissions that generate atmospheric pollution (including noise and light pollution).	Non material to the business	B4 (144)

B.5. CONTENTS INDEX OF THE LAW 11/2018 & GRI INDICATORS

Circular economy and waste prevention and management	Waste prevention, recycling, reuse and other forms of waste recovery and elimination measures.	103-2	B4 (138, 142-143)
	Actions to combat food wastage.	Non material to the business	B4 (143)
Sustainable use of resources	Consumption and supply of water in compliance with local limitations.	303-1 (2018), 303-2 (2018), 303-3 (2018)	B4 (141)
	Consumption of raw materials and measures in place to ensure more efficient use of raw materials.	Non material to the business	B4 (144)
	Direct and indirect energy consumption and measures in place to improve energy efficiency and use of renewable energies.	302-1	B4 (138-141)
Climate change	Important aspects relating to the greenhouse gas emissions generated by the Company's activities (including both goods and services).	305-2, 305-3	B4 (138-141)
	Measures in place to adapt to the consequences of climate change.	103-2	B1.2 (68), B4 (138-144)
	Goals for reducing greenhouse gas emissions in the medium and long term and measures put in place to reduce greenhouse gas emissions.	103-2	B1.3 (71), B4 (138-144)
Protecting biodiversity	Measures put in place to conserve or restore biodiversity.	103-2	B4 (144)
	Impact caused by activities and operations in protected areas.	103-2	B4 (144)
Information on SOCIAL and EMPLOYMENT matters			
Employment	Total number and distribution of employees by gender, by age, by country and job category.	102-7, 405-1	B3.2 (113)
	Total number and distribution of employment contract by type.	102-8	B3.2 (113)
	Annual average of open-ended contracts, temporary contracts and part-time contracts by.	102-8	B3.2 (114)
	Number of dismissals by gender, by age, by job category.	401-1	B3.2 (115)
	Average remuneration and trends, broken down by gender, by age, by job category.	405-2	B3.2 (115-116)
	Salary gap.	(men average remuneration - women average remuneration)/men average remuneration	B3.2 (116-117)
	Remuneration for similar work positions or average remuneration at the Company.	405-2	B3.2 (117)
	Average remuneration of board members and executives (including variable pay, per diem allowances, compensation and severance, payments to long-term pension and savings.	102-35	B3.2 (116)
	Implementation of job disconnection policies.	103-2	B3.2 (105)
	Disabled employees.	405-1	B3.2 (102)

B.5. CONTENTS INDEX OF THE LAW 11/2018 & GRI INDICATORS

Work organization	Organization of working hours.	103-2	B3.2 (105)
	Absenteeism in hours.	103-2	B3.2 (117)
	Measures to improve the work-life balance of employees and to ensure an appropriate balance between mother and father.	103-2	B3.2 (105)
Health & Safety	Occupational health and safety conditions.	403-1 (2018)	B3.2 (106-107)
	Workplace accidents, especially frequency and severity, as well as occupational diseases, broken down by gender.	403-9 (2018), 403-10 (2018)	B3.2 (117-118)
Labour relations	Enabling and organizing dialogue with employees (including procedures for reporting, consulting and negotiating with employees).	103-2	B3.2 (106, 108, 112)
	Percentage of employees covered by collective bargaining agreement, by country.	102-41	B3.2 (118)
	List of collective agreements (especially in the field of occupational health and safety).	403-4 (2018)	B3.2 (108)
Training	Policies implemented in the field of training.	404-2	B3.2 (109-110)
	Total number of training hours by job category.	404-1	B3.2 (118)
Accessibility	Universal accessibility for disabled people.	103-2	B3.2 (102)
Equality	Measures put in place to champion equal treatment and opportunities between women and men.	103-2	B3.2 (102-103)
	Equality plans (Chapter III of Organic Law 3 of 22th March 2007, on the effective equality between women and men).	103-2	B3.2 (103)
	Measures put in place to foster employment.	103-2, 404-2	B3.2 (99,104)
	Protocols against sexual and gender-based harassment.	103-2	B3.2 (103)
	Protocols against discrimination in all its forms and, as the case may be, to ensure the proper management of diversity.	103-2, 406-1	B3.2 (102-103)
Information on respect for HUMAN RIGHTS			
Information regarding Human Rights	Preventing the risk of committing human rights breaches and, as the case may be, measures to mitigate, manage and repair possible abuses committed. Implementation of due diligence processes on the subject of Human Rights.	102-16, 102-17	B3.2 (101), B3.4 (129)
	Reports of cases where human rights have been breached.	103-3	B3.2 (64, 108)
	Promoting and observing the fundamental conventions of the International Labour Organization governing respect for freedom of association and the right to collective bargaining, eliminating Discrimination in the workplace and when hiring, eradication of forced labour and the effective eradication of child labour.	103-2	B3.2 (101)

B.5. CONTENTS INDEX OF THE LAW 11/2018 & GRI INDICATORS

Information on the FIGHT against CORRUPTION and BRIBERY			
Information on the fight against corruption & bribery	Measures put in place to prevent corruption and bribery.	103-2, 205-2, 205-3	B2.2 (85-88)
	Anti-money laundering measures.	103-2	B2.2 (85-88)
	Contributions to foundations and non-profit entities.	102-13, 201-1	B3.5 (132)
Information on SOCIETY			
Company commitments to sustainable development	The impact of the Company's business on employment, local development and the natural environment.	103-2	B3.1 (98), B3.5 (130)
	Relations with agents from the local communities and forms of dialogue with such associations and people.	102-43, 413-1	B3.5 (131-132)
	Association or sponsorship actions.	102-13, 201-1, 203-1	B3.5 (131)
Subcontracting and suppliers	Inclusion of a procurement policy that champions social issues, gender equality and environmental protection.	103-3	B3.4 (127-129)
	Making its social and environmental responsibility values part of its relations with suppliers and subcontractors	102-9	B3.4 (127-129)
	Oversight systems, audits and troubleshooting processes.	414-2	B3.4 (129)
Consumers	Measures to improve the health and safety of consumers.	103-2	B3.2 (108), B3.3 (119-122)
	Reporting and whistleblowing systems and grievances received and resolved.	418-1	B3.3 (120, 124)
Tax information	Profits obtained by country.	"Accounting Principle"	B3.5 (132)
	Taxes paid on profits.	"Accounting Principle"	B3.5 (132)
	Public subsidies and aid received.	201-4	B3.5 (132)
EU Taxonomy	Revenue, CapEx and OpEx corresponding to eligible activities.	N/A	B1.4 (72-73)

Non Financial Information

B.6. Auditor verification report

Independent limited assurance report on the Consolidated Non-Financial Statement for the year ended March 31, 2022

eDreams ODIGEO, S.A. AND ITS SUBSIDIARIES

Building a better working world

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Building a better working world

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

INDEPENDENT LIMITED ASSURANCE REPORT ON THE CONSOLIDATED NON-FINANCIAL STATEMENT

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

Pursuant to article 49 of the Code of Commerce we have performed a verification, with a limited assurance scope, of the accompanying Consolidated Non-Financial Statement (hereinafter NFS) for the year ended March 31, 2022, of eDreams ODIGEO, S.A. and its subsidiaries (hereinafter, the Group), which is part of the Consolidated Management Report of the Group.

The content of the NFS includes additional information to that required by prevailing mercantile regulations in relation to non-financial information that has not been subject to our verification. In this regard, our review has been exclusively limited to the verification of the information shown in section B.5 "Contents index of the Law 11/2018 and GRI indicators", included in the accompanying NFS.

Directors' Responsibility

The Board of Directors of eDreams ODIGEO, S.A. is responsible for the approval and content of the NFS included in the Consolidated Management Report of the Group. The NFS has been prepared in accordance with the contents established in prevailing mercantile regulations and following *Sustainability Reporting Standards* selected criteria of the *Global Reporting Initiative* (GRI standards), as well as other criteria described in accordance with that indicated for each subject in section B.5 "Contents index of the Law 11/2018 and GRI indicators", included in the accompanying NFS.

This responsibility also includes the design, implementation and maintenance of such internal control as they determine is necessary to enable the preparation of an NFS that is free from material misstatement, whether due to fraud or error.

The Directors of eDreams ODIGEO, S.A. are further responsible for defining, implementing, adapting and maintaining the management systems from which the information necessary for the preparation of the NFS is obtained.

Our independence and quality control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our Firm applies International Standard on Quality Control 1 (ISQC 1) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory provisions.

The engagement team consisted of experts in the review of Non-Financial Information and, specifically, in information about economic, social and environmental performance.

Our responsibility

Our responsibility is to express our conclusions in an independent limited assurance report based on the work performed. Our work has been performed in accordance with the requirements established in prevailing International Standard on Assurance Engagements 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (ISAE 3000 Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC), and with the Guidelines on assurance engagements on the Non-Financial Statement issued by the Spanish Institute of Chartered Accountants.

The procedures carried out in a limited assurance engagement vary in nature and timing and are less in scope than reasonable assurance engagements, and therefore, the level of assurance provided is likewise lower.

Our work consisted in requesting information from Management and the various Group units participating in the preparation of the NFS, reviewing the process for gathering and validating the information included in the NFS, and applying certain analytical procedures and sampling review tests as described below:

- Meeting with Group personnel to gain understanding of the business model, policies and management approaches applied, and of the main risks related to these matters, and obtaining the necessary information for our external review.
- Analysing the scope, relevance and integrity of the content included in the NFS for the year ended March 31. 2022. based on the materiality analysis made by the Group and described in section B.1.2 "Materiality", considering the content required by prevailing mercantile regulations.
- Analysing the processes for gathering and validating the data included in the NFS for the year ended March 31, 2022.
- Reviewing the information on the risks, policies and management approaches applied in relation to the material aspects included in the NFS for the year ended March 31, 2022.
- Checking, through tests, based on a selection of a sample, the information related to the content of the NFS for the year ended March 31, 2022 and its correct compilation from the data sources.
- Obtaining a representation letter from the Board of Directors and Management.

Emphasis of matter paragraph

Regulation (EU) 2020/852 of the European Parliament and the Council, June 18 2020, on the establishment of a framework to facilitate sustainable investments settles the obligation to disclose information on how and to what extent the company's activities are associated with economic activities that are considered environmentally sustainable in relation to climate change mitigation and adaptation objectives for the first time for the financial year 2021, provided that the Non-Financial Statement is published as of January 1 2022. Consequently, comparative information on this matter has not been included in the accompanying NFS. Additionally, information has been included, for which the Board of Directors of eDreams ODIGEO, S.A. have chosen to apply the criteria that, in their opinion, best enable compliance with the new obligation and which are defined within the section "B.1.4 European Union Taxonomy" of the accompanying NFS. Our conclusion has not been modified in relation to this matter.

Conclusion

Based on the procedures performed in our verification and the evidence obtained, no matter has come to our attention that would lead us to believe that the NFS of the Group for the year ended March 31, 2022 has not been prepared, in all material respects, in accordance with the contents established in prevailing mercantile regulations and following the criteria of the selected GRI standards, as well as other criteria described in accordance with that indicated for each subject in section B.5 "Contents index of the Law 11/2018 and GRI Indicators", included in the NFS.

Use and distribution

This report has been prepared to comply with prevailing mercantile regulations in Spain and may not be suitable for any other purpose or jurisdiction.

ERNST & YOUNG, S.L.

Antonio Capella Elizalde

May 25, 2022

Non Financial Information

B.7. Contact and Public Reports

B

B.7.1. CONTACT

www.edreamsodigeo.com

For further information please contact:

Investor Relations Office
5 Merchant Square
London, W2 1AY
United Kingdom

investors@edreamsodigeo.com

B.7.2. OTHER PUBLICLY AVAILABLE REPORTS

Annual Report on Corporate Governance FY22:

The Annual Corporate Governance Report is part of the Integrated Annual Report in accordance with the Spanish Capital Companies Act. The aforementioned report is submitted to the CNMV separately and it can be found on our corporate website and on the CNMV website (www.cnmv.es):

- CNMV: https://www.cnmv.es/Portal/Consultas/EE/InformacionGobCorp.aspx?nif=A02850956
- Corporate website: https://www.edreamsodigeo.com/category/investors/annual-report-on-corporate-governance/

Annual Directors Remuneration Report FY22:

The Annual report on Directors' remunerations is part of the Integrated Annual Report in accordance with the Spanish Capital Companies Act. The aforementioned report is submitted to the CNMV separately and it can be found on our corporate website and on the CNMV website (www.cnmv.es):

- CNMV: https://www.cnmv.es/Portal/Consultas/EE/InformacionGobCorp.aspx?TipoInforme=6&nif=A02850956
- Corporate website: https://www.edreamsodigeo.com/category/investors/remmuneration-of-directors-reports/

Other Annual reports:

https://www.edreamsodigeo.com/category/investors/other-annual-reports/

- Audit Committee Activity Report FY22
- External Auditors Independence & EY letter FY22
- Remuneration and Nomination Committee Activity Report FY22
- Responsible Business Conduct Statement FY22

Consolidated Financial Statements & Notes

C

Consolidated Financial Statements & Notes

C.1. Audit Report

C

Audit Report on Financial Statements
issued by an Independent Auditor

eDreams ODIGEO, S.A. AND SUBSIDIARIES
Consolidated Financial Statements and
Consolidated Management Report
for the year ended
March 31, 2022

Building a better working world

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AUDIT REPORT ON CONSOLIDATED 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.:

Audit report on the consolidated financial statements

Opinion

We have audited the consolidated financial statements of eDreams ODIGEO, S.A. (the parent) and its subsidiaries (the Group), which comprise the consolidated statement of financial position at March 31, 2022, the consolidated income statement, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity, the consolidated cash flow statement, and the notes thereto, for the year then ended.

In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material respects, of consolidated equity and the consolidated financial position of the Group at March 31, 2022 and of its financial performance and its consolidated cash flows, for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union (IFRS-EU), and other provisions in the regulatory framework applicable in Spain.

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 consolidated financial statements* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those related to independence, that are relevant to our audit of the consolidated 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon, and we do not provide a separate opinion on these matters.

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Measurement of goodwill and brands

Description	The Group has recorded in "Intangible assets" goodwill and brands for a net carrying amount at March 31, 2022 of 631,770 thousand euros and 221,881 thousand euros, respectively, which account for 80% of total Assets. As indicated in notes 5.3 and 5.13 to the accompanying consolidated financial statements, Group Management tests these assets for impairment at least annually to determine the recoverable amount of the cash-generating units (CGU) to which these assets have been allocated. The recoverable amount is the higher of fair value less costs to sell and value in use, so when the carrying amount exceeds the recoverable amount, the asset is considered impaired. The assessment made by Group Management of the recovery of these assets is based on the estimates of value in use, which is the present value of expected future cash flows, using risk-free market interest rates, adjusted by the specific risks associated with the asset. We have considered this matter a key audit matter due to the complexity of the recoverable amount estimation process, which requires Group Management to make significant estimates, specifically, of the assumptions that support the generation of expected future cash flows, considering also the relevance of these assets. The main criteria used to conclude on whether an impairment loss should be recorded on the assets described, as well as the assumptions applied and the sensitivity analysis conducted, are disclosed in notes 18 and 19 to the accompanying consolidated financial statements.
Our response	Our audit procedures for this area consisted, among others, in: ▶ Understanding the process implemented by the Group to determine the recoverable amount of the assets subject to impairment review, which also includes evaluating the design and implementation of the relevant controls established in the aforementioned process. ▶ Assessing, in collaboration with our valuations specialists, the methodology used by the Group in the impairment tests and the reasonableness of the main assumptions applied by Management regarding the several scenarios considered for the five-year expected future cash flow projections, including the validation of the discount rate and long-term growth rate. For that purpose, among other procedures, we have compared them with market research studies conducted by independent third parties on the industry in which the Group operates and assessed the sensitivity of the results to changes in the assumptions made in the uncertainty environment caused by Covid-19 and other other macroeconomic and geopolitical factors. ▶ Reviewing the information disclosed in the notes to the consolidated financial statements in accordance with the applicable regulatory framework for financial information.

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Recognition of revenue from intermediation services

Description	As described in Note 5.4 to the accompanying consolidated financial statements, the Group obtains a hightly significant portion of its revenue from intermediation services in the sale of flights, hotel rooms, dynamic packages, and other travel-related services and also revenue is coming from "Prime" subscription. Consequently, the Group recognizes its revenue at the fair value of the consideration received or receivable and when the customer has acknowledged and accepted the Group's terms and conditions describing the service provided, as well as the corresponding payment conditions. The Group considers revenue to be determinable when the product or service has been delivered or rendered in accordance with the said agreement. In the case of "Prime", revenue from the fee received for the subscription is recognized considering the customer's use of Prime each time they make a booking at a discount. These sales are made through different channels associated with specific IT systems, as well as different collection and payment platforms available to the Group. We have considered this matter a key audit matter due to the high volume of transactions involved, their automation, diversity and typology of channels, IT systems used and nature of collections and payments, as well as the relevance of the amounts involved.
Our response	Our audit procedures for this area consisted, among others, in: ▶ Understanding the process implemented by the Group for recognizing revenue from intermediation services, which also includes evaluating the design, implementation of the relevant controls established in the aforementioned process. ▶ Analyzing, in collaboration with our IT specialists, the IT systems and integrity of the information related to the applications involved in the revenue recognition process, both at the level of general controls, validating that the information flows correctly through them; ▶ Based on the journal, applying data analytics and reviewing the correlations between revenue, accounts receivable and collections. ▶ Doing a test on sales transactions for a representative sample in order to validate their existence and correct accrual and recording by verifying their collection, among other procedures. ▶ Reviewing the information disclosed in the notes to the consolidated financial statements in accordance with the applicable regulatory framework for financial information.

Other information: consolidated management report

Other information refers exclusively to the 2022 consolidated management report, the preparation of which is the responsibility of the parent company's directors and is not an integral part of the consolidated financial statements.

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

a) Checking only that the consolidated non-financial statement and 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 consolidated management report with the consolidated financial statements, based on the knowledge of the Group obtained during the audit, in addition to evaluating and reporting on whether the content and presentation of this part of the consolidated 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 consolidated management report is consistent with that provided in the 2022 consolidated financial statements and its content and presentation are in conformity with applicable regulations.

Responsibilities of the parent company's directors and the audit committee for the consolidated financial statements

The directors of the parent company are responsible for the preparation of the accompanying consolidated financial statements so that they give a true and fair view of the equity, financial position and results of the Group, in accordance with IFRS-EU, and other provisions in the regulatory framework applicable to the Group in Spain, and for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the parent company are responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

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- Identify and assess the risks of material misstatement of the consolidated 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 Group'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 directors' 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 Group'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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee of the parent 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 parent 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, we determine those matters that were of most significance in the audit of the consolidated 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.

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Report on other legal and regulatory requirements

European single electronic format

We have examined the digital files of the European single electronic format (ESEF) of eDreams ODIGEO, S.A. and subsidiaries for the 2022 financial year, which include the XHTML file containing the consolidated financial statements for the year, and the XBRL files as labeled by the entity, 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 2022 financial year, in accordance with the formatting and mark-up 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 consolidated management report.

Our responsibility consists of examining the digital files prepared by the directors of the parent 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 consolidated financial statements included in the aforementioned digital files correspond in their entirety to those of the consolidated financial statements that we have audited, and whether the consolidated financial statements and the aforementioned files have been formatted and marked up, in all material respects, in accordance with the ESEF Regulation.

In our opinion, the digital files examined correspond in their entirety to the audited consolidated financial statements, which are presented and have been marked up, 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 25, 2022.

Term of engagement

The extraordinary) general shareholders' meeting held on September 22, 2021 appointed us as auditors for 1 year, commencing on March 31, 2021.

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.

May 25, 2022

Albert Closa Sala

A member firm of Ernst & Young Global Limited

Consolidated Financial Statements & Notes

C.2. Consolidated Financial Statements

C

C.2.1. CONSOLIDATED INCOME STATEMENT

(Thousands of euros)	Notes	Year ended 31st March 2022	Year ended 31st March 2021
Revenue		398,282	107,172
Cost of sales		(15,704)	3,918
Revenue Margin	9	**382,578**	**111,090**
Personnel expenses	10	(56,637)	(47,783)
Depreciation and amortisation	11	(33,694)	(35,353)
Impairment (loss) / reversal	11	10,785	(30,580)
Impairment (loss) / reversal on bad debts	20.2	(707)	1,417
Other operating expenses	12	(333,186)	(109,740)
Operating profit / (loss)		**(30,861)**	**(110,949)**
Interest expense on debt		(29,700)	(27,777)
Other financial income / (expenses)		(9,577)	85
Financial and similar income and expenses	13	**(39,277)**	**(27,692)**
Profit / (loss) before taxes		**(70,138)**	**(138,641)**
Income tax	14	4,269	14,412
Profit / (loss) for the period from continuing operations		**(65,869)**	**(124,229)**
Profit for the period from discontinued operations net of taxes		—	—
Consolidated profit / (loss) for the year		**(65,869)**	**(124,229)**
Non-controlling interest - Result		—	—
Profit / (loss) attributable to shareholders of the Company		**(65,869)**	**(124,229)**
Basic earnings per share (euro)	7	**(0.58)**	**(1.13)**
Diluted earnings per share (euro)	7	**(0.58)**	**(1.13)**

The accompanying notes 1 to 34 and appendices are an integral part of these consolidated financial statements.

C.2.2. CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

(Thousands of euros)	Year ended 31st March 2022	Year ended 31st March 2021
Consolidated profit / (loss) for the year (from the income statement)	**(65,869)**	**(124,229)**
Income / (expenses) recorded directly in equity	**57**	**3,369**
Exchange differences	57	3,369
Total recognised income / (expenses)	**(65,812)**	**(120,860)**
a) Attributable to shareholders of the Company	(65,812)	(120,860)
b) Attributable to minority interest	—	—

The accompanying notes 1 to 34 and appendices are an integral part of these consolidated financial statements.

C.2.3. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS (Thousands of euros)	Notes	31st March 2022	31st March 2021
Goodwill	15	631,770	631,920
Other intangible assets	16	305,525	299,541
Property, plant and equipment	17	8,966	7,865
Non-current financial assets		1,949	2,199
Deferred tax assets	14.5	12,677	6,449
Non-current assets		**960,887**	**947,974**
Trade receivables	20.1	41,576	15,233
Other receivables	20.3	21,023	3,757
Current tax assets	14.4	5,716	7,142
Cash and cash equivalents	21	45,929	12,138
Current assets		**114,244**	**38,270**
TOTAL ASSETS		1,075,131	986,244

The accompanying notes 1 to 34 and appendices are an integral part of these consolidated financial statements.

EQUITY AND LIABILITIES (Thousands of euros)	Notes	31st March 2022	31st March 2021
Share capital		12,761	11,878
Share premium		1,048,630	974,512
Other reserves		(709,972)	(590,337)
Treasury shares		(3,818)	(4,088)
Profit / (loss) for the year		(65,869)	(124,229)
Foreign currency translation reserve		(9,209)	(9,266)
Shareholders' equity	22	**272,523**	**258,470**
Non-controlling interest		—	—
Total equity		**272,523**	**258,470**
Non-current financial liabilities	24	376,207	488,745
Non-current provisions	25	6,908	6,953
Deferred tax liabilities	14.5	18,565	19,584
Trade and other non-current payables	26	—	6,160
Non-current liabilities		**401,680**	**521,442**
Trade and other current payables	26	275,288	148,521
Current financial liabilities	24	48,829	24,500
Current provisions	25	7,898	8,227
Current deferred revenue	27	65,103	22,192
Current tax liabilities	14.4	3,810	2,892
Current liabilities		**400,928**	**206,332**
TOTAL EQUITY AND LIABILITIES		1,075,131	986,244

C.2.4. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(Thousands of euros)	Notes	Share capital	Share premium	Other reserves	Treasury shares	Profit / (loss) for the period	Foreign currency translation reserve	Total equity
Closing balance at 31st March 2021		**11,878**	**974,512**	**(590,337)**	**(4,088)**	**(124,229)**	**(9,266)**	**258,470**
Total recognised income / (expenses)		**—**	**—**	**—**	**—**	**(65,869)**	**57**	**(65,812)**
Capital increase	2.1 & 22.1	882	74,118	(5,801)	—	—	—	69,199
Transactions with treasury shares	22.5	—	—	(109)	270	—	—	161
Operations with members or owners		**882**	**74,118**	**(5,910)**	**270**	**—**	**—**	**69,360**
Payments based on equity instruments	23	—	—	10,524	—	—	—	10,524
Transfer between equity instruments		—	—	(124,229)	—	124,229	—	—
Other changes		1	—	(20)	—	—	—	(19)
Other changes in equity		**1**	**—**	**(113,725)**	**—**	**124,229**	**—**	**10,505**
Closing balance at 31st March 2022		**12,761**	**1,048,630**	**(709,972)**	**(3,818)**	**(65,869)**	**(9,209)**	**272,523**

(Thousands of euros)	Notes	Share capital	Share premium	Other reserves	Treasury shares	Profit / (loss) for the period	Foreign currency translation reserve	Total equity
Closing balance at 31st March 2020		**11,046**	**974,512**	**(555,321)**	**(3,320)**	**(40,523)**	**(12,635)**	**373,759**
Total recognised income / (expenses)		**—**	**—**	**—**	**—**	**(124,229)**	**3,369**	**(120,860)**
Capital increase	22.5	832	—	—	(832)	—	—	—
Transactions with treasury shares	22.5	—	—	(64)	64	—	—	—
Operations with members or owners		**832**	**—**	**(64)**	**(768)**	**—**	**—**	**—**
Payments based on equity instruments	23	—	—	6,111	—	—	—	6,111
Transfer between equity instruments		—	—	(40,523)	—	40,523	—	—
Other changes	22.4	—	—	(540)	—	—	—	(540)
Other changes in equity		**—**	**—**	**(34,952)**	**—**	**40,523**	**—**	**5,571**
Closing balance at 31st March 2021		**11,878**	**974,512**	**(590,337)**	**(4,088)**	**(124,229)**	**(9,266)**	**258,470**

The accompanying notes 1 to 34 and appendices are an integral part of these consolidated financial statements.

C.2.5. CONSOLIDATED CASH FLOWS STATEMENT

(Thousands of euros)	Notes	Year ended 31st March 2022	Year ended 31st March 2021
Net profit / (loss)		(65,869)	(124,229)
Depreciation and amortisation	11	33,694	35,353
Impairment and results on disposal of non-current assets	11	(10,785)	30,580
Other provisions		(236)	(20,237)
Income tax	14	(4,269)	(14,412)
Finance (income) / loss	13	39,277	27,692
Expenses related to share-based payments	23	10,524	6,111
Other non-cash items		—	(157)
Changes in working capital		114,966	65,008
Income tax paid		1,844	(5,281)
Net cash from / (used in) operating activities		**119,146**	**428**
Acquisitions of intangible assets and property, plant and equipment		(26,921)	(21,707)
Proceeds on disposal of intangible assets, property, plant and equipment		7	—
Acquisitions of financial assets		(119)	(20)
Proceeds from disposals of financial assets		116	71
Net cash from / (used in) investing activities		**(26,917)**	**(21,656)**
Proceeds on issue of shares	24.3	75,000	—
Transaction costs on issue of shares	24.3	(4,097)	—
Borrowings drawdown	24.3	426,000	15,000
Reimbursement of borrowings	24.3	(506,669)	(56,986)
Interests paid	24.3	(24,137)	(25,707)
Other financial expenses paid	24.3	(17,168)	(1,758)
Interests received		141	—
Net cash from / (used in) financing activities		**(50,930)**	**(69,451)**
Net increase / (decrease) in cash and cash equivalents		**41,299**	**(90,679)**

(Thousands of euros)	Notes	Year ended 31st March 2022	Year ended 31st March 2021
Net increase / (decrease) in cash and cash equivalents		**41,299**	**(90,679)**
Cash and cash equivalents at beginning of period		12,138	83,337
Bank overdrafts at beginning of period		(16,647)	—
Effect of foreign exchange rate changes		(789)	2,833
Cash and cash equivalents net of bank overdrafts at end of period		**36,001**	**(4,509)**
Cash and cash equivalents	21	45,929	12,138
Bank overdrafts	24	(9,928)	(16,647)
Cash and cash equivalents net of bank overdrafts at end of period		**36,001**	**(4,509)**

The accompanying notes 1 to 34 and appendices are an integral part of these consolidated financial statements.

Consolidated Financial Statements & Notes

C.3. Notes to the Consolidated Financial Statements

C

C.3. NOTES TO THE CONSOLIDATED 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").

The Group moved its registered seat ("siège sociale") and administration center ("administration centrale") from Luxembourg to Spain, to achieve organisational and cost efficiencies, 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 registered office is located at calle López de Hoyos 35, Madrid, Spain (previously, located at 4, rue du Fort Wallis, L-2714 Luxembourg).

eDreams ODIGEO, S.A. and its direct and indirect subsidiaries (collectively the "Group") headed by the Company, as detailed in note 34, is a leading online travel company that uses innovative technology and builds on relationships with suppliers, product know-how and marketing expertise to attract and enable customers to search, plan and book a broad range of travel products and services.

The accompanying consolidated financial statements for the year ended 31st March 2022 were approved by the Company's Board of Directors at its meeting on 24th May 2022 for submission for approval at the General Shareholders' Meeting, which is expected to occur without modification.

2. SIGNIFICANT EVENTS DURING THE PERIOD

2.1. Share capital increase

On 12th January 2022, the Board of Directors approved the issue of 8,823,529 new shares (the "New Shares"), with a nominal value of €0.10 each, belonging to the same class and series as the previously existing shares.

The issue price (nominal value and share premium) of the New Shares was set at €8.50 per share, which reflects a discount of approximately 9.1% compared to the closing price of the Company's shares as at that date. The gross proceeds raised through Capital Increase amounted to €74,999,996.50. The incremental costs directly attributable to the share capital issue have been booked in Equity for an amount of €5.8 million (see note 22.4).

The New Shares represent approximately 7.43% of the Company's share capital prior to the Capital Increase and approximately 6.91% of the share capital following the Capital Increase.

Consequently, the Company's share capital has been set at €12,760,505.90, divided by 127,605,059 shares at a nominal value of €0.10 per share, all of the same class and series.

The public deed was registered with the Commercial Registry of Madrid on 14th January 2022.

The new shares have been admitted to trading on the Spanish Stock Exchanges and the first trading date was on 17th January 2022.

2.2. SSRCF Covenant Waiver and SSRCF Modification

On 30th April 2021, the Group announced that successful discussions with its lenders have resulted in its Super Senior Revolving Credit Facility ("SSRCF", see note 24) only covenant of Gross Leverage Ratio being waived for the year ended 31st March 2022. Therefore, the next testing period for the covenant was expected to be 30th June 2022.

The Group provides a monthly liquidity report and ensures 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 the Group ample headroom versus the €25 million limit (see C4. Alternative Performance Measures).

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

The SSCRF has been amended on 2nd February 2022 (as part of a broader refinancing, see note 2.3), increasing the commitment to €180 million (previously, €175 million) and extending its maturity until 15th January 2027. The SSRCF modification comprises a €180.0 million super senior revolving credit facility and a super senior bank guarantee facility. This guarantee facility initially has zero commitments, with the ability to increase the commitments through use of the accordion feature.

In addition to the increased commitment and extended maturity until January 2027, the amended SSRCF also provides improved conditions regarding the Financial Covenant. The amended SSRCF contains financial covenants that require the Group to ensure that the ratio of Gross Financial Indebtedness as at the end of each testing period to Cash EBITDA (previously, Adjusted EBITDA) as adjusted by the financial covenant definition (the "Adjusted Gross Leverage Financial Covenant") does not exceed 6.00. For the testing periods of 30th September 2022 and 31st December 2022, the Cash EBITDA to be considered is the greater of the last twelve months or the corresponding quarter annualised (multiplied by four).

Prior to 30th September 2022, the Groups' Liquidity on each quarter date (31st March and 30th June) should not be less than €25.0 million. The current level of liquidity gives the Group ample headroom versus the €25 million limit (see C4. Alternative Performance Measures).

The first testing period in respect of which the Adjusted Gross Leverage Financial Covenant may be tested is the testing period ending on 30th September 2022. The Adjusted Gross Leverage Financial Covenant is only tested in respect of a testing period if, on the last day of such testing period, the aggregate principal amount of outstanding loans (excluding any outstandings under any letter of credit or bank guarantee) exceeds 40% (previously, 30%) of the total commitments under the Super Senior Facilities Agreement.

The interest rate of the modified SSRCF is the benchmark rate (EURIBOR for Euro transactions) plus a margin of 3.25%. Though at any time after 2nd May 2022, and subject to certain conditions, the margin may decrease to be between 3.25% and 2.25%.

2.3. Issue and repayment of Senior Notes

On 19thJanuary 2022 the Group priced an offering of €375.0 million Senior Secured Notes ("2027 Notes") due July 2027 at a coupon of 5.5%. The settlement date for the offering was 2nd February 2022.

The net proceeds of the offering, along with part of the proceeds of the Company's recent capital increase (see note 2.1) have been used to redeem in full the Company's outstanding €425.0 million 2023 Notes (see note 24) and to pay commissions, fees, early redemption premium of the 2023 Notes and other expenses associated with the offering of the 2027 Notes.

The 2027 Notes have been admitted to the Official List of the Luxembourg Stock Exchange for trading on the Euro MTF Market of the Luxembourg Stock Exchange.

The offering of Notes is part of a broader refinancing transaction which also includes a modification of the SSRCF (see notes 2.2 and 24).

The 2023 Notes have been paid in full on 2nd February 2022 and all interest due under the 2023 Notes has been paid in full, see note 24.

The obligations under the 2027 Notes and the SSRCF will be guaranteed by certain of the Company's subsidiaries and secured by certain assets of the Company (see note 28).

2.4. Change in key management

Quentin Bacholle, who previously served as Chief Vacation Products Officer has left the business after 11 years. This management change was effective after 30th June 2021.

2.5. Delivery of treasury shares

On 30th August 2021, the Board of Directors resolved to deliver 898,936 treasury shares (see note 22.5) to the beneficiaries of the 2016 Long-Term Incentive Plan (see note 23.1).

On 15th November 2021, the Board of Directors resolved to deliver 911,867 treasury shares (see note 22.5) to the beneficiaries of the 2016 Long-Term Incentive Plan (see note 23.1).

On 24th February 2022, the Board of Directors resolved to deliver 882,096 treasury shares (see note 22.5) to the beneficiaries of the 2016 Long-Term Incentive Plan (see note 23.1).

2.6. Ceasing operations in Russia and Belarus

In response to the ongoing Russian aggression against Ukraine that intensified on 24th February 2022, with Russia's invasion of Ukraine, the Group decided to cease all operations in Russia and Belorussia on 28th February 2022. The Group closed its Russian website and mobile application ("app"), removed all Russian and Belorussian airlines from its inventory and banned all transactions made from these countries as well as all local payment methods.

Exceptionally, and with the aim of enabling the safe return of those travellers stranded in the region, the Group continued to temporarily process a limited number of bookings with a restricted number of non-Russian/Belorussian airlines that were still able to operate in the region according to all applicable global sanctions.

On 14th March 2022, the Group ceased all sales of travel into and out of Russia and Belarus by any route on any airline, considering that it has already provided the necessary assistance to the relevant affected travellers in the area.

The Group only had a very small business in Russia, representing just 0.03% of its worldwide Bookings and 0.3% across Eastern Europe as a whole.

3. IMPACT OF COVID-19

3.1. Impact in the year ended 31st March 2022

COVID-19 was initially detected in China in December 2019, and over the subsequent months the virus spread to other regions, including to the Group's 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 implemented measures such as "stay-at-home" policies and travel restrictions. These measures led to a significant decrease in Bookings across the travel sector, as well as an unparalleled level of flight cancellations.

In the comparative period of year ended 31st March 2021, the COVID-19 pandemic strongly impacted the trading activities of the Group, with a reduction of 70% in the Bookings year-on-year.

In the year ended 31st March 2022, there has been an increasing demand for leisure travel compared with the previous year, as more people are vaccinated and restrictions are eased. This, combined with the Group's unique customer proposition, is enabling the business to attract more customers and capture market share from its competitors. Since the month of June 2021, Bookings have improved to even surpass pre-COVID-19 levels. The number of Bookings for the year ended 31st March 2022 are 12% higher than the year ended 31st March 2019 (pre-COVID-19) with less passengers per booking, less days at destination and thus lower booking value.

However, the average basket value is still meaningfully below pre-COVID-19 levels. Due to restrictions and uncertainties there is a disproportionate amount of consumers booking short haul, with less passengers per booking and thus lower booking value.

Additionally, the comparability between periods is partly impacted by the change in seasonality patterns due to COVID-19, as customers now tend to book vacations with less lead time.

The main impacts of COVID-19 on the Group for the year ended 31st March 2022 are set out below.

Impacts directly linked with the increase in Bookings compared with the year ended 31st March 2021:

- Increase in trading activities compared with the year ended 31st March 2021, with Bookings up 286% and Revenue Margin up 244%. The increase in number of Bookings has been stronger than the increase in Revenue Margin due to the lower average basket value. Compared with the year ended 31st March 2019 (pre-COVID-19), the Bookings are 12% higher and Revenue Margin is 28% lower.
- Cost of sales incurred by the supply of hotel accommodation where the Group acts as a principal was an income of €3.9 million in the year ended 31st March 2021 and an expense of €15.7 million in the year ended 31st March 2022. This variation is due to high volume of Bookings cancellation and very low trading activity in the year ended 31st March 2021. The cancellation of the hotel accommodations correspondingly negatively impacted the gross revenue in the year ended 31st March 2021.
- Marketing and other operating expenses have increased by 250% compared with the year ended 31st March 2021, as a large portion is variable costs directly related to volume of Bookings (see note 12), but are still lower than pre-COVID-19 levels by 3% compared with the year ended 31st March 2019.
- As a direct consequence of the increase in volume of Bookings, the amount of trade receivables (see note 20.1), cash and cash equivalents, and trade payables (see note 26) have increased in comparison to 31st March 2021 but still lower than the balance as at 31st March 2019 (pre-COVID-19).

Impacts linked with remaining restrictions and uncertainties in the COVID-19 context:

- Forward looking information for the calculation of the impairment loss on trade receivables includes consideration of the impact of COVID-19, together with other macroeconomic and geopolitical factors, on the financial situation of our customers, in line with 31st March 2021 (see note 20.2). To reflect the additional expected credit losses, an impairment of €0.6 million has been recognised as at 31st March 2022 (€0.5 million as at 31st March 2021).
- Additional operational provisions related to the impact of COVID-19 on cancellations on commissions and chargebacks were recognised by the Group as at 31st March 2021 and 31st March 2022. In the year ended 31st March 2022, these provisions have increased by €0.9 million and €0.2 million respectively, mainly due to the increase in volume (see notes 20 and 25). The amount of these provisions as at 31st March 2022 is €3.0 million and €3.9 million, respectively (€2.1 million and €3.7 million, respectively as at 31st March 2021).

3.2. Future effects of COVID-19 on the Group

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. Prudent management actions, since the beginning of the crisis, have secured the Group's position to ensure a rapid return to full operational effectiveness once normal activity resumes. The sharp increase in demand for leisure travel translating to an increase in Bookings during the year ended 31st March 2022, above the travel market in general, shows a sustained positive trend towards recovery.

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

- In scenario I, further virus outbreaks during the year, new or additional travel restrictions, as well as the need of adapted vaccines, slow down the recovery of the demand.
- In scenario II, vaccines continue to be effective, including against variants. There are no additional travel restrictions.
- In scenario III, vaccines continue to be effective, including against variants. The easing of international travel restrictions leads to a better recovery than in scenario II with more demand and a sales mix closer to pre-COVID-19 tendencies.

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

During the year ended 31st March 2022, the Group has undertaken strategic actions to improve its capital structure and to obtain additional liquidity.

On 12th January 2022, the Board of Directors of the Company approved the issue of 8,823,529 new shares at an issue price of €8.50 per share, with gross proceeds of €75.0 million that have been used to reduce the debt under Senior Notes by €50.0 million, further strengthening the capital structure of the Group (see notes 2.1 and 2.3).

The Group has access to funding from its €180 million SSRCF, of which €128.2 million is available for draw down as at 31st March 2022 (€93.8 million as at 31st March 2021) to manage the liquidity requirements of its operations. On 2nd February 2022, the SSCRF has been amended, increasing the commitment to €180 million, extending its maturity until 2027 and improving its conditions. The first testing period in respect of which the new Financial Covenant may be tested is the testing period ending on 30th September 2022 (see note 2.2). The Adjusted Gross Leverage Financial Covenant is only tested in respect of a testing period if, on the last day of such testing period, the aggregate principal amount of outstanding loans exceeds 40% of the total commitments under the Super Senior Facilities Agreement.

Even under the worst scenario, the 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 (see note 2.2).

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 to achieve cost savings, reducing Fixed Costs & CAPEX (*) and adding in this way extra adaptability to our business model. As COVID-19 phases out, the Group is planning to meaningfully increase its workforce, which will increase fixed costs and capital expenditures, in order to capitalise on the growth opportunity of the Prime subscription program. 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 including 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. As a leisure-only focused business, the Group is at an advantage because the market in which the Group operates is recovering more quickly.

While the long term outlook for leisure travel is very strong, over the next few months there may still be volatility. However, the volatility of the potential effects of the pandemic is decreasing. It is clear that the pandemic has not affected the desire for leisure travel. However government restrictions continue to change, and normal seasonality patterns are being thrown off. We expect a continuing transition period as vaccination rates increase, potential threat of virus variants, and government restrictions evolve.

(*) See definitions and reconciliations of Alternative Performance Measures in C4. Alternative Performance Measures.

4. BASIS OF PRESENTATION

4.1. Statement of Compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union, and the figures are expressed in thousands of euros.

4.2. New and revised International Financial Reporting Standards

The following standards and amendments come into force for the first time in the year ended 31st March 2022, but do not have an impact on the consolidated financial statements of the Group:

Standards that came into force for the Group on 1st April 2021
Interest Rate Benchmark Reform phase 2– Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16
COVID-19-Related Rent Concessions beyond 30 June 2021 – Amendment to IFRS 16

The following standards and amendments will come into force for the first time in the year ended 31st March 2023 or after:

Standards that will come into force for the Group on or after 1st April 2022	Entry into force for annual periods commencing
Standards adopted by the European Union	
Reference to the Conceptual Framework – Amendments to IFRS 3	1st April 2022
IFRS 17 Insurance Contracts	1st April 2023
Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16	1st April 2022
Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37	1st April 2022
AIP IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter	1st April 2022
AIP IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities	1st April 2022
Standards issued by the IASB and yet to be adopted by the European Union	
Initial application of IFRS 17 and IFRS 9 - Comparative information - Amendments to IFRS 17	1st April 2023
Disclosure of accounting policies - Amendments to IAS 1 and IFRS Practice Statement 2	1st April 2023
Classification of Liabilities as Current or Non-current - Amendments to IAS 1	1st April 2023
Deferred tax related to assets and liabilities arising from a single transaction - Amendments to IAS 12	1st April 2023
Definition of Accounting Estimates - Amendments to IAS 8	1st April 2023

The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

The Group intends to adopt the standards, interpretations and modifications to the standards issued by the IASB, which are not yet mandatory in the European Union, when they come into force, if applicable. Based on the assessment made to date, the Group estimates that the adoption of these new pronouncements will not have a significant impact on the consolidated financial statements in the initial period of application.

4.3. Use of estimates and judgments

In the application of the Group's accounting policies, the Board of Directors is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant, including the COVID-19 impacts explained in note 3. Actual results may differ from these estimates.

These estimates and assumptions mainly concern the following:

Intangible assets other than goodwill: measurement, useful life and impairment

Determining the useful life of fixed assets requires estimations in relation to future circumstances, such as future technological developments.

Determining if certain assets, such as brands, have an indefinite useful life requires estimations regarding the foreseeable limit for the period over which they are expected to generate net cash inflows.

The capitalisation of internally developed software requires the use of judgment to determine that the project is economically and technically feasible.

The decision to recognise a loss due to impairment of fixed assets such as software requires considering factors such as technological obsolescence, the suspension of certain services, and other circumstantial changes, which may highlight the need to assess a possible impairment. The software of the Group consists of features and functionalities that will generate future benefits. Given the relevance of the software for the Group's operations, these features and functionalities are reviewed on a monthly basis in multidisciplinary working groups involving IT, Finance and Product teams to assess if there are indicators of impairment.

The Group performs an impairment test on the value of the brands annually, or in the event of an indication of impairment or impairment reversal, in order to identify a possible impairment in their value. Determining the recoverable value of the brands 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).

As a consequence of the uncertainty caused by the COVID-19 pandemic, the Group has proposed three weighted scenarios to calculate future flow projections. See more details about the judgments and estimates related to business projections given the uncertainty related to the COVID-19 pandemic in the section "Judgments and estimates related to business projections".

See more detail on the accounting policies for other intangible assets in note 5.13.

Allocation of the purchase price and goodwill

In business combination operations, the allocation of the purchase price and goodwill require the use of judgment and estimates to determine the fair value of the assets acquired, as well as the fair value of the consideration in the event of contingent consideration.

See more detail on the accounting policies for Business combinations, Goodwill and other intangible assets in notes 5.2, 5.3 and 5.13.

Impairment test of CGUs

The Group performs an impairment test on the value of the Cash Generating Units ("CGUs") annually, or in the event of an indication of impairment, in order to identify a possible impairment in goodwill. Determining the recoverable value of the cash-generating units to which goodwill is allocated 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).

As a consequence of the uncertainty caused by the COVID-19 pandemic, the Group has proposed three weighted scenarios to calculate future flow projections. See more details about the judgments and estimates related to business projections given the uncertainty related to the COVID-19 pandemic in the section "Judgments and estimates related to business projections".

Revenue recognition

The Group 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 Group 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 Group has considered that there is a risk of cancellation in this case. The Group has estimated the risk of flight cancellations considering the most recent data on restrictions and cancellations, using historical percentages of cancellations and external information provided by certain suppliers.

For the supplier commissions from hotel and car rental providers (including where the Group acts as principal), the Group calculates a cancellation provision for the commissions related to Bookings validated but not consumed as of the reported closing date. This provision is based on the historical percentages of cancellations.

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

See more detail on the accounting policies related to the recognition of income in note 5.4.

Income tax and recoverability of deferred tax assets

The Group assesses the recoverability of deferred tax assets based on estimates of future results by tax group. Such recoverability ultimately depends on the Group's ability to generate taxable profits during the period in which the deferred tax assets remain deductible.

This analysis is based on the estimated schedule to reverse deferred tax liabilities, as well as estimates of taxable earnings. These estimates are obtained based on the Group's business plan projections. These projections include Management's best estimates, which are consistent with external information, past experience and future expectations (see more details on the judgments and estimates related to the business projections given the uncertainty related to the COVID-19 pandemic in section "Judgments and estimates related to business projections").

The recognition of tax assets and liabilities depends on a number of factors, including estimates of the timing and realisation of deferred tax assets and the projected tax basis schedule. The actual receipts and payments of the Group's corporate tax could differ from the estimates made by the Group as a result of changes in tax legislation, the result of ongoing tax procedures or unforeseen future transactions that could affect tax balances.

See more detail on the accounting policies for income tax in note 5.12.

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 5.11.

Provisions

The Group uses judgments to determine the probability of occurrence of the risks to which it is exposed, and estimates to quantify said risks. Due to the uncertainties inherent in the estimates necessary to determine the amount of provisions, actual disbursements may differ from the amounts originally recognised. See more detail on the accounting policies for provisions in note 5.15.

As part of the Group's provisions, it is worth highlighting the provision for chargebacks. The risk of flight cancellations and airline bankruptcy exposes the Group to an increased risk of voluntary chargeback from the customer, cancelling payments previously validated. Unjustified chargebacks initiated by customers are disputed by the Group to its customers, and chargebacks and Booking cancellations are claimed by the Group to its suppliers, as it is its right. To estimate both the customer's chargeback risk and the amount to be recovered from the supplier, the Group estimates and books a provision based on historical statistics. Likewise, the Group has considered that due to the increase in flight cancellations compared with pre-COVID-19 levels, the risk is greater than usual for customers to return the payment of a Booking if the flight is cancelled.

Judgments and estimates related to credit risk

The Group has established a matrix of provisions by type of customer, based on the Group's historical credit loss experience to estimate the customer's credit risk. In-depth analysis has been conducted to estimate potential significant financial distress and additional credit risk. This analysis is based on a combination of the last available external rating at the time of analysis (Dun & Bradstreet rating), quantitative analysis (for example, increase in fuel price, volume of routes cancelled by airlines, percentage of sales in areas heavily impacted by COVID-19, financial ratios, etc.) and additional relevant comments from our Airline Risk Committee.

The Group has established an Airline Risk Committee that meets weekly to review the decisions on credit risk categories assigned to airlines we intermediate. The Committee evaluates results publications of publicly traded airlines, press updates and industry information collected by our supplier relations team. For non-publicly traded airlines we are often able to obtain information directly from their finance teams on their financial situation. Depending on our estimate of available liquidity and cash burn for every airline we adjust the credit risk category, which has consequences on the limitations to intermediate their flight inventory both on amount of time to departure and payment method to the airline.

Based on the quantitative and qualitative factors previously mentioned, the Group determines three different risk ranges (high, medium, low) to recognise an additional credit risk provision, see impact in note 20.2.

The applied risk percentage corresponds to the highest range in our historical statistics or is a judgment percentage based on our best estimate. See note 20.2.

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 3).

Group Management prepares the business projections taking into consideration external factors, such as macroeconomic, geopolitical and social factors.

Given the uncertainty related to the COVID-19 pandemic (see note 3), Group Management has prepared three different 5-year projection scenarios, depending on the duration of the impact of the COVID-19 pandemic, additional variants and waves, and the form and timing of subsequent recovery. See details of the main assumptions used in the financial projections in notes 18 and 19.

4.4. Changes in consolidation perimeter

The company eDreams Gibraltar Ltd., incorporated on 12th August 2021, has been added into the scope. This new company operates as a travel agency.

4.5. Comparative information

The Directors present, for comparative purposes, together with the figures for the year ended 31st March 2022, the previous period's figures for each of the items on the annual consolidated statement of financial position, this being 31st March 2021 and the year ended 31st March 2021 for the consolidated income statement, consolidated statement of other comprehensive income, consolidated statement of changes in equity, consolidated cash flows statement and the quantitative information required to be disclosed in the consolidated financial statements.

The figures of the year ended 31st March 2021 were heavily impacted by the COVID-19 pandemic, while in the year ended 31st March 2022 there have been months when the volumes have been at pre-COVID-19 levels (see note 3), which impacts the comparability of the figures.

4.6. Working capital

The Group had negative working capital as of 31st March 2022 and 31st March 2021, 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 increase in negative working capital during the year is related to the increase in Bookings compared with the previous period.

The Group's €180 million Super Senior Revolving Credit Facility ("SSRCF") is available to fund its working capital needs and guarantees, of which €128.2 million are available for cash drawn down as at 31st March 2022 (€93.8 million as at 31st March 2021). See note 24.

5. SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments that are measured at revalue amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The principal accounting policies are set out below.

5.1. Basis, scope and methods of consolidation

The consolidated financial statements incorporate the financial statements of eDreams ODIGEO, S.A. and entities controlled by the Company (its subsidiaries) up to 31st March each year. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition and up to the effective date of disposal, as appropriate. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests (if any), even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

All entities directly or indirectly controlled by the Company have been consolidated by the full consolidation method.

5.2. Business combinations

Acquisitions of businesses are accounted for using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether they include, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a "concentration test" that permits a simplified assessment of whether an acquired set of activities and assets is not a business.

The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred, liabilities incurred and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments within the first 12 months are adjusted retrospectively, with corresponding adjustments against goodwill. Other changes in the fair value of the contingent consideration are recognised in profit or loss.

5.3. Goodwill

Goodwill arising on an acquisition of a business is not amortised but carried at cost as established at the date of acquisition (see above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill has been allocated to each market, except Metasearch and Connect (which are their own Cash Generating Units "CGU"), level at which the business is managed, the operating decisions are made and the operating performance is evaluated.

The carrying value of the assets allocated to CGU is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of these assets (see note 18) is less than their carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit.

Any impairment loss for goodwill is recognised directly in profit or loss in the consolidated income statement and is not subsequently reversed.

5.4. Revenue recognition

See in the Glossary of Definitions annex definitions of terms (specific in the sector) in order to better understand the Group Revenue recognition accounting principles.

All Revenue of the Group is revenue from contracts with customers.

The Group makes travel and travel related services available to customers and travellers directly through its websites.

The Group generates its revenue from the intermediation services regarding the supply of (i) flight services including air passenger transport by regular airlines and Low Cost Carriers (LCC) flights as well as travel insurance in connection with, (ii) non-flight services, including non-air passenger transport, hotel accommodation, Dynamic Packages (including revenue from the flight component thereof) and travel insurance for non-flight services. The Group's revenue is earned through service fees, commissions, incentive payments received from suppliers and in specific cases, margins. The Group also receives incentives from its Global Distribution System ("GDS") service providers based on the volume of supplies mediated by the Group through the GDS systems. In addition to the above travel-related revenue, the Group also generates revenue from non-travel related services, such as revenue for the supply of advertising services on its websites, commissions received from credit card companies and fees charged on toll calls.

The Group recognises revenue when (i) there is evidence of a contractual relationship in respect of services provided, (ii) the separate performance obligations in the contract are identified, (iii) the transaction price is determinable and collectability is reasonably assured, (iv) the transaction price is allocated to the separate performance obligation, and (v) the services are provided to the customer (performance obligation satisfied).

The Group has evidence of a contractual relationship when the customer has acknowledged and accepted the Group's terms and conditions that describe the service rendered as well as the related payment terms. The Group considers revenue to be determinable when the product or service has been delivered or rendered in accordance with the said agreement.

Revenue is recognised 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.

Where the Group acts as a disclosed agent, i.e. bears no inventory risk and is not the primary obligor in the arrangement, it only recognises as revenue its intermediation services and commissions relating to the supply of intermediation services in respect of scheduled air passenger transport, hotel accommodations, car rentals and travel packages. The Group does not recognise any revenue and cost of sales relating to the supply of the underlying travel services by the travel suppliers for which it acts as disclosed agent. The Group, in its capacity of disclosed agent, has no ability to determine or change the travel services for which it acts as intermediary.

Where the Group acts as a disclosed agent, travel supplier incentives are recognised based on the achievement of certain sales targets during a certain agreed period. The Group therefore recognises such commissions as income where it is considered highly probable that agreed targets will be met and the commissions are quantifiable. Where it is probable that the agreed targets will be met, revenue is recognised based on the percentage of total agreed incentives achieved at the reporting date.

The Group only acts in its own name to customers in respect of the supply of certain hotel accommodation by a designated company of the Group, whereby this company purchases hotel accommodation from hoteliers for the onwards supply to its customers at a price determined by this group company. In this case, the Company has the primary responsibility for the supply of the hotel accommodation. In this case the Group recognises revenue on a "gross" basis which equals the gross value of the service supplied to the customer, net of VAT, with any related expenditure charged as cost of sales.

The recognition of travel supply revenue on a "gross" basis or the recognition of intermediation revenue depends on whether the Group is considered to act as a principal or as a disclosed agent in its transactions. Therefore, the Group assesses whether it controls the travel services supplied to the customers. In performing this assessment, the Group gives regard to the contractual relationship between the parties as well as other relevant facts and circumstances. This analysis is performed using various criteria such as, but not limited to, whether the Group is primarily responsible for fulfilling the promise to provide the specified good or service, the Group has inventory risk or has discretion in establishing the customer price of the travel service, and has discretion in the selection of the supplier of the travel service.

Basis of Revenue Recognition

The table below summarises the revenue recognition basis for the Group's income streams.

Income stream	Main performance obligation	Basis of revenue recognition
Scheduled flight intermediation services	Intermediation service	Date of Booking
Airline incentives	Intermediation service	Accrued based on meeting sales targets
GDS incentives	Intermediation service	Date of Booking
Supplier intermediation revenue (flights, hotels and cars)	Intermediation service	Date of Booking
Dynamic Packages intermediation revenue (including the flight portion thereof)	Intermediation service	Date of Booking
Advertisement services revenue	Advertising display	Date of display
Metasearch	Provide traffic	Date of click or date of purchase
Insurance intermediation revenue	Intermediation service	Date of Booking
Cancellation and Modification for any reason	Right to cancel / modify during the coverage period	Accrued based on service period
Prime	Right to discounts on Bookings for a certain period	Accrued based on usage
Hotel accommodation as principal	Right to hotel accommodation	Date of Booking

For flight intermediation services, net revenue is recognised upon the completion of the Booking as the Group does not assume any further performance obligation to its customers after the flight tickets have been issued by the airline.

Additionally, the Group uses Global Distribution System ("GDS") services to process the Booking of travel services for its customers. Under GDS service agreements, the Group earns revenue in the form of an incentive payment for each segment that is processed through a GDS service provider. This revenue is recognised 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 4.3, in the context of the COVID-19 pandemic, the Group recognises there is a cancellation risk and this has been estimated based on the most recent data regarding restrictions and cancellations, using data on historical average cancellation rates and external information provided by certain suppliers. (see note 20.1 "Provision for Booking cancellation").

The Group also receives incentives from airlines for its intermediation services, which it recognises based on the achievement of targets set by contract, that mainly relate to the amount of Bookings that have flown, and consequently are not subject to cancellation.

In case of commissions from hotel and car rental providers for intermediation services regarding hotel accommodation, Dynamic packages and car rentals, net revenue is recognised at the date of Booking. However, a provision is recognised to cover the risk of cancellation of the Bookings made prior to the reported closing date and with future departure date. The provision is updated, at least, at each quarterly closing. This provision has been calculated to cover the risk of loss on commission based on the historical average cancellation rate by markets, and external factors such as confinement measures and quarantine requirements in the context of COVID-19 (see note 20.1 “Provision for Booking cancellation”).

The Group generates other revenue, which primarily comprise revenue from advertising and metasearch activities. Such revenue is derived primarily from the delivery of advertisements on the various websites the Group operates , as well as for searches, clicks and purchases generated by our metasearch activities. The revenue recognition policy for advertising revenue is at the date or period of display, depending on the terms of the advertising contract. Regarding metasearch services, the revenue is recognised, depending on the particular agreement, at the date of click or date of purchase.

Regarding insurance intermediation revenue, it is recognised at the date of Booking, as it is when the Group provides its intermediation service.

Cancellation or Modification services for any reason consist of offering the customer the option to cancel or modify their flight for any reason during the coverage period. The Group considers that the performance obligation is the coverage service, and therefore this is accrued based on the period during which the customer has the option of cancelling or modifying the reservation. In the event that the customer does not exercise their right to cancellation or modification, the income is accrued linearly during the coverage period. However, if the customer decides to exercise their right to cancellation, the accrual will be accelerated, since the right expires once it has been exercised.

The Prime service consists of the right to discounts on all Bookings made during the contractual period. This service can be used several times within the contractual period. The Group accrues income based on usage, which refers to each instance the customer uses Prime to make a Booking with a discount.

For all revenue, if the judgments are inaccurate, actual revenue could differ from the amount the Group recognises, directly impacting its reported revenue.

The timing of revenue recognition, invoicing and cash collections results in invoiced trade receivables, accrued income (contract assets), and deferred revenue (contract liabilities) on the consolidated statement of financial position. Generally, invoicing occurs subsequent to revenue recognition, resulting in contract assets. However, advances received prior to revenue recognition give rise to contract liabilities.

5.5. Cost of sales

Cost of sales primarily consists of direct costs associated with the supply of travel services as principal with the aim of generating revenue, relating to the supply of certain hotel accommodation by a designated company of the Group (see note 5.4). The cost of sales is variable in nature and is primarily driven by transaction volumes. The Group does not acquire inventory in advance, as the acquisitions are managed on demand.

5.6. Operating profit

Operating profit consists of Revenue Margin, after deducting personnel expenses, other operating income or expenses, depreciation and amortisation, impairment and charges net of reversals of provisions.

5.7. Financial result

Financial result consists of income and expense relating to the Group’s net financial debt during the accounting period, including foreign exchange gains and losses relating to the net financial debt.

5.8. Leasing

At inception of a contract, the Group assesses whether a contract is, or contains, a lease, based on the following characteristics:

- The contract involves the use of an identified asset that is physically distinct or represents substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The Group has the right to direct the use of the asset, that is, the Group has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site at which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimate useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment assets. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, for its office leases, the Group uses its incremental borrowing rate as the discount rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to acquire an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, guarantees and conditions.

The lease term is estimated taking into consideration the contract clauses regarding renewal and/or early termination, as well as Management's expectation regarding the exercise of the clauses.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets in "Property, Plant and Equipment" and lease liabilities in "Financial Liabilities" in the consolidated statement of financial position.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less, and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

5.9. Foreign currencies

In preparing the financial statements of each individual group entity, transactions in foreign currencies (i.e. currencies other than the Euro, the Company's functional currency) are recognised at the rates of exchange prevailing at the dates of the transactions.

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 recognised 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.

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Euros using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognised and accumulated in equity.

Goodwill and fair value adjustments on identifiable assets and liabilities acquired arising on the acquisition of a foreign operation are translated at the closing rate of exchange. Exchange differences arising are recognised in equity.

5.10. Retirement benefits costs

Defined contribution plans

Based on the provisions of the Collective Agreement applicable to different Group companies, the Group has a defined contribution plan with employees. A defined contribution plan is a plan whereby the Group makes fixed contributions to a separate entity and has no legal, contractual or constructive obligation to make additional contributions if the separate entity does not have sufficient assets to meet the commitments undertaken. Once the contributions have been paid, the Group has no additional payment obligations.

Contributions are recognised as employee benefits when they accrue. Benefits paid in advance are recognised as an asset to the extent that there is a cash refund or a reduction in future payments.

Defined benefit plans

Defined benefit plans establish the amount of the benefit the employee will receive on retirement, normally based on one or more factors such as age, years of service and remuneration.

The liability recognised in the balance sheet is the present value of the obligation in respect of defined benefits on the balance sheet date less the fair value of the plan assets, and adjustments for unrecognised past service costs. The obligation in respect of defined benefits is measured by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows, using the interest rates on high quality business bonds denominated in the same currency as what will be used to pay the benefits, with maturity periods similar to those of the corresponding obligations.

In countries where there is no market for such bonds, the market rates of government bonds are used. Actuarial gains or losses arising from adjustments based on experience and changes in the actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise.

Past service costs are recognised immediately in the result, unless they arise as a result of changes in the pension plan and they are subject to the continuity of employees in service during a specified time (vesting period). In this case, past service costs are amortised using the straight-line method over the vesting period.

5.11. Share-based payment arrangements

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the value of the equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest.

The impact of the revision of the original estimates in equity-settled share-based payments, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

The value of the plan depends only on internal conditions and they are valued at the market value of the share on granting date, multiplied by the probability of meeting the Conditions. The probability is updated and re-estimated at least yearly, but the market value of the share at granting date is maintained without any change. At the time of delivery of the shares, the estimated probability of delivery is updated to the real delivery (but the value per share remains the same - the one at granting date).

5.12. Taxation

Income tax represents the sum of current tax and deferred tax.

Current tax

The current tax is based on the taxable profit for the year in the relevant countries. Taxable profit may differ from the profit reported in the consolidated 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 Group's balance for current tax is calculated by using the tax rates in the relevant countries that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of the taxable profit according to the taxation rules in the relevant countries. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets generated by tax losses carried forward and tax credits carried forward are only recognised to the extent that it is probable that these tax losses and tax credits will be offset against taxable profits, respectively, against income tax due during the testing period. This analysis also takes into account local limitations regarding the utilisation of tax losses and tax credits.

Deferred tax assets are generally recognised 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 recognised 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. See "Judgments and estimates related to business projections" in note 4.3.

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 crystallise.

Deferred tax assets and liabilities are only offset if:

- there is a legally enforceable right to set off current tax assets against current tax liabilities, and
- the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either:
    - the same taxable entity; or
    - different taxable entities which intend to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

5.13. Other intangible assets

The Group has various types of intangible assets:

- Assets classified as brands correspond to the commercial names under which the Group operates, which have been acquired externally through business combination operations and whose measurement comes from the purchase price allocation processes.
- Assets classified as licenses correspond to certain licenses to use third-party software for a specified period.
- Assets classified as software and software internally developed corresponds to technology acquired or developed by the Group which, due to its functional benefits, contributes towards attracting new customers and retaining the existing ones.

Amortisation and useful life of other intangible assets

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives as follows:

Useful life (Years)	
Brands	Indefinite
Licenses	2 - 5
Software (incl. software internally developed)	3 - 4
Software of the group common platform	7
Other intangible assets	3 - 5

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The Group considers that its brands have an indefinite useful life since there is no foreseeable limit for the period over which the brands are expected to generate net cash inflows for the entity based on legal and competitive factors, since the Group's brands have a consolidated position in the market. See detail of the net book value of each brand in note 16.

In the case of internally developed software, the Group distinguishes between software that is part of the Core of the Common platform and other software. For the first, an estimated useful life of 7 years has been determined based on the Group's experience of the actual useful life of previous platforms used by the Group in the past, such as the previous eDreams and Opodo platforms. The 7-years useful life of the Group's Common Platform Core Software reflects the expected use of the asset, as the intention is to maintain stability on the Platform. This is reinforced by the constant investments made to improve the functionalities of the Platform.

Internally-generated intangible assets - research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from the Group's development of its website operating platform and related back office systems is recognised if, and only if, all of the following have been demonstrated:

- an asset is created that can be identified (such as software and new processes);
- it is probable that the asset created will generate future economic benefits; and
- the development cost of the asset can be measured reliably.

The revenue associated with the capitalisation of internally-generated intangible assets is classified in the profit and loss statement according to the nature of the development cost of the asset.

Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Intangible assets acquired in business combinations

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

With regard to brands, the royalty-based approach has been adopted. This involves estimating the value of the brand by reference to the levels of royalties demanded for the use of similar brands, based on revenue forecasts drawn up by the Group.

This approach is based on a qualitative analysis of the brand in order to ensure that the assumptions selected are relevant. The discount rate used is based on the weighted average cost of capital (WACC) for the target acquired.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Impairment of intangible assets

See the details on the accounting policy for impairment of intangible assets, together with property, plant and equipment, in note 5.14.

5.14. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation and useful life of property, plant and equipment

Depreciation is recognised so as to write off the cost or valuation of assets using the straight-line method. The estimated useful lives and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Useful life (Years)	
General Installations/Technical Facilities	5 - 8
Furniture	5 - 8
Computer Hardware	3 - 5
Other items of property, plant and equipment	5

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

Derecognition of property, plant and equipment

Property, plant and equipment is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of property, plant and equipment, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Impairment of property, plant and equipment and intangible assets other than goodwill

At least at the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss (see methodology used in note 18). If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

In calculating the discount rate, a specific risk premium has also been considered in certain cases in line with the specific characteristics of each market and the inherent risk profile of the projected flows of each of the markets.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

5.15. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

When it is only possible that the Group will be required to settle the obligation, the contingency is disclosed in the note for Contingencies (see note 30).

5.16. Financial instruments

Financial assets and financial liabilities are recognised when a Group entity becomes a party to the contractual provisions of the instrument.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Impairment of trade receivables

The Group applies the simplified approach to Expected Credit Losses for trade receivables and contract assets ("accrued income"), as required by IFRS 9. The Group recognises a loss allowance based on lifetime Expected Credit Losses. The Group has established a provision matrix by type of customer that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and short-term deposits and other short-term highly liquid investments that are readily convertible to cash and are subject to an insignificant risk of changes in value.

5.17. Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a Group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Treasury shares

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

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

Other financial liabilities

Other financial liabilities are initially recognised at the fair value of the consideration received.

Other financial liabilities (including borrowings) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

5.18. Current / Non-current classification

Current assets are considered to be those related to the normal cycle of operations (considered for the Group to be one year); assets which are expected to expire, be disposed of or realised in the short term as from year-end; financial assets held for trading (except for financial derivatives to be settled later than one year); and cash and other equivalent liquid assets. Assets that do not meet these requirements are classified as non-current.

Likewise, current liabilities are those related to the ordinary cycle of operations, financial liabilities held for trading, with the exception of financial derivatives to be settled later than one year, and in general all obligations that will expire or terminate in the short term. If this is not the case, they are classified as non-current.

5.19. Related party transactions

The Group 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 connection to this that might give rise to significant liabilities in the future.

5.20. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is deducted in reporting the related expense and recognised on a systematic basis over the periods of the related expense.

When the grant relates to an asset, it is presented reducing the carrying amount of the asset. The grant is then recognised in profit or loss over the useful life of the depreciable asset by way of a reduced depreciation charge.

6. RISK MANAGEMENT

6.1. Financial Risks

Credit risk: The Group's cash and cash equivalents are held with financial entities with strong credit ratings.

The Group's credit risk is mainly attributable to business-to-business customer receivables. These amounts are recognised in the consolidated statement of financial position net of provision for doubtful receivables, which is estimated by management in establishing a provision matrix by type of customer, based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Interest rate risk: Most of the Group's financial debt is exposed to fixed interest rates. Of the Group's debt, only the Super Senior Revolving Credit Facility ("SSRCF") and the Government-sponsored loan bear interest at a variable rate (see note 24). Historically the Groups has only drawn loans under the SSRCF for intra-month working capital purposes, but as at 31st March 2022, the Group has drawn down €30.0 million of the SSRCF (€55.0 million as at 31st March 2021), €9.9 million of overdrafts on credit facilities ancillary to the SSRCF (€16.6 million as at 31st March 2021) and €11.3 million of the new Government-sponsored loan (€15.0 million as at 31st March 2021) related to the cash decrease due to COVID-19 (see note 3).

If the EURIBOR increased by 2 basis points, the yearly interest expense calculated on the basis of the amount drawn down as at 31st March 2022 would increase by €1.0 million if we kept that draw-down for a 12-month period. There would be no impact if the EURIBOR decreased.

The Group expects that the EURIBOR will continue to exist as a benchmark rate for the foreseeable future, according to the European Union Benchmarks Regulation. Additionally, both the SSRCF and the Government-sponsored loan contracts contain fallback provisions so that if the EURIBOR ceased to be available, a substitutive reference bank rate would apply.

Liquidity risk: In order to meet liquidity requirements, the Group's principal sources of liquidity are: cash and cash equivalents from the consolidated statement of financial position, cash flows generated from operations and the revolving credit facilities under the SSRCF to fund cash requirements and supplier guarantees.

Exchange rate risk: The exchange rate risk arising from the Group's activities has basically two sources: the risk arising in respect of commercial transactions carried out in currencies other than the functional currency of each company of the Group and the risk arising on the consolidation of subsidiaries that have a functional currency other than the Euro.

In relation to commercial transactions, the Group is principally exposed to exchange rate risk as the Group operates with the British Pound 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 sales and purchases in foreign currency (other than the local currency of each of the subsidiaries) is of little relevance compared to the Group's total operations.

Additionally, the Group is also exposed to exchange rate risk on the Swedish Krona due to non-monetary assets denominated in this currency (mainly the Goodwill corresponding to Nordics). Fluctuations on the Swedish Krona impact the value of the assets and the value of the foreign currency translation reserve in equity.

The following table demonstrates the sensitivity to a reasonably possible change in the British Pound (GBP) 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	1,251	(1,383)	2,388	(2,919)
Effect on Equity of a change in Exchange rate:				
SEK	(740)	817	(1,412)	1,726

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

The impact on the Group's equity is due to changes in value of the Group's foreign operations and Goodwill in the Nordics.

Exposure to changes in the British Pound would not have significant impacts on pre-tax Equity (other than Profit before Tax).

Exposure to changes in the Swedish Krona would not have significant impacts on Profit before Tax.

The Group's exposure to foreign currency changes as at 31st March 2022 for all other currencies is not significant.

6.2. Financial Profile Risks

Impairments of goodwill and other intangible assets. The consolidated statement of financial position includes very significant amounts of goodwill and other intangible assets. The impairment of a significant portion of these assets would negatively affect the reported results of operations and financial position.

Restrictive debt covenants that may limit the Group's ability to finance future operations and capital needs and to pursue business opportunities and activities. However, the first testing period in respect of which the new Financial Covenant on the SSRCF may be tested is the testing period ending on 30th September 2022 (see note 24).

The Group's significant leverage could affect its financial position and results, but also the ability to operate its business and raise additional capital to fund its operations.

6.3. Capital Risk Management

The Group'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 optimising the debt-to-equity ratio to create shareholder value.

The Group's growth is financed mainly through internal cash flows generated by the Group's recurring businesses and usage of the SSRCF.

The Group'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 Group used the proceeds from the issue of new shares to reduce debt.

Additionally, during the year ended 31st March 2022, the Group used €50.0 million of the proceeds from the capital increase in January 2022, to reduce debt (see note 2.1).

The Group 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 recognised.

The Group'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 Group 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 Group's main debt contracts contain specific clauses restricting its debt-to-equity ratio.

The SSRCF includes a covenant requiring the eDreams ODIGEO consolidation perimeter to maintain a gross debt to Cash EBITDA ratio for the rolling twelve months at each quarter end. The first testing period in respect of which the new Financial Covenant on the SSRCF may be tested is the testing period ending on 30th September 2022 (see note 24).

At 31st March 2022 the Group complied with all the restrictions imposed by its main debt contracts, and as its businesses may reasonably be expected to continue operating, the Group does not foresee any non-compliance in the future.

7. EARNINGS PER SHARE

The basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the average number of shares.

As a result of its own shares held as treasury stock (see note 22.5), the weighted average number of ordinary shares used to calculate basic earnings per share was 112,831,118 for the year ended 31st March 2022.

In the earning per share calculation for the years ended 31st March 2022 and 31st March 2021, dilutive instruments are considered for the Incentive Shares granted (see note 23), only when their conversion to ordinary shares would decrease earnings per share or increase loss per share. As the result attributable to the owner of the parent for the years ended 31st March 2022 and 31st March 2021 is a loss, dilutive instruments have not been considered for this period.

The calculation of basic earnings per share and fully diluted earnings per share (rounded to two digits) for the years ended 31st March 2022 and 31st March 2021, is as follows:

			Year ended 31st March 2022			Year ended 31st March 2021
	Profit attributable to the owners of the parent (€ thousand)	Average Number of shares	Earnings per Share (€)	Profit attributable to the owners of the parent (€ thousand)	Average Number of shares	Earnings per Share (€)
Basic earnings per share	(65,869)	112,831,118	(0.58)	(124,229)	109,587,657	(1.13)
Diluted earnings per share	(65,869)	112,831,118	(0.58)	(124,229)	109,587,657	(1.13)

The calculation of basic earnings per share and fully diluted earnings per share (rounded to two digits), based on Adjusted Net Income (see C4. Alternative Performance Measures), for the years ended 31st March 2022 and 31st March 2021, is as follows:

			Year ended 31st March 2022			Year ended 31st March 2021
	Adjusted net income attributable to the owners of the parent (€ thousand)	Average Number of shares	Adjusted net income per Share (€)	Adjusted net income attributable to the owners of the parent (€ thousand)	Average Number of shares	Adjusted net income per Share (€)
Basic earnings per share	(52,252)	112,831,118	(0.46)	(86,758)	109,587,657	(0.79)
Diluted earnings per share	(52,252)	112,831,118	(0.46)	(86,758)	109,587,657	(0.79)

8. SEGMENT INFORMATION

The Group reports its results in geographical segments based on how the Chief Operating Decision Maker (CODM) manages the business, makes operating decisions and evaluates operating performance. For each reportable segment, the Group's Leadership Team comprising of the Chief Executive Officer and the Chief Financial Officer, reviews internal management reports. Accordingly, the Leadership Team is construed to be the Chief Operating Decision Maker (CODM).

As stated in IFRS 8, paragraph 23, an entity shall report a measure of total assets and liabilities for each reportable segment if such amounts are regularly provided to the Chief Operating Decision Maker. The assets and liabilities of the Group are broken down by segment solely for the purpose of carrying out the impairment test by Cash Generating Unit ("CGU") on an annual basis or in the event of signs of impairment. As this information is not provided for decision-making purposes, information regarding assets and liabilities by segments has not been disclosed in these consolidated financial statements.

The Group has identified as segments the different markets in which it operates, since it is the basis on which the information is reported to Management on a monthly basis and strategic decisions are made, such as the launch of new services, pricing strategies or investment in marketing.

The product dimension (flights, hotels, dynamic packages, etc.) is not the main dimension on the basis of which Management makes strategic decisions, since this dimension would not provide enough granularity, as the Group's business is "flight-centric".

The Group distinguishes between two main categories within its segments: the 6 main markets in which the Group operates and the rest of the world. It is relevant to group our segments in terms of current presence and maturity of operations in the markets.

Inside of the Top 6, the Group considers France as an operating segment, it aggregates Spain and Italy to create the "Southern Europe" operating segment, as well as Germany, the Nordic countries and the United Kingdom to create the "Northern Europe" operating segment, as these markets have similar economic characteristics and similar customer behaviour patterns.

The Group considers the "Rest of the World" segment a segment in itself, and not an aggregation of segments, since it operates internally as such and the information that Management receives on a regular basis considers "Rest of the World" one of the markets.

The following is an analysis of the Group's Profit & loss and Bookings by segment:

Year ended 31st March 2022

	France	Southern Europe (Spain + Italy)	Northern Europe (Germany + Nordics + UK)	**Top 6 Markets**	Rest of the World	**Total**
Gross Bookings (*)	1,003,891	651,904	1,146,445	**2,802,240**	1,046,447	**3,848,687**
Number of Bookings (*)	2,785,231	3,229,520	3,387,831	**9,402,582**	3,127,866	**12,530,448**
Revenue	115,861	71,194	110,760	**297,815**	100,467	**398,282**
Revenue Margin	**111,774**	**66,046**	**106,931**	**284,751**	**97,827**	**382,578**
Variable costs	(82,470)	(64,095)	(90,602)	**(237,167)**	(79,180)	**(316,347)**
Marginal Profit	**29,304**	**1,951**	**16,329**	**47,584**	**18,647**	**66,231**
Fixed costs						**(63,274)**
Depreciation and amortisation						**(33,694)**
Impairment and results on disposal of non-current assets	6,608	(2)	4,194	**10,800**	(15)	**10,785**
Adjusted items						**(10,909)**
Operating profit / (loss)						**(30,861)**
Financial result						**(39,277)**
Profit / (loss) before tax						**(70,138)**

(*) Non-GAAP measure.

Year ended 31st March 2021

	France	Southern Europe (Spain + Italy)	Northern Europe (Germany + Nordics + UK)	**Top 6 Markets**	Rest of the World	**Total**
Gross Bookings (*)	298,919	146,473	279,453	**724,845**	274,449	**999,294**
Number of Bookings (*)	859,207	677,087	826,209	**2,362,503**	881,746	**3,244,249**
Revenue	37,323	17,130	28,121	**82,574**	24,598	**107,172**
Revenue Margin	**37,900**	**19,858**	**28,126**	**85,884**	**25,206**	**111,090**
Variable costs	(23,438)	(15,714)	(22,924)	**(62,076)**	(23,979)	**(86,055)**
Marginal Profit	**14,462**	**4,144**	**5,202**	**23,808**	**1,227**	**25,035**
Fixed costs						**(63,193)**
Depreciation and amortisation						**(35,353)**
Impairment and results on disposal of non-current assets	(27,791)	(20)	(2,763)	**(30,574)**	(6)	**(30,580)**
Adjusted items						**(6,858)**
Operating profit / (loss)						**(110,949)**
Financial result						**(27,692)**
Profit / (loss) before tax						**(138,641)**

(*) Non-GAAP measure.

See definitions and reconciliations of Alternative Performance Measures in C4. Alternative Performance Measures.

Note: all revenues reported above are with external customers and there are no transactions between segments.

The products and services from which customer sales revenue are derived are the same for all segments, except Metasearch, which focuses on the French market, and is marketed under the Liligo brand.

In the year ended 31st March 2022 and 31st March 2021, no single customer contributed 10% or more to the Group's revenue.

The Group does not provide a detail of fixed costs, depreciation and amortisation or other costs by segment, as these expenses not directly related with Bookings are common to all markets. The Management of the Group reviews the profitability of the segments based on their Marginal Profit.

The following is an analysis of the Group's Revenue by country:

	Year ended 31st March 2022	Year ended 31st March 2021
France	115,861	37,323
Spain	39,955	8,579
Italy	31,239	8,551
Germany	65,321	16,811
United Kingdom	25,184	7,990
Others	120,722	27,918
Total revenue	**398,282**	**107,172**

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

The following is an analysis of the Group's intangible assets and property, plant and equipment by country:

	31st March 2022	31st March 2021
Spain	206,435	199,869
Outside of Spain	108,056	107,537
Total Intangible assets and Property, plant and equipment	**314,491**	**307,406**

The allocation of fixed assets between countries is made based on the physical location for property, plant and equipment, and the nationality of the company that owns the intangible assets.

The amounts of fixed assets registered outside Spain correspond mainly to €100 million for the Opodo brand, owned by the British company Opodo Ltd., for which the value was registered in the Group as a result of a purchase price allocation by business combination. The ownership of the Opodo brand will gradually pass-on to the Spanish company over a period of 5 years in connection with the reorganization of the UK company's activities, so as at 31st March 2022 40% of the value is considered Spanish (20% as at 31st March 2021).

Goodwill by country is detailed in note 15.

9. REVENUE MARGIN

The Group disaggregates revenue from contracts with customers by source of revenue, as Management believe this best depicts how the nature, amount, timing and uncertainty of the Group's revenue and cash flows are affected by economic factors.

The following is a detail of the Group's Revenue Margin by source:

	Year ended 31st March 2022	Year ended 31st March 2021
Diversification revenue	281,024	63,856
Classic revenue - customer	37,837	32,961
Classic revenue - supplier	55,765	10,562
Advertising & Metasearch	7,952	3,711
Total revenue margin	**382,578**	**111,090**

Revenue Margin in the year ended 31st March 2021 was heavily impacted by COVID-19. The increase in Revenue Margin in the year ended 31st March 2022 is related to the increase in Bookings compared with the previous year (see note 3) due to the recovery of the market and a better competitive position of the Group. Additionally, the Group's revenue diversification initiatives continue to develop, increasing significantly the diversification revenue in the year ended 31st March 2022.

This split of Revenue Margin by source is similar at the level of each segment, with the exception of diversification revenue (counterpart, classic revenue - customer) that differs by market, representing 63% of Revenue Margin in France, 77% in Southern Europe, 82% in Northern Europe and 73% in Rest of the World.

See definitions and reconciliations of Alternative Performance Measures in C4. Alternative Performance Measures.

10. PERSONNEL EXPENSES

10.1. Personnel expenses

	Year ended 31st March 2022	Year ended 31st March 2021
Wages and salaries	(34,571)	(30,944)
Social security costs	(11,081)	(10,535)
Other employee expenses (including pension costs)	(461)	(167)
Adjusted personnel expenses	(10,524)	(6,137)
Total personnel expenses	**(56,637)**	**(47,783)**

The increase in wages and salaries expense and social security costs is mainly related to the lower expenses in the year ended 31st March 2021 due to the temporary reduction of working hours (40% between April and August 2020 and 20% between September and November 2020, the affected employees receiving 80% and then 90% of their net remuneration).

Social security costs include the income for social security rebates for research and development activities of €1.1 million in the year ended 31st March 2022 (€0.7 million in the year ended 31st March 2021). Additionally, during the application of the temporary reduction of working hours in the year ended 31st March 2021, the Group benefited from certain exemptions (between 75% and 25%) of the Social Security contribution corresponding to the reduction of working hours for a total amount of €0.9 million.

In the year ended 31st March 2022, adjusted personnel expenses mainly relate to the share-based compensation of €10.5 million (€6.1 million in the year ended 31st March 2021), see notes 23.1 and 23.2.

See definition of adjusted items in C4. Alternative Performance Measures.

10.2. Number of employees

The average number of employees by category of the Group is as follows:

Average headcount

	Year ended 31st March 2022	Year ended 31st March 2021
Key management	10	11
Other senior management	44	36
People managers	148	161
Individual contributor	755	799
Individual contributor - call center	—	2
Total average number of employees	**957**	**1,009**

Headcount at the end of the period

	31st March 2022			31st March 2021		
	Female	Male	**Total**	Female	Male	**Total**
Key management	1	9	**10**	1	10	**11**
Other senior management	12	32	**44**	9	24	**33**
People managers	59	90	**149**	60	91	**151**
Individual contributor	331	493	**824**	315	422	**737**
Total number of employees	**403**	**624**	**1,027**	**385**	**547**	**932**

During the year ended 31st March 2022 and 31st March 2021, the Group has not restructured any of its workforce. The main underlying factor for the decrease in the average number of employees from 1,009 to 957 is the natural turnover of employees.

During the year ended 31st March 2022, the average number of employees with disability of 33% or more is 3 individual contributors (average of 4 individual contributors for the year ended 31st March 2021).

11. DEPRECIATION AND AMORTISATION

	Year ended 31st March 2022	Year ended 31st March 2021
Depreciation of property, plant and equipment	(3,374)	(4,208)
Amortisation of intangible assets	(30,320)	(31,145)
Total depreciation and amortisation	**(33,694)**	**(35,353)**
Impairment of property, plant and equipment	(55)	(3)
Reversal / Impairment of intangible assets	10,840	(6,430)
Impairment of goodwill	—	(24,147)
Total impairment	**10,785**	**(30,580)**

The decrease in the depreciation and amortisation expense in the year ended 31st March 2022 is due mainly to certain assets (mainly licenses and hardware) that have reached the end of their useful life.

Depreciation of property, plant and equipment includes depreciation on right of use assets for office leases for €1.8 million and hardware leases for €0.2 million in the year ended 31st March 2022 (€1.9 million and €0.4 million respectively in the year ended 31st March 2021).

Amortisation of intangible assets primarily relates to the capitalised IT projects as well as the intangible assets identified through purchase price allocation.

In the year ended 31st March 2022, the Group has recognised an income from the reversal of the impairment corresponding to the brands Go Voyages and Travellink (see notes 16 and 19). In the year ended 31st March 2021, the Group recognised an impairment loss corresponded mainly to the impairment on the brands of Go Voyages and Travellink (see notes 16 and 19).

Impairment of goodwill in the year ended 31st March 2021 corresponded to the impairment on the goodwill of France and Nordics (see note 18).

12. OTHER OPERATING EXPENSES

	Year ended 31st March 2022	Year ended 31st March 2021
Marketing and other operating expenses	(316,721)	(90,560)
Professional fees	(4,377)	(4,504)
IT expenses	(10,149)	(8,598)
Rent charges	(754)	(1,039)
Taxes	(802)	(276)
Foreign exchange gains / (losses)	2	(4,042)
Adjusted operating expenses	(385)	(721)
Total other operating expenses	**(333,186)**	**(109,740)**

Marketing expenses consist of customer acquisition costs (such as paid search costs, metasearch costs and other promotional campaigns), commissions due to agents and white label partners.

Other operating expenses included in "Marketing and other operating expenses" primarily consist of credit card processing costs, chargebacks on fraudulent transactions, GDS search costs and fees paid to our outsourcing service providers, such as call centers. A large portion of these expenses is variable costs, directly related to volume of Bookings or transactions processed.

The increase in Marketing and other operating expenses in the year ended 31st March 2022 is related to the increase in Bookings in the current period (see note 3).

Professional fees mainly consist of costs of external services such as consulting, recruitment, legal and tax advisors.

IT expenses mainly consist of technology maintenance charges and hosting expenses.

Rent charges mainly include the rental services for certain coworking offices of the Group that don't meet the definition of leasing under IFRS 16.

Taxes mainly consist of tax charges other than income tax that are not recoverable by the Group, such as non-refundable value added tax (VAT) and business taxes.

Foreign exchange gains / (losses) mainly relate to the impact of fluctuations in the foreign exchange rates on trade receivables and trade payables in currencies other than the Euro.

Adjusted operating expenses in the year ended 31st March 2022 correspond mainly to the increase of €0.2 million in the provision for the Waylo earn-out following the modification of the agreement signed in October 2021 (see note 25). See definition of adjusted operating expenses in C4. Alternative Performance Measures.

13. FINANCIAL INCOME AND EXPENSE

	Year ended 31st March 2022	Year ended 31st March 2021
Interest expense on 2027 Notes	(3,323)	—
Interest expense on 2023 Notes	(19,609)	(23,375)
Interest expense on SSRCF	(1,596)	(1,969)
Interest expense on Government sponsored loan	(394)	(307)
Effective interest rate impact on debt	(4,778)	(2,126)
Interest expense on debt	**(29,700)**	**(27,777)**
Foreign exchange gains / (losses)	(1,297)	1,737
Interest expense on lease liabilities	(203)	(94)
Other financial expense	(8,221)	(1,612)
Other financial income	144	54
Other financial result	**(9,577)**	**85**
Total financial result	**(39,277)**	**(27,692)**

The interest expense on the 2027 Notes corresponds to 5.5% interest rate since 2nd February 2022 on the €375 million principal of the Notes, that is payable semi-annually in arrears (see notes 24 and 2.3).

The interest expense on the 2023 Notes corresponds to 5.5% interest rate until 2nd February 2022 on the €425 million principal of the Notes, that was payable semi-annually in arrears (see notes 24 and 2.3).

As mentioned in note 3, the Group has access to funding from its €180 million SSRCF to manage the liquidity requirements of its operations (see notes 24 and 2.3). From the SSRCF €62 million have been converted to credit facilities ancillary to the SSRCF with certain Banks (€60 million as at 31st March 2021).

The interest expense on SSRCF accrued during the year ended 31st March 2022 is €1.6 million (€2.0 million during the year ended 31st March 2021). The decrease is due to the lower utilisation of the SSRCF during the year ended 31st March 2022. During the year ended 31st March 2021 the utilisation of the SSRCF was higher due to the impact of COVID-19 (see note 3).

On 30th June 2020, the Group signed a syndicated loan of €15 million due 2023 (the "Government sponsored loan"), guaranteed by the Spanish Official Credit Institute (see note 24). The interest expense accrued during the year ended 31st March 2022 is €0.4 million (€0.3 million during the year ended 31st March 2021).

The effective interest rate impact on debt corresponds to the amortisation of financing fees capitalised on debt, that are expensed over the period of the debt. The increase corresponds mainly to the impact of €2.4 million for the write-off of the remaining financing costs capitalised on the 2023 Notes that have been derecognised, as well as €0.1 million of value adjustment of the SSRCF in relation to its modification (see note 24).

Foreign exchange gains/ (losses) relate mainly to the impact of fluctuations in foreign exchange rates on cash and cash equivalents that we have in currencies other than euros.

Other financial expense mainly includes the expenses associated with the early redemption of the 2023 Notes for an amount of €5.8 million (see note 2.3). This caption also includes interests on the use of the credit facilities ancillary to the SSRCF (see note 24) for €0.3 million during the year ended 31st March 2022 (€0.1 million during the year ended 31st March 2021), agency fees and commitment fees related to the SSRCF for €1.3 million during the year ended 31st March 2022 (€1.2 million during the year ended 31st March 2021).

Other financial income mainly includes interests received from tax authorities on the collection of certain amounts receivable from previous years for €0.1 million.

14. INCOME TAX

During the year ended 31st March 2022, the Group applies income tax consolidation in the following countries:

- Spain
- United States (US)
- France

The Spanish tax group headed by eDreams ODIGEO, S.A. includes the following subsidiary companies:

- 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.
- Engrande, S.L.

The US tax consolidation headed by eDreams, Inc. includes the following subsidiaries:

- Vacaciones eDreams, S.L.
- eDreams International Network, S.L.
- Viagens eDreams Portugal - Agência de Viagens, Lda.
- eDreams, S.R.L.
- Opodo, S.L. (since 15th December 2021)
- eDreams Gibraltar Ltd. (see 4.4)

The French tax group headed by Go Voyages, S.A.S. includes the following French subsidiaries:

- Go Voyages Trade, S.A.S.
- Liligo Metasearch Technologies, S.A.S.

Being part of a tax group (or in the case of the US: being a disregarded subsidiary) means that the individual income tax credits and debits are integrated at the level of the head of the tax group and therefore the subsidiary companies settle their income tax with the head of the tax group.

The subsidiary companies that are not included in a tax group pay income tax on a standalone basis to the tax authorities.

As at the effective date of the migration of the Company from Luxembourg to Spain in the year ended 31st March 2021 (see note 1), the Company ceased to be a Luxembourgish company and became a Spanish company and tax payer. As a result of the migration, the Company's Luxembourgish tax losses carried forward forfeited, whereas its recapture obligation was terminated. This did not have any impact on the consolidated income statement for the year ended 31st March 2021 as no deferred tax asset for its net tax losses carried forward had been recognised in the Group's consolidated balance sheet as at 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.

14.1. Income tax recognised in profit or loss

	Year ended 31st March 2022	Year ended 31st March 2021
Recognition of tax losses carried forward and US Foreign Tax Credits	13,417	19,799
Derecognition of tax losses carried forward and other deferred tax	(633)	(2,219)
Change in deferred tax due to rate change	(6,124)	(1,600)
Other deferred tax expense	(1,265)	(3,242)
Deferred tax	**5,395**	**12,738**
Current tax expense of the period	(510)	383
Tax credits	—	1,084
Adjustments recognised in the period for current tax of prior periods	(616)	207
Current tax	**(1,126)**	**1,674**
Total income tax	**4,269**	**14,412**

14.2. Income tax recognised directly in other comprehensive income

No income tax has been recognised directly in other comprehensive income in the years ended 31st March 2022 and 31st March 2021.

14.3. Analysis of tax charge

	Year ended 31st March 2022	Year ended 31st March 2021
Profit / (loss) for the year from continuing operations after tax	(65,869)	(124,229)
Income tax income	4,269	14,412
Profit / (loss) before tax	**(70,138)**	**(138,641)**
Dividends distributed between subsidiaries	2,366	—
Non-deductible goodwill impairment (see note 18)	—	24,147
Other disallowed expenses	2,747	9,830
Permanent differences	**5,113**	**33,977**
Tax basis profit	**(65,025)**	**(104,664)**
% Income tax rate	25.00%	25.00%
Expected tax charge expense	**16,256**	**26,166**
Impact of tax rate differences with Parent tax rate	433	67
Derecognition of tax losses carried forward	(633)	(2,219)
Current year losses for which no deferred tax asset has been recognised	(6,895)	(9,403)
Utilisation of tax losses not recognised	150	—
Change in deferred tax due to rate change	(6,124)	(1,600)
Tax credits	—	1,084
Others	1,082	317
Sum of corrections of tax expense	**(11,987)**	**(11,754)**
Group tax charge income	**4,269**	**14,412**

The above table contains the reconciliation between (a) the expected (theoretical) tax expense on the "tax base" (which is the profit before tax plus or minus the permanent differences, such as disallowed expenses, impairment, etc.) based on the corporate tax rate applicable in the country where the Company is resident (the 25% Spanish income tax rate) and (b) group tax expense.

"Other disallowed expenses" for the years ended 31st March 2022 and 31st March 2021 relate primarily to the effect of the non-deductible expenses related to share-based payments to employees and the non-deductible interest expenses under the legislation of certain countries, such as France.

The line "Impact of tax rate differences with Parent tax rate" corresponds to the difference between (a) the tax base of each Group company multiplied by the local tax rate applicable to each company, and (b) the tax base of each Group company multiplied by the tax rate of the Group's parent company.

The Group recognised a deferred tax liability for the Opodo brand based initially on the UK income tax rate. As the ownership of the Opodo brand will gradually pass-on to the Spanish company over a period of 5 years in connection with the reorganisation of the UK company's activities, the tax rate against which the deferred tax liability will ultimately be recognised will gradually increase to the 25% Spanish income tax rate in five consecutive steps.

During the year ended 31st March 2022, the UK Government has enacted a change to the UK tax rate for periods starting as from 1st April 2023 from 19% to 25%. Following this change, the deferred tax liability for the Opodo brand has been fully updated to 25%.

Therefore, the Company recognised a first increase of its deferred tax liability amounting to €1.6 million in the year ended 31st March 2021 and €6.4 million in the year ended 31st March 2022 (included in the previous tables as "Change in deferred tax due to rate change").

The line "Others" mainly include the income for the release of certain deferred tax liabilities related to uncertain tax treatments for an amount of €0.8 million in the year ended 31st March 2022 (€0.5 million in the year ended 31st March 2021).

14.4. Current tax assets and liabilities

	31st March 2022	31st March 2021
Income tax receivable	2,919	4,688
Other tax receivables (other than income tax)	2,797	2,454
Current tax assets	**5,716**	**7,142**
Income tax payable	(302)	(132)
Other tax payables (other than income tax)	(3,508)	(2,760)
Current tax liabilities	**(3,810)**	**(2,892)**

14.5. Deferred tax balances

	31st March 2022	31st March 2021
Deferred tax assets	12,677	6,449
Deferred tax liabilities	(18,565)	(19,584)
Net	**(5,888)**	**(13,135)**

As explained in note 5.12, the Group offsets deferred tax assets and liabilities if there is a legally enforceable right to set off the amounts recognised and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority.

The recognition of a deferred tax asset is based on the Group's opinion on the recoverability of the value of such asset, which, in the case of a deferred tax asset for tax losses, is based on the taxable profits forecast 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 Group's view is that it takes a prudent position by taking the same amount of earnings as used for the impairment test of its Cash Generating Units for the first 5 years projected and a growth of 1.5% for all subsequent periods based on external sources.

The following table shows the breakdown of the deferred tax balance as at 31st March 2022 per country:

	Tax losses carried forward and US FTC	Other deferred tax	Total
United States	5,928	(11,997)	(6,069)
Spain	34,919	(28,733)	6,186
Italy	—	1,411	1,411
France	—	(334)	(334)
Portugal	—	5,063	5,063
United Kingdom	1,400	(13,562)	(12,162)
Others	—	17	17
Total	**42,247**	**(48,135)**	**(5,888)**

The following table contains the movement of deferred tax assets / liabilities presented in the consolidated financial statements for the year ended 31st March 2022. Other deferred tax mainly includes the deferred tax liabilities related to the fair value adjustments of intangible assets in connection with a business combination:

	31st March 2021	Amounts recorded in Profit and Loss	Amounts recorded in Retained Earnings	FX variation	Others	31st March 2022
Tax losses carried forward and US FTC	32,275	8,092	1,880	—	—	42,247
Other deferred tax	(45,410)	(2,697)	—	(28)	—	(48,135)
Total deferred tax asset / (liability)	**(13,135)**	**5,395**	**1,880**	**(28)**	**—**	**(5,888)**

The €1.9 million in "Amounts recorded in retained earnings" in the year ended 31st March 2022 correspond mainly to the tax impact of the transaction costs of the capital increase that have been booked in equity (see note 22.4).

	31st March 2020	Amounts recorded in Profit and Loss	Amounts recorded in Retained Earnings	FX variation	Others	31st March 2021
Tax losses carried forward and US FTC	14,697	17,578	—	—	—	32,275
Other deferred tax	(45,577)	(4,840)	284	61	4,662	(45,410)
Total deferred tax asset / (liability)	**(30,880)**	**12,738**	**284**	**61**	**4,662**	**(13,135)**

The €4.7 million in Other movements of "Other deferred tax" related to the advance payment of Portuguese tax of €5.1 million, offset by €0.4 million collected from the Spanish tax authorities in relation to an appeal against a tax assessment. The Group has submitted an administrative claim against this assessment with the Portuguese tax authorities which is currently pending (see note 30.4). The Group expects a favourable decision and, therefore, has recognised the amount paid as an asset in the consolidated statement of financial position.

The tax losses carried forward of the group which are specified in the below table can be offset against future taxable profits during an indefinite period. Note that certain countries, such as Spain, apply 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
31st March 2022

	Tax loss amount	Income tax rate (%)	Total DTA on tax losses	DTA recognised	DTA not recognised
eDreams ODIGEO, S.A. (ES)	26,123	25.00%	6,531	2,770	3,761
Go Voyages, S.A.S. (FR)	145,794	27.60%	40,239	—	40,239
Opodo Ltd. (UK)	18,357	19%-25%	4,147	1,400	2,747
Travellink, A.B. (SWE)	4,019	21.40%	860	—	860
eDreams, Inc. (ES)	10,878	25.00%	2,720	2,720	—
Vacaciones eDreams, S.L. (ES)	79,010	25.00%	19,752	19,752	—
eDreams International Network, S.L. (ES)	26,426	25.00%	6,607	6,607	—
Opodo, S.L. (ES)	3,131	25.00%	783	783	—
Traveltising, S.A. (ES)	29	25.00%	7	7	—
eDreams Business Travel, S.L. (ES)	1,993	25.00%	498	101	397
Engrande, S.L. (ES)	13,616	25.00%	3,404	2,140	1,264
Tierrabella Invest, S.L. (ES)	9,316	25.00%	2,329	39	2,290
Total	**338,692**		**87,877**	**36,319**	**51,558**

As at 31st March 2022, the Group has a deferred tax asset in the balance sheet for US Foreign Tax Credits ("US FTC") amounting to €5.9 million (€10.0 million as at 31st March 2021).

The US FTC carried forward as at the 31st March 2022 may be offset against future US income tax but only in case the US income tax due for a year exceeds the US FTC of that year. US FTC generated in a year may be carried forward for a period of maximum 10 years. The US FTC as at 31st March 2022 have been generated in various years and have an average remaining carry forward period of 7 years.

In addition to the unused tax losses carried forward not recognised in the balance sheet mentioned above, the Spanish tax group has a deferred tax asset recognised inside "Other deferred tax" for €6.2 million corresponding to excess interest expense carried forward, with an indefinite carry forward period.

Additionally, Engrande, S.L. and Tierrabella Invest, S.L. also have a non-recognised deferred tax asset corresponding to the excess interest expenses carried forward amounting to €1.9 million and €4.9 million, respectively, that have an indefinite carry forward period.

There have been no significant changes in the income tax rates impacting the Group, except for the UK. During the year ended 31st March 2022, the UK Government has enacted a change to the UK tax rate for periods starting as from 1st April 2023 from 19% to 25%.

Unused tax losses
31st March 2021

	Tax loss amount	Income tax rate (%)	Total DTA on tax losses	DTA recognised	DTA not recognised
eDreams ODIGEO, S.A. (ES)	16,285	25.00%	4,071	1,701	2,370
Go Voyages, S.A.S. (FR)	140,153	27.60%	38,682	—	38,682
Opodo Ltd. (UK)	18,357	19.00%	3,488	1,270	2,218
Travellink, A.B. (SWE)	4,062	21.40%	869	—	869
eDreams, Inc. (ES)	4,650	25.00%	1,163	1,163	—
Vacaciones eDreams, S.L. (ES)	42,362	25.00%	10,591	10,591	—
eDreams International Network, S.L. (ES)	21,553	25.00%	5,388	5,388	—
Opodo, S.L. (ES)	3,096	25.00%	774	774	—
Traveltising, S.A. (ES)	25	25.00%	6	6	—
eDreams Business Travel, S.L. (ES)	1,971	25.00%	493	97	396
Engrande, S.L. (ES)	10,549	25.00%	2,637	1,313	1,324
Tierrabella Invest, S.L. (ES)	9,160	25.00%	2,290	—	2,290
Total	**272,223**		**70,452**	**22,303**	**48,149**

14.6. Years open for inspection by tax authorities

The Group companies may be subject to audit by the tax authorities for the years that are not statute-barred.

The oldest year for which the Group Companies have their tax returns open to inspection in respect of the main applicable taxes as at 31st March 2022 are the following:

Country	Corporate Income Tax (CIT)	Value Added Tax (VAT)
Australia	2017/18	2018
France	2018/19	2018
Germany	2016/17	2018
Hungary	2016/17	2017
Italy	2016/17	2017
Luxembourg	2017/18	2017
Portugal	2018/19	2018
Spain	2018/19	2018
Sweden	2016/17	2016
United Kingdom	2018/19	2018
United States	2018/19 (*)	N/A

(*) in case of substantial omissions 2015/16

The Group's tax contingencies and ongoing tax inspections are detailed in note 30.

15. GOODWILL

The detail of the goodwill movement by CGUs for the year ended 31st March 2022 is set out below:

Markets	31st March 2021	Scope entry	Exchange rate differences	Impairment	31st March 2022
France	397,634	—	—	—	397,634
Spain	49,073	—	—	—	49,073
Italy	58,599	—	—	—	58,599
UK	70,171	—	—	—	70,171
Germany	166,057	—	—	—	166,057
Nordics	58,974	—	(563)	—	58,411
Other countries	54,710	—	—	—	54,710
Metasearch	8,608	—	—	—	8,608
Connect	4,200	—	—	—	4,200
Total gross goodwill	**868,026**	**—**	**(563)**	**—**	**867,463**
France	(123,681)	—	—	—	(123,681)
Italy	(20,013)	—	—	—	(20,013)
UK	(31,138)	—	—	—	(31,138)
Germany	(10,339)	—	—	—	(10,339)
Nordics	(43,293)	—	413	—	(42,880)
Metasearch	(7,642)	—	—	—	(7,642)
Total impairment on goodwill	**(236,106)**	**—**	**413**	**—**	**(235,693)**
Total net goodwill	**631,920**	**—**	**(150)**	**—**	**631,770**

As at 31st March 2022, the amount of the goodwill corresponding to the Nordics market has decreased due to the evolution of the Euro compared to the Swedish Krona, with a balancing entry under "Foreign currency translation reserve".

Details about the impairment test performed by the Group on the value of the Cash Generating Units ("CGUs") are included in note 18.

The detail of the goodwill movement by CGUs for the year ended 31st March 2021 is set out below:

Markets	31st March 2020	Scope entry	Exchange rate differences	Impairment	31st March 2021
France	397,634	—	—	—	397,634
Spain	49,073	—	—	—	49,073
Italy	58,599	—	—	—	58,599
UK	70,171	—	—	—	70,171
Germany	166,057	—	—	—	166,057
Nordics	54,586	—	4,388	—	58,974
Other countries	54,710	—	—	—	54,710
Metasearch	8,608	—	—	—	8,608
Connect	4,200	—	—	—	4,200
Total gross goodwill	**863,638**	**—**	**4,388**	**—**	**868,026**
France	(101,608)	—	—	(22,073)	(123,681)
Italy	(20,013)	—	—	—	(20,013)
UK	(31,138)	—	—	—	(31,138)
Germany	(10,339)	—	—	—	(10,339)
Nordics	(38,152)	—	(3,067)	(2,074)	(43,293)
Metasearch	(7,642)	—	—	—	(7,642)
Total impairment on goodwill	**(208,892)**	**—**	**(3,067)**	**(24,147)**	**(236,106)**
Total net goodwill	**654,746**	**—**	**1,321**	**(24,147)**	**631,920**

As at 31st March 2021, the amount of the goodwill corresponding to the Nordics market increased due to the evolution of the Euro compared to the Swedish Krona, with a balancing entry under "Foreign currency translation reserve".

Details about the impairment booked as at 31st March 2021 are included in note 18.

16. OTHER INTANGIBLE ASSETS

The detail of the other intangible assets movement for the year ended 31st March 2022 is set out below:

	31st March 2021	Acquisitions amortisation impairment	Disposals reversals	Reclass	31st March 2022
Licenses	6,568	—	—	—	6,568
Brands	287,976	—	—	—	287,976
Software	73,838	—	(111)	—	73,727
Software internally dev.	162,005	—	(5,865)	6,425	162,565
Software internally dev. in progress	1,330	25,464	—	(6,425)	20,369
Other intangible assets	18,622	—	—	—	18,622
Total gross value	**550,339**	**25,464**	**(5,976)**	**—**	**569,827**
Licenses	(6,119)	(384)	—	—	(6,503)
Software	(61,743)	(1,947)	111	—	(63,579)
Software internally dev.	(81,422)	(27,475)	5,865	—	(103,032)
Other intangible assets	(16,081)	(514)	—	—	(16,595)
Total accumulated amortisation	**(165,365)**	**(30,320)**	**5,976**	**—**	**(189,709)**
Brands	(76,935)	—	10,840	—	(66,095)
Software	(6,498)	—	—	—	(6,498)
Other intangible assets	(2,000)	—	—	—	(2,000)
Total accumulated impairment	**(85,433)**	**—**	**10,840**	**—**	**(74,593)**
Total other intangible assets	**299,541**	**(4,856)**	**10,840**	**—**	**305,525**

Acquisitions mainly correspond to the capitalisation of the technology developed by the Group which, due to its functional benefits, contributes towards attracting new customers and retaining the existing ones.

Brands

	31st March 2022	31st March 2021
Go Voyages	29,723	23,091
eDreams	80,815	80,815
Opodo	100,000	100,000
Travellink	7,311	3,103
Liligo	4,032	4,032
Total	**221,881**	**211,041**

Brands correspond to the commercial names under which the Group operates, which have been acquired externally through business combination operations and their valuation comes from purchase price allocation processes.

On 6th July 2020, in relation to the new Government sponsored loan obtained, the Group's subsidiary Vacaciones eDreams, S.L. constituted a real first-lien pledge on the brand "eDreams". This pledge guarantees full and timely compliance with all Guaranteed Obligations of the Government sponsored loan granted to the Group's subsidiary Vacaciones eDreams, S.L. for an amount up to €15 million. As at 31st March 2022, the brand "eDreams" has a book value of €80,815 thousand.

During the year ended 31st March 2022, the Group booked a reversal of an impairment on the brands of Go Voyages and Travellink for €10.8 million due to the increase of their recoverable value (see note 19). During the year ended 31st March 2021, the Group booked an impairment on the brands of Go Voyages and Travellink for €6.3 million (see note 19).

Software internally developed and software internally developed in progress

Software internally developed and software internally developed in progress acquisitions correspond to the capitalisation of the technology developed by the Group which, due to its functional benefits, contributes towards attracting new customers and retaining the existing ones. From the total software and software internally developed, as at 31st March 2022, €30.6 million net book value correspond to software from the Group's common platform with a 7-years useful life (€41.0 million as at 31st March 2021).

During the year ended 31st March 2022, the Group has recognised as personnel expenses €6.0 million of costs related to research and development (€2.9 million for the year ended 31st March 2021).

The detail of the other intangible assets movement for the year ended 31st March 2021 is set out below:

	31st March 2020	Acquisitions amortisation impairment	Disposals	Reclass	31st March 2021
Licenses	6,948	—	(380)	—	6,568
Brands	287,976	—	—	—	287,976
Trademarks and domains	113	—	—	(113)	—
Software	75,768	—	(1,930)	—	73,838
Software internally dev.	159,761	—	(19,272)	21,516	162,005
Software internally dev. in progress	1,725	21,121	—	(21,516)	1,330
Other intangible assets	18,554	—	(45)	113	18,622
Total gross value	**550,845**	**21,121**	**(21,627)**	**—**	**550,339**
Licenses	(4,187)	(2,312)	380	—	(6,119)
Trademarks and domains	(87)	—	—	87	—
Software	(61,662)	(2,011)	1,930	—	(61,743)
Software internally dev.	(73,402)	(27,188)	19,168	—	(81,422)
Other intangible assets	(15,410)	(618)	34	(87)	(16,081)
Total accumulated amortisation	**(154,748)**	**(32,129)**	**21,512**	**—**	**(165,365)**
Brands	(70,620)	(6,315)	—	—	(76,935)
Software	(6,498)	—	—	—	(6,498)
Software internally dev.	—	(104)	104	—	—
Other intangible assets	(2,000)	(11)	11	—	(2,000)
Total accumulated impairment	**(79,118)**	**(6,430)**	**115**	**—**	**(85,433)**
Total other intangible assets	**316,979**	**(17,438)**	**—**	**—**	**299,541**

The increase in amortisation of licenses for the year ended 31st March 2021 included an increase of €1.0 million of a correction booked against retained earnings due to an error in the calculation of the amortisation of a license in the previous years (see note 22.4).

Fully amortised Other intangible assets

The detail of other intangible assets fully amortised and in use as at 31st March 2022 and 31st March 2021 is set out below:

	31st March 2022	31st March 2021
Licenses	5,898	4,864
Software	65,954	66,006
Software internally developed	25,645	16,727
Other intangible assets	18,591	15,502
Total	**116,088**	**103,099**

17. PROPERTY, PLANT AND EQUIPMENT

The detail of property, plant and equipment movement for the year ended 31st March 2022 is set out below:

	31st March 2021	Acquisitions depreciation impairment	Disposals	Exchange rate differences	31st March 2022
Buildings - lease	10,599	2,883	(22)	(13)	13,447
General installations / tech facilities	2,544	329	(109)	(1)	2,763
Furniture	1,913	38	(52)	(1)	1,898
Transport	—	—	—	—	—
Computer hardware	6,328	1,213	(14)	—	7,527
Computer hardware - lease	4,443	82	—	—	4,525
Other tangible assets	19	—	(4)	—	15
Total gross value	**25,846**	**4,545**	**(201)**	**(15)**	**30,175**
Buildings - lease	(5,830)	(1,837)	22	9	(7,636)
General installations / tech facilities	(1,518)	(330)	62	1	(1,785)
Furniture	(1,233)	(223)	37	1	(1,418)
Transport	—	—	—	—	—
Computer hardware	(5,307)	(808)	14	—	(6,101)
Computer hardware - lease	(4,075)	(176)	—	—	(4,251)
Other tangible assets	(18)	—	—	—	(18)
Total accumulated depreciation	**(17,981)**	**(3,374)**	**135**	**11**	**(21,209)**
Total accumulated impairment	**—**	**(55)**	**55**	**—**	**—**
Total property, plant and equipment	**7,865**	**1,116**	**(11)**	**(4)**	**8,966**

The variation in the gross value of buildings – lease corresponds mainly to an increase of the lease term considered for certain offices of the Group for €2.0 million and to a new office lease for an amount of €0.8 million (see note 24).

The Group has purchased insurance policies to reasonably cover the possible risks of damage to its property, plant and equipment used in operations, with suitable limits and coverage.

The detail of property, plant and equipment movement for the year ended 31st March 2021 is set out below:

	31st March 2020	Acquisitions depreciation impairment	Disposals	Exchange rate differences	31st March 2021
Buildings - lease	7,408	3,605	(402)	(12)	10,599
General installations / tech facilities	2,582	7	(42)	(3)	2,544
Furniture	2,062	—	(147)	(2)	1,913
Transport	1	—	(1)	—	—
Computer hardware	7,959	117	(1,748)	—	6,328
Computer hardware - lease	6,402	—	(1,959)	—	4,443
Other tangible assets	19	—	—	—	19
Total gross value	**26,433**	**3,729**	**(4,299)**	**(17)**	**25,846**
Buildings - lease	(4,243)	(1,949)	357	5	(5,830)
General installations / tech facilities	(1,144)	(419)	43	2	(1,518)
Furniture	(1,144)	(235)	147	(1)	(1,233)
Transport	(1)	—	1	—	—
Computer hardware	(5,884)	(1,167)	1,744	—	(5,307)
Computer hardware - lease	(5,597)	(437)	1,959	—	(4,075)
Other tangible assets	(17)	(1)	—	—	(18)
Total accumulated depreciation	**(18,030)**	**(4,208)**	**4,251**	**6**	**(17,981)**
Total accumulated impairment	**—**	**(3)**	**3**	**—**	**—**
Total property, plant and equipment	**8,403**	**(482)**	**(45)**	**(11)**	**7,865**

The variation in the gross value of buildings – lease corresponded to an increase for the extension of the lease term considered for certain offices of the Group for €3.6 million.

Additionally, during the year ended 31st March 2021 the Group disposed of €3.7 million of computer hardware no longer in use.

Fully depreciated Property, plant and equipment assets

The Group has property, plant and equipment assets that are fully depreciated and in use for a total cost of €9.2 million as at 31st March 2022 (€7.0 million as at 31st March 2021), corresponding mainly to Hardware and Hardware lease amounting to €4.9 million and €3.8 million respectively (€2.8 million and €3.7 million as at 31st March 2021, respectively).

18. IMPAIRMENT OF ASSETS

18.1. Measuring methodology

The assets are tested at the market level except Metasearch and Connect (which are their own cash generating units "CGU"), which is used by management to make decisions about operating matters and is based on segment information.

The cash generating unit is determined as the smallest group of assets that generates cash inflows that are largely independent of the inflows produced by other assets or groups of assets. In this sense, the Group distinguishes Metasearch and Connect as two of its own cash-generating units, since they represent two different businesses of the group - Metasearch and Bedbank. Within the main business of online travel agency, the Group distinguishes between various CGUs according to the market, since each market is independent of each other in terms of the generation of cash inflows. The classification by markets, in turn, coincides with the criteria used by management to make operational decisions (such as the launch of new services, pricing strategies or investment in marketing) and is based on information by segments.

The Group performs an impairment test on the value of the Cash Generating Units ("CGUs") annually, or in the event of an indication of impairment, in order to identify the possible existence of unrecorded impairment losses.

The procedure for carrying out the impairment test is as follows:

- A business plan, with different scenarios, is drawn up for each CGU for the next 5 years in which the main components are the projected Adjusted EBITDA, the projected investments and working capital (see definition of Adjusted EBITDA in C4. Alternative Performance Measures). The main drivers behind the projection of EBITDA are Revenue Margin and Variable costs, which together result in Marginal Profit (see definition of Revenue Margin, Variable costs and Marginal Profit in C4. Alternative Performance Measures). These projections include Management's best estimates, which are consistent with external information, past experience and future expectations. Management prepares the business projections taking into consideration external factors, such as macroeconomic, geopolitical and social factors.
- A valuation analysis is carried out, which consists of applying the discounted free cash flow method, carrying out all the procedures necessary to determine the recoverable value of the assets in each CGU. This calculation establishes a value which varies mainly according to the weighted projections and the discount rate for each of the CGU.

This analysis is used by Group Management to analyse both the recoverability of the goodwill and other intangible assets and property, plant and equipment belonging to each of the markets.

18.2. Main assumptions used in the financial projections

For each CGU, the discount rate after taxes has been defined on the basis of the weighted average cost of capital (WACC).

In calculating the discount rate, a specific risk premium has also been considered in certain cases in line with the specific characteristics of each CGU and the inherent risk profile of the projected flows of each of the CGU.

The table below shows the WACC applied by the Group for each CGU:

WACC by CGU		Post-tax		Pre-tax
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
France	10.3%	9.5%	12.1%	11.6%
Spain	11.8%	10.8%	14.2%	13.3%
Italy	12.5%	11.5%	15.0%	14.1%
UK	11.3%	10.5%	12.5%	12.5%
Germany	9.3%	8.8%	11.1%	10.7%
Nordics	10.8%	10.5%	12.2%	12.5%
Other countries	11.3%	10.5%	13.4%	12.8%
Metasearch	10.3%	9.5%	12.9%	12.1%
Connect	10.8%	9.8%	12.9%	12.0%

The WACC applied by the Group has increased versus previous year, mainly due to a general increase of the beta and risk free rates, partly offset by a decrease in the country risk premiums.

In the case of Germany, the WACC has increased less than in the other CGUs (from 8.8% to 9.3% post-tax) mainly driven by a smaller increase in the risk free rate compared with other CGUs.

In the case of Nordics, the WACC has increased significantly less than in the other CGUs (from 10.5% to 10.8% post-tax) due to a bigger improvement of the country risk premium compared with other CGUs.

The variation between the pre-tax and post-tax discount rates is directly explained by the non-consideration of taxes in the discounted cash flow methodology.

In calculating the value of the assets in each different market, the following parameters have been considered:

- Given the uncertainty related to the COVID-19 pandemic, Group Management has prepared 3 different scenarios of projections, depending on the extent and duration of the COVID-19 pandemic, the severity of new variants and waves, and the shape and timing of the subsequent recovery (see note 3). Scenarios I, II and III have been weighted at 15%, 70% and 15%, respectively.
- In the first year, Adjusted EBITDA was projected using the budget for the year ended 31st March 2023 approved by the Board of Directors (see definition of Adjusted EBITDA in C4. Alternative Performance Measures).
- In the four following years, a scenario of profitability and needs for investment in intangible assets and working capital that is consistent and sustainable in the long-term for each CGU was projected.
- The perpetual growth rate used to extrapolate cash flow projections beyond the first five years has been estimated at 1.5% for France, Spain, Italy, Germany, United Kingdom and Nordics, and 1.6% for Other markets, Metasearch and Connect (1.5% and 1.6% respectively in the previous year).
- Capital expenditure level is in line with the fact that the business model is not CAPEX intensive. These assumptions reflect expected growth in volume and Revenue Margin per Booking for our markets considering the historical trends and budget assumptions for the year ended 31st March 2023.

CGU Adjusted EBITDA projections have increased compared to last year as the Group has been overperforming against the previous expectations, and the projections have been reviewed and updated accordingly.

The variations in projections by CGU compared with the previous year are in line for all CGUs, except for Metasearch where the increase has been more pronounced due to higher overperformance added by savings in fixed costs and less required future investment.

18.3. Conclusion on the analysis

As a result of the testing performed by the Group using the methodology and the assumptions described in notes 18.1 and 18.2 respectively above, and due to the updated projections as a consequence of COVID-19 (see note 3), the carrying amount of the goodwill related to any CGU has not been impaired in the year ended 31st March 2022.

The following table shows the gross value in books and net value in books of operating assets for every CGU, the recoverable amount calculated for each CGU (value in use), the impairment recognised in the current year and the amount by which the CGUs recoverable amount exceeds its carrying amount.

31st March 2022

CGU	Gross value of operating assets	Net value of operating assets	Value in use	Impairment increase	Exceeding amount (headroom)
France	484,562	291,950	396,219	—	104,269
Spain	42,186	41,574	166,208	—	124,634
Italy	65,292	44,782	101,522	—	56,740
UK	65,295	33,874	57,582	—	23,708
Germany	170,344	158,616	290,159	—	131,543
Nordics	58,259	14,604	28,791	—	14,187
Other countries	18,228	16,126	432,852	—	416,726
Metasearch	14,018	6,376	27,295	—	20,919
Connect	5,247	5,247	87,659	—	82,412
Total	**923,431**	**613,149**	**1,588,287**	**—**	**975,138**

31st March 2021

CGU	Gross value of operating assets	Net value of operating assets	Value in use	Impairment increase	Exceeding amount (headroom)
France	525,665	351,718	329,645	(22,073)	—
Spain	58,024	58,024	90,991	—	32,967
Italy	80,508	60,495	75,836	—	15,341
UK	73,688	42,550	50,950	—	8,400
Germany	191,487	181,148	259,255	—	78,107
Nordics	65,268	18,615	16,541	(2,074)	—
Other countries	35,193	35,193	222,009	—	186,816
Metasearch	13,677	6,035	6,285	—	250
Connect	11,714	11,714	41,639	—	29,925
Total	**1,055,224**	**765,492**	**1,093,151**	**(24,147)**	**351,806**

For the purpose of carrying out the impairment test of the CGUs, the Group distributes the value of the brands among the different CGUs based on the allocation made in the year of formation of the group (year ended 31st March 2012). This historical allocation was based on the contribution of each brand to the results of each CGU.

18.4. Sensitivity analysis on key assumptions

The Group has performed a sensitivity analysis on the key assumptions of the impairment test for the CGUs applying the following changes:

- 1pp increase in WACC;
- 0.5pp decrease in perpetual growth;
- 10% decrease in Marginal Profit; and
- Change in scenarios weighting where Scenario III (the most optimistic, see note 3) is eliminated, and assigning 50% probability of the remaining scenarios.

The conclusion of this sensitivity analysis is that no additional impairment would be recognised in any of the CGUs if the changes on key assumptions previously mentioned were applied.

The values assigned to the assumptions of discount rate and perpetual growth are disclosed in note 18.2.

19. IMPAIRMENT OF BRANDS

19.1. Measuring methodology

The brands, which have indefinite lives, have been tested for impairment together with the rest of CGU assets (see note 18) as well as separately brand by brand.

The Group carries out a specific impairment test for brands to determine whether any of them could have seen their value impaired at the individual level, regardless of whether or not there was impairment at the level of the cash-generating unit to which it has been assigned. It should be noted that certain Group brands are focused on one market (Go Voyages and Liligo in France, and Travellink in Nordics), while others (eDreams and Opodo) are multi-market.

The Group considers that the fair value of the brands can be determined independently from the rest of the assets and for each one of them, since they generate income comparable to that generated by a licensed brand, which can be separated from the rest of the assets. The calculation of said fair value is made based on the royalty income that each brand would generate according to its projected revenue margin.

The Group performs an impairment test on the value of the brands annually, or in the event of an indication of impairment, in order to identify the possible existence of unrecorded impairment losses or that the impairment may have decreased.

The procedure for carrying out the impairment test is as follows:

- A business plan, with different scenarios, is drawn up for each brand for the next 5 years in which the main component is the Revenue Margin that will be generated by each brand. These revenue projections are multiplied by a royalty rate to obtain the revenue corresponding to the brands. These projections include Management's best estimates, which are consistent with external information, past experience and future expectations. Management prepares the business projections taking into consideration external factors, such as macroeconomic, geopolitical and social factors.
- A valuation analysis is carried out, which consists of applying the discounted free cash flow method, carrying out all the procedures necessary to determine the recoverable value of the brands.

This analysis is used by Group Management to analyse the recoverability of the brands.

19.2. Main assumptions used in the financial projections

For each brand, the discount rate after taxes has been defined on the basis of the weighted average cost of capital (WACC). The WACC has been calculated on a market basis (see note 18.2) and applied a weighted average according to the contribution of each market in each brand in the current year.

In calculating the value of each brand, the following parameters have been considered:

- Given the uncertainty related to the COVID-19 pandemic, Group Management has prepared 3 different scenarios of projections, depending on the extent and duration of the COVID-19 pandemic, the severity of new variants and waves, and the shape and timing of the subsequent recovery (see note 3). Scenarios I, II and III have been weighted at 15%, 70% and 15%, respectively.
- In the first year, Revenue Margin was projected using the budget for the year ended 31st March 2023 approved by the Board of Directors. See definition of Revenue Margin in C4. Alternative Performance Measures.
- In the four following years, a scenario of evolution of volumes and margins has been considered based on the strategy of the Group and previous experience.
- The perpetual growth rate used to extrapolate cash flow projections beyond the first five years has been estimated at 1.5% (1.5% in the previous year).
- Royalty rates have been set to 6.5%, except for the Travellink brand that has a 4.0% royalty rate (6.5% and 4.0% respectively in the previous year).

These assumptions reflect expected growth in volume and Revenue Margin per Booking for our markets considering the historical trends and budget assumptions for the year ended 31st March 2023.

The table below shows the WACC applied by the Group for each brand:

	Post-tax		Pre-tax	
	31st March 2022	31st March 2021	31st March 2022	31st March 2021
Go Voyages	10.3%	9.5%	13.1%	12.2%
eDreams	11.3%	10.3%	14.4%	13.1%
Opodo	10.1%	9.4%	12.9%	11.9%
Travellink	10.8%	10.5%	14.0%	13.5%
Liligo	10.3%	9.5%	13.2%	12.3%

The WACC applied by the Group has increased versus previous year, mainly due to a general increase of the beta and risk free rates, partly offset by a decrease in the country risk premiums (see note 18.2).

The Revenue Margin projections by Brand have increased compared to last year as the Group has been overperforming against the previous expectations, and the projections have been reviewed and updated accordingly.

19.3. Conclusion on the analysis

As a result of the testing performed by the Group using the methodology and the assumptions described in notes 19.1 and 19.2 respectively above, and due to the updated projections, the carrying impairment previously booked on the brands Go Voyages and Travellink has been partially reversed. This is a consequence of the strategy of the Group, that has allowed it to overperform compared with the market, and of the strong recovery of demand following the COVID-19 pandemic, that has allowed the Group to exceed and update its previous projections accordingly.

For the reversal of the impairment on the Go Voyages and Travellink brands, the Group has applied a sensitivity of 1 additional point to the WACC, taking into consideration the current macroeconomic perspectives. The same sensitivity applied to the impairment test on the rest of the brands and on the CGUs would not lead to any additional change on the impairment (see notes 18.4 and 19.4).

The table below shows the gross value in books and net value in books of each brand (before any impairment increase or decrease for the year), the recoverable amount calculated for each brand (value in use), the impairment recognised or reversed in the current year and the amount by which the brand's recoverable amount exceeds its carrying amount:

31st March 2022

Brands	Gross value of brands	Net value of brands	Value in use	Impairment reversal	Exceeding amount (headroom)
Go Voyages	95,430	23,091	33,153	6,632	3,430
eDreams	80,815	80,815	213,115	—	132,300
Opodo	100,000	100,000	170,225	—	70,225
Travellink	7,699	3,103	8,077	4,208	766
Liligo	4,032	4,032	5,620	—	1,588
Total	**287,976**	**211,041**	**430,190**	**10,840**	**208,309**

31st March 2021

Brands	Gross value of brands	Net value of brands	Value in use	Impairment increase	Exceeding amount (headroom)
Go Voyages	95,430	28,742	23,091	(5,651)	—
eDreams	80,815	80,815	134,303	—	53,488
Opodo	100,000	100,000	124,344	—	24,344
Travellink	7,699	3,767	3,103	(664)	—
Liligo	4,032	4,032	6,909	—	2,877
Total	**287,976**	**217,356**	**291,750**	**(6,315)**	**80,709**

19.4. Sensitivity analysis on key assumptions

The Group presents below the sensitivity analysis for the brands where a reasonably possible change in a key assumption would cause the unit's carrying amount to exceed its recoverable amount.

The table below shows the additional impairment that would be recognised if certain changes in main assumptions had been applied:

Brands	1.0pp Increase in WACC	0.5pp Decrease in perpetual growth	5% Decrease in Revenue Margin	1pp Decrease in Royalty Rate	Change in scenario weighting[1]
Go Voyages	—	—	—	(1,670)	—
eDreams	—	—	—	—	—
Opodo	—	—	—	—	—
Travellink	—	—	—	(1,253)	(154)
Liligo	—	—	—	—	—
Total	**—**	**—**	**—**	**(2,923)**	**(154)**

[1] *Change in scenario weighting means eliminating Scenario III (the most optimistic, as explained in note 3), and assigning 50% probability to each of the remaining scenarios.*

The table below shows the value assigned to the assumptions of Revenue Margin as compound annual growth rates (CAGR) over the explicitly projected period (5 years):

Revenue Margin growth	Scenario I	Scenario II	Scenario III
Go Voyages	9.8%	14.1%	14.9%
Travellink	(1.6%)	3.8%	7.7%

Scenarios I, II, and III have been weighted at 15%, 70%, and 15% respectively.

The values assigned to the assumptions of discount rate and perpetual growth are disclosed in note 19.2.

20. TRADE AND OTHER RECEIVABLES

20.1. Trade receivables

The trade receivables from contracts with customers as at 31st March 2022 and 31st March 2021 are as follows:

	31st March 2022	31st March 2021
Trade receivables	15,508	9,518
Accrued income	34,273	14,110
Impairment loss on trade receivables and accrued income	(5,552)	(6,345)
Provision for Booking cancellation	(3,023)	(2,092)
Trade related deferred expenses	370	42
Total trade receivables	**41,576**	**15,233**

The increase in trade receivables, accrued income and provision for Booking cancellation as at 31st March 2022 is mainly due to the increase in trading volumes (see note 3).

The calculation of the impairment loss on trade receivables and accrued income considers in the forward-looking information the impact of COVID-19 on the financial situation of the Group's clients, as it was considered as at 31st March 2021. There have not been significant changes in customer risk compared to 31st March 2021, however the increase in trade receivables and accrued income corresponds mainly to customers with a lower credit risk than the average customers of 31st March 2021. The decrease in the impairment loss on trade receivables and accrued income is due to the write off of certain receivables as uncollectible for €1.5 million (see 20.2).

Provision for Booking cancellation is calculated to cover the risk of loss on GDS incentives or supplier commissions in the case of cancellation of Bookings made prior to the reporting closing date with future departure date.

The table below shows the detail of the provision for Booking cancellation and the percentages of risk that have been applied to the basis of GDS incentives and supplier commissions subject to cancellation:

	31st March 2022		31st March 2021	
	Provision for Booking cancellation	Percentage applied	Provision for Booking cancellation	Percentage applied
GDS Incentives	(838)	14%	(315)	17%
Hotel supplier commissions	(1,628)	20%	(1,610)	40%
Car rental supplier commissions	(557)	18%	(167)	28%
Total	**(3,023)**		**(2,092)**	

The increase in provision for Booking cancellation is mainly due to the increase in volumes (see note 3).

Accrued income on supplier commissions is mainly related to Bookings with departure dates in the following fiscal year.

The risk percentages applied are also directly related to customer behaviour and specificities of the product the Group is intermediating. For hotels and cars services, our suppliers commonly offer to customers cancellation up to check-in or pick-up date. In the case of flights, usually airlines do not offer this level of flexibility regarding cancellation.

The percentages applied for the provision for Booking cancellation for GDS Incentives, Hotel supplier commissions and Car rental supplier commissions pre-COVID-19 were approximately 0%, 11% and 13% respectively (December 2019 reference period).

20.2. Valuation allowance

An impairment analysis of trade receivables and accrued income has been performed at year-end using a provision matrix by type of customer, to measure expected credit losses. The provision for Booking cancellation has been deducted from the accrued income amounts for the impairment estimation.

A single methodology has been adopted to establish this provision matrix by type of customer. The different percentages of risk have been calculated based on the weight of all invoices still overdue after a certain period of time, out of the gross amount of invoices issued, by month. This statistic database provides a reasonable expectation of the successful percentage of recovery of the overdue balances.

Movements in the valuation allowance are as follows:

	Year ended 31st March 2022	Year ended 31st March 2021
Valuation allowance opening balance	(6,345)	(8,331)
(Increase) / decrease in impairment losses	(707)	1,417
Amount written off as uncollectible	1,500	569
Valuation allowance closing balance	**(5,552)**	**(6,345)**

The decrease in impairment losses in the year ended 31st March 2022, is driven by the amounts written off as uncollectible, offset by the increase in trade receivables as a consequence of the increase in volume of Bookings (see note 3).

The table below shows the impairment by type of customer:

	31st March 2022		31st March 2021	
	Trade receivables	Impairment	Trade receivables	Impairment
Commissions, BtB incentives and advertising revenue	34,305	(4,351)	19,012	(4,932)
Metasearch customers	1,422	(698)	1,833	(1,347)
Leisure customers & Global Distribution System (GDS)	11,031	(503)	691	(66)
Total trade receivables	**46,758**	**(5,552)**	**21,536**	**(6,345)**

The tables below show the credit risk exposure for the Group's two main types of customers:

Commissions, BtB incentives and advertising revenue	31st March 2022		31st March 2021	
	Trade receivables	Impairment	Trade receivables	Impairment
Accrued income & provision for Booking cancellation	24,656	(409)	10,202	(146)
Amount invoiced not overdue	4,755	(81)	2,350	(39)
Less than 60 days	1,331	(79)	847	(47)
Between 60 and 120 days	148	(13)	476	(40)
Between 120 and 240 days	76	(12)	278	(37)
Between 240 and 365 days	31	(8)	610	(149)
More than 365 days	271	(111)	484	(200)
Bankruptcy & other non-recoverability risk	3,037	(3,037)	3,765	(3,765)
Additional risk high	—	(211)	—	(276)
Additional risk medium	—	(290)	—	(163)
Additional risk low	—	(100)	—	(70)
Total	**34,305**	**(4,351)**	**19,012**	**(4,932)**

Metasearch customers	31st March 2022		31st March 2021	
	Trade receivables	Impairment	Trade receivables	Impairment
Accrued income	412	(10)	168	(4)
Amount invoiced not overdue	199	(6)	166	(5)
Less than 90 days	81	(2)	21	(1)
Between 90 to 120 days	—	—	8	(1)
Between 120 to 150 days	2	(1)	12	(3)
Between 150 days to 180 days	4	(2)	8	(3)
Between 180 days to 210 days	2	(1)	40	(18)
Between 210 days to 240 days	15	(7)	—	—
More than 240 days	86	(48)	262	(153)
Bankruptcy & other non-recoverability risk	621	(621)	1,148	(1,148)
Additional risk high	—	—	—	(11)
Total	**1,422**	**(698)**	**1,833**	**(1,347)**

Due to COVID-19 (see note 3), the Group has considered an additional risk for some customers shown in the tables above as Additional risk high, Additional risk medium and Additional risk low, for a total amount of €0.6 million (€0.5 million as at 31st March 2021). The percentage of risk applied is the result of a deep analysis carried out by customer (see note 4.3).

The line Bankruptcy & other non-recoverability risk includes all invoices fully impaired as the customer is going into insolvency proceedings or if the invoices are overdue for a significant period. In the year ended 31st March 2022 the Group considered a limit of overdue more than 2 years.

The Group has two other types of customers, Leisure customers and Global Distribution System ("GDS"). For Leisure customers, as we collect the amount due at the time of the Booking, the Group considers there is no risk of credit loss. No additional risk linked with COVID-19 has been estimated. For GDS, the risk analysis has led to the same conclusion, therefore no additional risk linked with COVID-19 has been estimated.

As at 31st March 2022, the amount accrued and invoiced not overdue yet for these types of customers is €11.0 million and the impairment booked is €0.5 million (€0.7 million and €0.1 million respectively as at 31st March 2021).

The Group has no collateral or other credit enhancements over its trade receivables.

20.3. Other receivables

	31st March 2022	31st March 2021
Advances given - trade related	16,543	1,366
Other receivables	1,126	435
Prepaid expenses	3,354	1,956
Total other receivables	**21,023**	**3,757**

Advances given - trade related corresponds to payments done to certain trade suppliers that have terms of advance payment. It mainly relates to the payment of travel products in relation with Bookings from the Group's customers. The increase in these advances given as at 31st March 2022 is mainly due to the increase in trading volumes (see note 3).

21. CASH AND CASH EQUIVALENTS

	31st March 2022	31st March 2021
Cash and other cash equivalents	45,929	12,138
Total cash and cash equivalents	**45,929**	**12,138**

The Group has no restricted cash.

The increase in cash and cash equivalents as at 31st March 2022 is mainly due to the increase in the volumes of Bookings (see note 3).

22. EQUITY

	31st March 2022	31st March 2021
Share capital	12,761	11,878
Share premium	1,048,630	974,512
Equity-settled share-based payments	27,000	16,475
Retained earnings and others	(736,972)	(606,812)
Treasury shares	(3,818)	(4,088)
Profit and Loss attributable to the parent company	(65,869)	(124,229)
Foreign currency translation reserve	(9,209)	(9,266)
Non-controlling interest	—	—
Total equity	**272,523**	**258,470**

22.1. Share capital

On 12th January 2022, the Board of Directors of the Company approved the issue of 8,823,529 new shares at a nominal value of €0.10 per share (see note 2.1).

Consequently, the Company's share capital has been set at €12,760,505.90, divided by 127,605,059 shares at a nominal value of €0.10 per share, all of the same class and series. The costs related to the transaction have been booked in Retained earnings and others (see note 22.4).

The public deed was registered with the Commercial Registry of Madrid on 14th January 2022.

The new shares have been admitted to trading on the Spanish Stock Exchanges and the first trading date was on 17th January 2022.

The significant shareholders of the Company with a percentage of share capital equal to or higher than 3% and Board members as at 31st March 2022 are the following:

	Number of shares	% Share Capital
Permira	32,011,388	25.1%
Ardian	19,843,560	15.6%
Cairn Capital limited	14,471,669	11.3%
Sunderland Capital Partners LP	6,371,316	5.0%
Total more than 5%	**72,697,933**	
Treasury shares	6,062,839	4.8%
Board members	2,936,729	2.3%
Others below 3%	45,907,558	36.0%
Total Company	**127,605,059**	

During the years ended 31st March 2022 and 31st March 2021, the Group did not carry out any significant transactions with its shareholders other than those mentioned in note 29.

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

22.2. 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 realised losses, to make distributions to the shareholders in the form of a dividend or to allocate funds to the legal reserve.

The increase of €74.1 million in share premium during the year ended 31st March 2022 is due to the issue of 8,823,529 new shares on 12th January 2022, at €8.40 share premium per share.

22.3. Equity-settled share-based payments

The amount recognised under "equity-settled share-based payments" in the consolidated statement of financial position at 31st March 2022 and 31st March 2021 arose as a result of the Long-Term Incentive plans given to the employees.

As at 31st March 2022, the only Long-Term Incentive plans currently granted to employees are the 2016 LTIP and the 2019 LTIP detailed in notes 23.1 and 23.2, respectively.

22.4. Retained earnings and others

During the year ended 31st March 2022, the incremental costs directly attributable to the share capital issue on 12th January 2022 (see note 2.1) have been booked in Retained earnings and others for an amount of €5.8 million, corresponding to €7.7 million of gross transaction costs and €1.9 million of income tax impact.

During the year ended 31st March 2021, the Group booked a correction of previous years against retained earnings for an amount of €0.5 million, corresponding mainly to an adjustment of an error in the calculation of the amortisation of a license in the previous years for €1.0 million, net of its tax impact for €0.3 million.

22.5. Treasury shares

	Number of shares	Thousand of euros
Treasury shares at 31st March 2020	1,081,466	3,320
Capital increase	8,318,487	832
Reduction due to vesting of LTIP (see note 23.1)	(644,215)	(64)
Treasury shares at 31st March 2021	**8,755,738**	**4,088**
Reduction due to vesting of LTIP (see notes 2.5 and 23.1)	(2,692,899)	(270)
Treasury shares at 31st March 2022	**6,062,839**	**3,818**

On 7th July 2020, the Board of Directors resolved to issue 8,318,487 new shares, corresponding to the maximum amount of shares available pursuant to the authorised capital included in the current Articles of Association of the Company to serve the Group's LTIPs. The subscriber of the Bonus Shares is eDreams International Network, S.L. The new shares will be held by the Group as treasury stock and therefore both the economic and political rights of the new shares will be suspended (see note 2.5).

In the year ended 31st March 2021, the Board of Directors resolved to deliver 644,215 treasury shares to the beneficiaries of the 2016 Long-Term Incentive Plan (see note 23.1). The Group used the shares issued on 7th July 2020, owned by the subsidiary eDreams International Network, S.L.

As at 31st March 2021, the Group had 8,755,738 treasury shares, carried in equity at €4.1 million, at an average historic price of €0.47 per share. eDreams International Network, S.L. owned 7,674,272 shares valued at €0.10 each and the remaining 1,081,466 shares were in eDreams ODIGEO, S.A. valued at €3.07 each.

In the year ended 31st March 2022, the Board of Directors resolved to deliver 2,692,899 treasury shares to the beneficiaries of the 2016 Long-Term Incentive Plan (see notes 2.5 and 23.1). The Group used the shares issued on 7th July 2020, owned by the subsidiary eDreams International Network, S.L.

As at 31st March 2022, the Group has 6,062,839 treasury shares, carried in equity at €3.8 million, at an average historic price of €0.63 per share. eDreams International Network, S.L. owns 4,981,373 shares valued at €0.10 each and the remaining 1,081,466 shares are in eDreams ODIGEO, S.A. valued at €3.07 each.

The treasury shares have been fully paid.

22.6. Foreign currency translation reserve

The foreign currency translation reserve corresponds to the net amount of the exchange differences arising from the translation of the financial statements of eDreams, L.L.C., ODIGEO Hungary, Kft., GEO Travel Pacific, Pty. Ltd., Travellink, A.B. and eDreams Gibraltar Ltd. since they are denominated in currencies other than the Euro.

23. SHARE-BASED COMPENSATION

23.1. 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 incentivising 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 incentivising and retaining its personnel.

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.

Following the transfer of the registered seat in March 2021, from Luxembourg (where a Company is permitted to issue shares at zero cost to employees as part of a long term incentive plan) to Spain (where it is not permitted), delivery of shares under the LTIPs do not and will not generate any additional shareholder dilution. Future deliveries of shares under the plans are serviced from the stock of Treasury shares held by the Company.

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.

As at 31st March 2022, 7,859,876 Potential Rights have been granted since the beginning of the plan under the 2016 LTIP (6,644,638 Potential Rights at 31st March 2021), of which 1,346,621 Potential Rights (the Fourth, Fifth and Sixth Tranches) are outstanding.

The First, Second and Third Tranche, for which 6,513,255 have been granted since the beginning of the 2016 LTIP, have been closed and the following deliveries have been made:

- 385,575 shares in August 2018 (The First Tranche, First Sub-tranche, First Delivery);
- 377,546 shares in November 2018 (The First Tranche, First Sub-tranche, Second Delivery);
- 377,546 shares in February 2019 (The First Tranche, First Sub-tranche, Third Delivery);
- 379,548 shares in August 2019 (The First Tranche, Second Sub-tranche, First Delivery);
- 364,443 shares in November 2019 (The First Tranche, Second Sub-tranche, Second Delivery);
- 353,188 shares in February 2020 (The First Tranche, Second Sub-tranche, Third Delivery);
- 217,516 shares in August 2020 (The Second Tranche, First Delivery);
- 216,183 shares in November 2020 (The Second Tranche, Second Delivery);
- 210,516 shares in February 2021 (The Second Tranche, Third Delivery);
- 898,936 shares in September/October 2021 (The Third Tranche, First Delivery);
- 911,867 shares in November 2021 (The Third Tranche, Second Delivery); and
- 882,096 shares in February 2022 (The Third Tranche, Third Delivery).

Starting from September 2021, the Group delivers to the beneficiaries the Incentive Shares net of withholding tax.

For the Third Tranche, First Delivery, 898,936 gross shares were delivered to the beneficiaries, corresponding to 580,546 net shares and 318,390 shares withheld and sold for tax purposes.

For the Third Tranche, Second Delivery 911,867 gross shares were delivered to the beneficiaries, corresponding to 591,224 net shares and 320,643 shares withheld and sold for tax purposes.

For the Third Tranche, Third Delivery 882,096 gross shares were delivered to the beneficiaries, corresponding to 575,874 net shares and 306,222 shares withheld and sold for tax purposes.

The 2016 LTIP continues to be classified in its entirety as an equity-settled share-based payment.

The movement of the Potential Rights during the years ended 31st March 2022 and 31st March 2021 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 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**
Potential Rights forfeited - leavers	(68,692)	(68,692)	**(137,384)**	—	—	—
Additional Potential Rights granted	676,311	676,311	**1,352,622**	—	—	—
Shares delivered	—	—	—	1,323,652	1,369,247	**2,692,899**
2016 LTIP Potential Rights - 31st March 2022	**3,929,938**	**3,929,938**	**7,859,876**	**2,328,568**	**3,246,392**	**5,574,960**

In the year ended 31st March 2022, the Group has granted 676,311 new potential PSR rights and 676,311 new potential RSU rights. The average market value of the share used to value these rights has been €6.7 per share, corresponding mainly to the market value of the shares as at 28th June 2021 when most of these rights were granted. The probability of compliance with conditions as at 31st March 2022 has been estimated at 82% for PSR and 87% for RSU.

The cost of the 2016 LTIP has been recorded in the Income Statement (Personnel expenses, see note 10.1) and against Equity (included in Equity-settled share based payments, see note 22.3), amounting to €4.8 million and €3.7 million for the years ended 31st March 2022 and 31st March 2021 respectively.

23.2. 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. The Group will deliver to the beneficiaries the Incentive Shares net of withholding tax.

Following the transfer of the registered seat in March 2021, from Luxembourg (where a Company is permitted to issue shares at zero cost to employees as part of a long term incentive plan) to Spain (where it is not permitted), delivery of shares under the LTIPs do not and will not generate any additional shareholder dilution. Future deliveries of shares under the plans are serviced from the stock of Treasury shares held by the Company.

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.

As at 31st March 2022, 5,878,860 Potential Rights have been granted since the beginning of the plan and are outstanding under the 2019 LTIP (4,268,612 Potential Rights at 31st March 2021), and no shares have been delivered yet.

The movement of the Potential Rights during the years ended 31st March 2022 and 31st March 2021 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 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**	—	—	—
Shares delivered	—	—	—	—	—	—
2019 LTIP Potential Rights - 31st March 2021	**2,134,306**	**2,134,306**	**4,268,612**	—	—	—
Potential Rights forfeited - leavers	(112,550)	(112,550)	**(225,100)**	—	—	—
Additional Potential Rights granted	917,674	917,674	**1,835,348**	—	—	—
Shares delivered	—	—	—	—	—	—
2019 LTIP Potential Rights - 31st March 2022	**2,939,430**	**2,939,430**	**5,878,860**	—	—	—

In the year ended 31st March 2022, the Group has granted 917,674 new potential PSR rights and 917,674 new potential RSU rights. The average market value of the share used to value these rights has been €5.9 per share, corresponding to the average market value of the shares at each granting date (mainly 28th June 2021). The probability of compliance with conditions has been estimated at 82% for PSR and 85% for RSU.

The cost of the 2019 LTIP has been recorded in the Income Statement (Personnel expenses, see note 10.1) and against Equity (included in Equity-settled share based payments, see note 22.3), amounting to €5.7 million and €2.4 million for the years ended 31st March 2022 and 31st March 2021, respectively.

24. FINANCIAL LIABILITIES

The Group debt and other financial liabilities at 31st March 2022 and 31st March 2021 are as follows:

	31st March 2022			31st March 2021		
	Current	Non-Current	Total	Current	Non-Current	Total
2027 Notes - Principal	—	375,000	**375,000**	—	—	—
2027 Notes - Financing fees capitalised	—	(6,942)	**(6,942)**	—	—	—
2027 Notes - Accrued interest	3,323	—	**3,323**	—	—	—
2023 Notes - Principal	—	—	—	—	425,000	**425,000**
2023 Notes - Financing fees capitalised	—	—	—	—	(3,612)	**(3,612)**
2023 Notes - Accrued interest	—	—	—	1,948	—	**1,948**
Total Senior Notes	**3,323**	**368,058**	**371,381**	**1,948**	**421,388**	**423,336**
SSRCF - Principal	30,000	—	**30,000**	—	55,000	**55,000**
SSRCF - Financing fees capitalised	(4,412)	—	**(4,412)**	—	(1,613)	**(1,613)**
SSRCF - Accrued interest	29	—	**29**	45	—	**45**
Total SSRCF	**25,617**	**—**	**25,617**	**45**	**53,387**	**53,432**
Government sponsored loan - Principal	7,500	3,750	**11,250**	3,750	11,250	**15,000**
Government sponsored loan - Financing fees capitalised	—	(145)	**(145)**	—	(375)	**(375)**
Government sponsored loan - Accrued interest	77	—	**77**	96	—	**96**
Total Government sponsored loan	**7,577**	**3,605**	**11,182**	**3,846**	**10,875**	**14,721**
Bank facilities and bank overdrafts	9,928	—	**9,928**	16,647	—	**16,647**
Lease liabilities	1,611	4,544	**6,155**	2,003	3,095	**5,098**
Other financial liabilities	773	—	**773**	11	—	**11**
Total other financial liabilities	**12,312**	**4,544**	**16,856**	**18,661**	**3,095**	**21,756**
Total financial liabilities	**48,829**	**376,207**	**425,036**	**24,500**	**488,745**	**513,245**

Senior Notes – 2027 Notes

On 2nd February 2022, eDreams ODIGEO, S.A. issued €375 million 5.50% Senior Secured Notes with a maturity date of 15th July 2027 ("the 2027 Notes"), see note 2.3.

Interest on the 2027 Notes is payable semi-annually in arrears on the 15th of January and 15th of July each year. In the year ended 31st March 2022, €3.3 million have been accrued and no interests have been paid yet for this concept.

The transaction costs of the issuance of the 2027 Notes have been capitalised for a total amount of €7.1 million (of which €0.2 million have been amortised during the year ended 31st March 2022). They will be amortised during the life of the debt.

The 2027 Notes have been admitted to the Official List of the Luxembourg Stock Exchange for trading on the Euro MTF Market of the Luxembourg Stock Exchange.

The obligations under the 2027 Notes and the SSRCF are guaranteed by certain of the Company's subsidiaries and secured by certain assets of the Company (see note 28).

Senior Notes – 2023 Notes

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").

Interest on the 2023 Notes is payable semi-annually in arrears on the 1st of March and 1st of September each year. In the year ended 31st March 2022, €19.6 million have been accrued and €21.6 million have been paid for this concept (€23.4 million accrued and €23.4 million paid in the year ended 31st March 2021).

The 2023 Notes have been redeemed in full on 2nd February 2022 (see note 2.3). The expenses associated with the redemption have been recognised as a financial expense during the period for an amount of €5.8 million (see note 13).

Super Senior Revolving Credit Facility

On 4th October 2016, the Group 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 Group 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 Group obtained another modification of the SSRCF increasing the commitment to €175 million, and extending its maturity until September 2023.

In April 2020 and in April 2021, the Group obtained waivers for the covenant for the years ended 31st March 2021 and 2022 (see note 2.2).

The SSCRF has been amended on 2nd February 2022, increasing the commitment to €180 million and extending its maturity until 15th January 2027 (see note 2.2).

The Group considers that this amendment is a modification of debt not substantially different, as the net present value of the cash flows under the new terms (including fees paid) discounted at the original effective interest rate is less than 10% different from the discounted present value of the remaining cash flows of the original SSRCF.

The amortised cost of the SSRCF has been adjusted to the present value of the estimated future cash flows discounted at the original effective interest rate, with an impact of €0.1 million booked as an expense of effective interest rate impact on debt (see note 13).

The Group has capitalised €3.6 million of costs incurred for the modification of the SSRCF as financing fees that will be amortised over the remaining term of the SSRCF.

The interest rate of the modified SSRCF is the benchmark rate (EURIBOR) plus a margin of 3.25% (previously, 3.00%). Though at any time after 2nd May 2022, and subject to certain conditions, the margin may decrease to be between 3.25% and 2.25%.

In addition to the increased commitment and extended maturity until 15th January 2027, the amended SSRCF also provides improved conditions regarding the Financial Covenant.

The amended SSRCF contains financial covenants that require the Group to ensure that the ratio of Gross Financial Indebtedness as at the end of each testing period to Cash EBITDA (previously, Adjusted EBITDA) as adjusted by the financial covenant definition (the "Adjusted Gross Leverage Financial Covenant") does not exceed 6.00. For the testing periods of 30th September 2022 and 31st December 2022, the Cash EBITDA to be considered is the greater of the last twelve months or the corresponding quarter annualised (multiplied by four).

Prior to 30th September 2022, the Groups' Liquidity on each Quarter Date should not be less than €25.0 million.

The first testing period in respect of which the Adjusted Gross Leverage Financial Covenant may be tested is the testing period ending on 30th September 2022. The Adjusted Gross Leverage Financial Covenant is only tested in respect of a testing period if, on the last day of such testing period, the aggregate principal amount of outstanding loans (excluding any outstandings under any letter of credit or bank guarantee) exceeds 40% (previously, 30%) of the total commitments under the Super Senior Facilities Agreement.

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 €375 million 2027 Notes could accelerate those bonds. Likewise, there could also be an acceleration of the amounts drawn down under the €15 million Government sponsored loan.

The Group has converted €62.0 million from its SSRCF into credit facilities ancillary to the SSRCF with certain Banks and €11.9 million into a facility specific for guarantees (€60 million and €9.6 million respectively as at 31st March 2021).

As at 31st March 2022, due to the impact of COVID-19 (see note 3), the Group had drawn €30.0 million under the SSRCF (€55.0 million as at 31st March 2021). €30.0 million are classified as current financial liabilities, as the Group intends to repay the amount within the next 12 months.

See below the detail of cash available under the SSRCF:

	31st March 2022	31st March 2021
SSRCF total amount	180,000	175,000
Guarantees drawn under SSRCF	(11,061)	(5,866)
Drawn under SSRCF	(30,000)	(55,000)
Ancillaries to SSRCF drawn	(9,928)	(16,647)
Remaining undrawn amount under SSRCF	**129,011**	**97,487**
Undrawn amount specific for guarantees	(789)	(3,734)
Remaining cash available under SSRCF	**128,222**	**93,753**

Government sponsored loan due 2023

On 30th June 2020, the Group's subsidiary Vacaciones eDreams, S.L. signed a syndicated loan for €15 million.

The Group received the €15 million funds on 7th July 2020. Transaction costs directly attributable to the issue of this loan have been capitalised and they will be amortised over the life of the loan.

The loan has a three-year term, with 25% biyearly repayments starting at 18 months.

The interest rate of the loan is the EURIBOR benchmark rate plus a margin of 2.75% and the interest is paid quarterly.

In the year ended 31st March 2022, €0.4 million have been accrued and €0.4 million have been paid for this concept (€0.3 million accrued and €0.2 million paid in the year ended 31st March 2021).

The first repayment of the loan has been made on 3rd January 2022 for an amount of €3.8 million.

Lease liabilities

Lease liabilities includes the financial liability for the office leases first recognised on 1st April 2018 under IFRS 16 Leases for an amount of €6.1 million as at 31st March 2022 (€4.9 million as at 31st March 2021).

The leased assets gross value and accumulated amortisation are detailed in note 17.

The maturity of contractual undiscounted cash flows for leasings is the following:

	31st March 2022	31st March 2021
Less than one year	1,790	2,142
One to two years	1,730	1,599
Two to three years	1,629	1,566
Three to four years	951	34
More than four years	464	—
Total undiscounted lease liabilities	**6,564**	**5,341**
Discounting impact (unaccrued interests)	(409)	(243)
Total Lease liabilities	**6,155**	**5,098**

The lease agreements for the Group's offices include extension and termination options, which provide flexibility to the Group. The Group has termination options with notice periods between 3 to 6 months.

The Group has included in the measurement of the lease liability the future cash flows for the periods it estimates that it will keep the contracts. However, for some of the lease contracts, the Group has extension options for additional periods, which can be freely exercised by the Group only, at any time. These extension options have not been considered in the value of the lease liability since the Group does not have reasonable certainty to exercise these options. Future flows of these options have been estimated at €0.4 million (undiscounted).

The increase in total lease liabilities at 31st March 2022 is mainly due to modifications in certain office lease agreements for an amount of €2.0 million, new office lease for an amount of €0.8 million, new hardware lease of €0.1 million (see note 17) and the interest accrual of €0.2 million, offset by the payments made during the year of €2.1 million.

The amounts paid during the year related to leasings are as follows:

	Year ended 31st March 2022	Year ended 31st March 2021
Principal	1,917	2,484
Interests	201	94
Total cash outflow for leases	**2,118**	**2,578**

The Group has not recorded expenses for variable payments that are not included in the initial measurement of the lease liability. Likewise, it has not recorded expenses for short-term or low-value leases given that the Group does not have contracts that meet these characteristics.

During the years ended 31st March 2022 and 31st March 2021, the Group's leases have not been modified by rent concessions or rent discounts as a result of the COVID-19 pandemic.

Other financial liabilities

Other financial liabilities mainly include the liability for customer tax refunds amounting to €0.8 million and €0.0 million at 31st March 2022 and 31st March 2021, respectively. The increase during the year ended 31st March 2022 is due to the increase in volumes (see note 3).

The Group has no financing agreements with its suppliers.

24.1. Debt by maturity date

The maturity date of the financial liabilities based on undiscounted payments as at 31st March 2022 is as follows:

	<1 year	1 to 2 years	2 to 3 years	3 to 4 years	>4 years	Total
2027 Notes - Principal	—	—	—	—	375,000	**375,000**
2027 Notes - Accrued interest	3,323	—	—	—	—	**3,323**
Total Senior Notes	**3,323**	—	—	—	**375,000**	**378,323**
SSRCF - Principal	30,000	—	—	—	—	**30,000**
SSRCF - Accrued interest	29	—	—	—	—	**29**
Total SSRCF	**30,029**	—	—	—	—	**30,029**
Government sponsored loan - Principal	7,500	3,750	—	—	—	**11,250**
Government sponsored loan - Accrued interest	77	—	—	—	—	**77**
Total Government sponsored loan	**7,577**	**3,750**	—	—	—	**11,327**
Bank facilities and bank overdrafts	9,928	—	—	—	—	**9,928**
Lease liabilities	1,790	1,730	1,629	951	464	**6,564**
Other financial liabilities	773	—	—	—	—	**773**
Total other financial liabilities	**12,491**	**1,730**	**1,629**	**951**	**464**	**17,265**
Trade payables	267,768	—	—	—	—	**267,768**
Employee-related payables	7,520	—	—	—	—	**7,520**
Total trade and other payables (see note 26)	**275,288**	—	—	—	—	**275,288**
Total	**328,708**	**5,480**	**1,629**	**951**	**375,464**	**712,232**

The maturity date of the financial liabilities based on undiscounted payments as at 31st March 2021 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	—	—	**425,000**
2023 Notes - Accrued interest	1,948	—	—	—	—	**1,948**
Total Senior Notes	**1,948**	—	**425,000**	—	—	**426,948**
SSRCF - Principal	—	—	55,000	—	—	**55,000**
SSRCF - Accrued interest	45	—	—	—	—	**45**
Total SSRCF	**45**	—	**55,000**	—	—	**55,045**
Government sponsored loan - Principal	3,750	7,500	3,750	—	—	**15,000**
Government sponsored loan - Accrued interest	96	—	—	—	—	**96**
Total Government sponsored loan	**3,846**	**7,500**	**3,750**	—	—	**15,096**
Bank facilities and bank overdrafts	16,647	—	—	—	—	**16,647**
Lease liabilities	2,142	1,599	1,566	34	—	**5,341**
Other financial liabilities	11	—	—	—	—	**11**
Total other financial liabilities	**18,800**	**1,599**	**1,566**	**34**	—	**21,999**
Trade payables	140,265	6,160	—	—	—	**146,425**
Employee-related payables	8,256	—	—	—	—	**8,256**
Total trade and other payables (see note 26)	**148,521**	**6,160**	—	—	—	**154,681**
Total	**173,160**	**15,259**	**485,316**	**34**	—	**673,769**

24.2. Fair value measurement of debt

31st March 2022	Total net book value of the class	Fair value Level 1: Quoted prices and cash	Level 2: Internal model using observable factors	Level 3: Internal model using non-observable factors
Balance sheet headings and classes of instruments:				
Cash and cash equivalents	45,929	45,929		
2027 Notes	371,381		332,455	
SSRCF	25,617		24,916	
Government sponsored loan	11,182		10,612	
Bank facilities and bank overdrafts	9,928	9,928		

31st March 2021	Total net book value of the class	Fair value Level 1: Quoted prices and cash	Level 2: Internal model using observable factors	Level 3: Internal model using non-observable factors
Balance sheet headings and classes of instruments:				
Cash and cash equivalents	12,138	12,138		
2023 Notes	423,336		444,901	
SSRCF	53,432		51,851	
Government sponsored loan	14,721		14,315	
Bank facilities and bank overdrafts	16,647	16,647		

The book value of current loans and receivables, trade and other receivables and trade and other payables is approximately their fair value.

Valuation techniques and assumptions applied for the purposes of measuring fair value

The fair values of financial assets and liabilities are determined as follows:

- The fair values of financial assets and liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices (includes listed redeemable notes, bills of exchange, debentures and perpetual notes).
- The fair values of other financial assets and liabilities (excluding those described above) are determined in accordance with generally accepted pricing models based on discounted cash-flow analysis.

The market value of financial assets and liabilities measured at fair value in the consolidated statement of financial position shown in the table above has been ranked based on the three hierarchy levels defined by IFRS 13:

- Level 1: quoted price in active markets;
- Level 2: inputs observable directly or indirectly;
- Level 3: inputs not based on observable market data.

24.3. Changes in liabilities arising from financing activities

The reconciliation showing the changes in liabilities arising from financing activities from 31st March 2021 until 31st March 2022 is as follows:

	31st March 2021	Cash flows	P&L accrual	Others	31st March 2022
2027 Notes - Principal	—	375,000	—	—	375,000
2027 Notes - Financing fees capitalised	—	(6,293)	181	(830)	(6,942)
2027 Notes - Accrued interest	—	—	3,323	—	3,323
2023 Notes - Principal	425,000	(425,000)	—	—	—
2023 Notes - Financing fees capitalised	(3,612)	—	3,612	—	—
2023 Notes - Accrued interest	1,948	(21,557)	19,609	—	—
Total Senior Notes	**423,336**	**(77,850)**	**26,725**	**(830)**	**371,381**
SSRCF - Principal	55,000	(25,000)	—	—	30,000
SSRCF - Financing fees capitalised	(1,613)	(3,290)	755	(264)	(4,412)
SSRCF - Accrued interest	45	(1,612)	1,596	—	29
Total SSRCF	**53,432**	**(29,902)**	**2,351**	**(264)**	**25,617**
Government sponsored loan - Principal	15,000	(3,750)	—	—	11,250
Government sponsored loan - Financing fees capitalised	(375)	—	230	—	(145)
Government sponsored loan - Accrued interest	96	(413)	394	—	77
Total Government sponsored loan	**14,721**	**(4,163)**	**624**	**—**	**11,182**
Bank facilities and bank overdrafts	16,647	(356)	356	(6,719)	9,928
Lease liabilities	5,098	(2,118)	203	2,972	6,155
Other financial liabilities	11	—	—	762	773
Total other financial liabilities	**21,756**	**(2,474)**	**559**	**(2,985)**	**16,856**
Total financial liabilities	**513,245**	**(114,389)**	**30,259**	**(4,079)**	**425,036**
Other payables related to financial liabilities	526	(7,585)	7,865	4,731	5,537
Issue of shares	—	70,903	—	(70,903)	—
Total others	**526**	**63,318**	**7,865**	**(66,172)**	**5,537**
Total financing activities	**513,771**	**(51,071)**	**38,124**	**(70,251)**	**430,573**

The Cash Flows Statement caption "Borrowings drawdown" contains the proceeds from the 2027 Notes of €375.0 million (see note 2.3) and the proceeds from additional drawdowns of SSRCF during the year of €51.0 million.

The Cash Flows Statement caption "Reimbursement of borrowings" contains the 2023 Notes repayment of €425.0 million, the SSRCF principal repayment of €76.0 million, the Government sponsored loan repayment of €3.8 million and the lease liabilities principal repayment of €1.9 million.

In the previous table, the cash flows shown for the lease liabilities include principal repayments of €1.9 million and interests payments of €0.2 million (see note 24).

The Cash Flows Statement caption "Interest paid" contains €21.6 million of interests paid on the 2023 Notes, €1.6 million of interests paid on the SSRCF, €0.4 million of interest paid on the Government sponsored loan, €0.4 million of interests paid on the bank facilities and bank overdrafts and €0.2 million of interests paid on leases; for a total of €24.1 million.

The Cash Flows Statement caption "Other financial expenses paid" mainly contains the expenses associated with the early redemption of the 2023 Notes paid for an amount of €5.8 million (see note 2.3), the financing fees capitalised paid on the 2027 Notes and the modification of the SSRCF of €6.3 million and €3.3 million, respectively.

The amount shown in "Other payables related to financial liabilities" includes €5.8 million of the expense accrued and paid for the early redemption of the 2023 Notes (see note 2.3), as well as other financial expenses accrued and paid.

The amounts shown in the column "Others" in the reconciliation table correspond mainly to:

- The financing fees capitalised pending to be paid on the 2027 Notes and on the modification of the SSRCF of €0.8 million and €0.3 million respectively, that impact the total of "2027 Notes - Financing fees capitalised" and "SSRCF - Financing fees capitalised", with an offset in "Other payables related to financial liabilities";
- The share capital increase of €75.0 million excluding the transaction costs paid of €4.1 million (see note 2.1), that is included in the Cash Flow Statement but it is booked in Equity;
- The capital issue costs pending to be paid of €3.6 million, that are considered in "Other payables related to financial liabilities";
- The bank facilities and bank overdrafts of €6.7 million;
- The modifications and additions to the lease agreements of €3.0 million (see note 17); and
- The tax refund movement of €0.8 million.

The reconciliation showing the changes in liabilities arising from financing activities from 31st March 2020 until 31st March 2021 is as follows:

	31st March 2020	Cash flows	P&L accrual	Others	31st March 2021
2023 Notes - Principal	425,000	—	—	—	425,000
2023 Notes - Financing fees capitalised	(4,962)	—	1,350	—	(3,612)
2023 Notes - Accrued interest	1,948	(23,375)	23,375	—	1,948
Total Senior Notes	**421,986**	**(23,375)**	**24,725**	**—**	**423,336**
SSRCF - Principal	109,500	(54,500)	—	—	55,000
SSRCF - Financing fees capitalised	(2,218)	—	605	—	(1,613)
SSRCF - Accrued interest	49	(1,973)	1,969	—	45
Total SSRCF	**107,331**	**(56,473)**	**2,574**	**—**	**53,432**
Government sponsored loan - Principal	—	15,000	—	—	15,000
Government sponsored loan - Financing fees capitalised	—	(546)	171	—	(375)
Government sponsored loan - Accrued interest	—	(211)	307	—	96
Total Government sponsored loan	**—**	**14,243**	**478**	**—**	**14,721**
Bank facilities and bank overdrafts	—	(56)	56	16,647	16,647
Lease liabilities	4,028	(2,578)	94	3,554	5,098
Other financial liabilities	4,251	—	—	(4,240)	11
Total other financial liabilities	**8,279**	**(2,634)**	**150**	**15,961**	**21,756**
Total financial liabilities	**537,596**	**(68,239)**	**27,927**	**15,961**	**513,245**
Other payables related to financial liabilities	415	(1,212)	1,539	(216)	526
Total others	**415**	**(1,212)**	**1,539**	**(216)**	**526**
Total financing activities	**538,011**	**(69,451)**	**29,466**	**15,745**	**513,771**

The Cash Flows Statement caption "Borrowings drawdown" contained the proceeds from the Government sponsored loan for €15.0 million.

The Cash Flows Statement caption "Reimbursement of borrowings" contained the SSRCF principal repayment of €54.5 million and the lease liabilities principal repayment of €2.5 million.

In the previous table, the cash flows shown for the lease liabilities included principal repayments of amounts for €2.5 million and interests payments of €0.1 million (see note 24).

The Cash Flows Statement caption "Interest paid" contained €23.4 million of interests paid on the 2023 Notes, €2.0 million of interests paid on the SSRCF, €0.2 million of interest paid on the Government sponsored loan, €0.1 million of interests paid on the bank facilities and bank overdrafts and €0.1 million of interests paid on leases; for a total of €25.7 million.

The amounts shown in column "Others" in the reconciliation table correspond mainly to the modifications in the lease agreements of €3.6 million, the tax refund movement of €4.2 million and the bank facilities and bank overdrafts of €16.6 million.

25. PROVISIONS

	31st March 2021	Utilisation	Reversal	Increase	Reclass	31st March 2022
Provision for tax risks	5,107	(230)	(1,681)	—	—	3,196
Provision for pensions and other post employment benefits	333	—	—	6	—	339
Provision for others	1,513	—	—	383	1,477	3,373
Total non-current provisions	**6,953**	**(230)**	**(1,681)**	**389**	**1,477**	**6,908**
Provision for litigation risks	2,289	(398)	(126)	967	—	2,732
Provision for pensions and other post employment benefits	6	(1)	—	—	—	5
Provision for operating risks and others	5,932	(1,773)	(2,053)	4,532	(1,477)	5,161
Total current provisions	**8,227**	**(2,172)**	**(2,179)**	**5,499**	**(1,477)**	**7,898**

As at 31st March 2022 the Group has a provision of €3.2 million for tax risks (€5.1 million as at 31st March 2021). In certain cases, the Group applied a tax treatment, which, if challenged by the tax authorities, may probably result in a cash outflow (see note 30). The decrease compared to 31st March 2021 is mainly due to the reversal of certain indirect tax provisions without payments made by the Group.

The Group has a provision related to the earn-out for the Business Combination of Waylo, €3.4 million non-current booked as "Provision for others" and €0.1 million current included inside "Provision for operating risks and others".

On 4th October 2021, the Group signed an amendment to the original Purchase Agreement of Waylo dated 12th February 2020 to establish a new process for the calculation of the earn-out to be paid to the Seller.

The amendment extends the earn-out period from the 3 years ending 31st December 2022, to 31st March 2024. The estimated value of the future cash payments under the earn-out is €3.5 million. The increase in the provision of €0.2 million has been booked as adjusted operating expenses (see note 12) and €0.1 million as other financial expense for the discounting impact.

The "Provision for litigation risks" as at 31st March 2022 is mainly related to customer litigations, as well as the litigations explained in notes 30.5 and 30.6.

"Provisions for operating risks and others" mainly includes the provision for chargebacks, that are payments rejected by customers for amounts collected by the Group or fraudulent transactions in relation to the booking of travel services. In the first case, these chargebacks may increase in cases where the travel suppliers have cancelled the travel service that had been booked through the mediation of the Group. The provision covers the risk of future cash outflows for amounts that have been collected but that may result in a payment if the customer executes a chargeback. The provision is only for the part of the amount that the Group will not recover from the travel supplier. The chargeback provision as at 31st March 2022 is €3.9 million (€3.7 million as at 31st March 2021). The increase compared to previous year is mainly due to the increase in volumes (see note 3), offset by lower overall risk of cancellations.

The chargeback provision explained above includes a specific provision to cover the risk that customers will return the payment of a Booking, mostly for cases where the flight is cancelled in the COVID-19 context (see note 3). This provision represents as at 31st March 2021 and 31st March 2022 0.9% and 0.4%, respectively, of the amounts collected from customers for flights with departures since the beginning of the COVID-19 pandemic, minus the refunds for cancelled flights already executed.

The caption "Provisions for operating risks and others" also includes the provisions for Cancellation for any reason and Flexiticket. These products allow the customer to cancel or modify without cost their flight Bookings if they pay an additional fee at the time of booking. The provision covers the payment obligation of the Group towards the customers that have contracted this service and that execute their right to cancellation or modification. This provision is €0.7 million as at 31st March 2022 (€0.1 million as at 31st March 2021). The increase during the year is due to the fact that the volumes of these services have risen significantly (see note 3).

26. TRADE AND OTHER PAYABLES

	31st March 2022	31st March 2021
Trade payables	—	6,160
Total Trade and other non-current payables	**—**	**6,160**
Trade payables	267,768	140,265
Employee-related payables	7,520	8,256
Total Trade and other current payables	**275,288**	**148,521**

As at 31st March 2022, trade payables have increased compared to 31st March 2021 mainly due to the increase in trading volumes (see note 3).

As at 31st March 2022 and 31st March 2021 employee-related payables corresponds mainly to the accrual of the yearly annual bonus.

As at 31st March 2021, the Group had trade and other non-current payables related to the GDS agreement of €6.2 million. This amount has been settled in March 2022.

26.1. Information on average payment period to suppliers

Pursuant to the Spanish legislation in force(1), the disclosure on the average period of payment to trade suppliers as of 31st March 2022 and 31st March 2021 for the Spanish subsidiaries is set forth in the table below:

	Year ended 31st March 2022	Year ended 31st March 2021
Number of days		
Average period of payment to trade suppliers (2)	28	29
Ratio of transactions paid (3)	27	28
Ratio of outstanding payments (4)	45	38
Thousands of euros		
Total transactions paid	496,933	136,411
Total outstanding payments	29,218	15,714

(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.*

27. DEFERRED REVENUE

	31st March 2022	31st March 2021
Prime	63,214	22,017
Cancellation and Modification for any reason	1,590	136
Other deferred revenue	299	39
Total Deferred revenue - current	**65,103**	**22,192**

All deferred revenue of the Group relates to contracts with customers.

The deferred revenue on Prime corresponds to the Prime fee collected and pending to be accrued. The increase during the period is mainly due to the increase in Prime members from 0.9 million at 31st March 2021 to 2.7 million at 31st March 2022, due to the strategy of the Group to focus on Prime, the expansion of Prime in new countries as well as the overall increase in demand for leisure travel.

The deferred revenue on the service of Cancellation and Modification for any reason corresponds to the amounts collected for these products and pending to be accrued. The increase in deferred revenue for Cancellation and Modification for any reason is due to the increase in the sales of this product.

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities from previous year-end:

	Year ended 31st March 2022	Year ended 31st March 2021
Prime	22,017	11,297
Cancellation and Modification for any reason	136	1,702
GDS agreement	—	157
Other deferred revenue	39	755
Total	**22,192**	**13,911**

28. OFF-BALANCE SHEET COMMITMENTS

	31st March 2022	31st March 2021
Guarantees to package travel	8,461	3,867
Other guarantees	2,827	2,822
Total	**11,288**	**6,689**

Guarantees to package travel are guarantees required in certain regions to sell packages of travel services. The variation during the year is mainly due to the increase of €4.4 million of a guarantee in the UK.

Other guarantees mainly include a guarantee related with an appeal presented in front of the Italian tax authorities of €2.6 million (see note 30.4).

As at 31st March 2022, from the total amount of guarantees included in the detail above, €11.1 million have been issued under the SSRCF (€5.9 million as at 31st March 2021). See note 24.

All the shares held by eDreams ODIGEO, S.A. in Opodo Ltd. as well as the receivables under certain intra-group funding loans made by eDreams ODIGEO, S.A., have been pledged in favour of the holders of the 2027 Notes and the secured parties under the Group's SSRCF dated 2nd February 2022 (see note 24).

29. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

There have been no transactions with related parties during the years ended 31st March 2022 and 31st March 2021 and no balances with related parties as at 31st March 2022 and 31st March 2021, other than those detailed below.

29.1. Key Management

The compensation accrued by the key management of the Group (CSM: "CEO Staff Members", plus the Director of Internal Audit and General Counsel) during the years ended 31st March 2022 and 31st March 2021 amounted to €4.8 million and €4.4 million, respectively.

The key management has also been granted since the beginning of the plans with 4,361,932 Potential Rights of the 2016 LTIP plan and 3,126,147 Potential Rights of the 2019 LTIP plan at 31st March 2022 (3,970,341 Potential Rights of the 2016 LTIP plan and 2,252,300 Potential Rights of the 2019 LTIP plan at 31st March 2021) to acquire a certain number of shares of the parent company eDreams ODIGEO, S.A. at no cost.

The valuation of the rights of the 2016 LTIP amounts to €12.2 million of which €10.3 million have been accrued in equity at 31st March 2022 since the beginning of the plan (€9.6 million of which €8.6 million accrued at 31st March 2021). See note 23.1 for details on the 2016 LTIP.

The valuation of the rights of the 2019 LTIP amounts to €9.8 million of which €4.8 million have been accrued in equity at 31st March 2022 since the beginning of the plan (€4.6 million of which €1.8 million have been accrued in equity at 31st March 2021). See note 23.2 for details on the 2019 LTIP.

As at 31st March 2022, there are outstanding pending to vest 465,621 Potential Rights under the LTIP 2016 and 3,126,147 Potential Rights under the LTIP 2019.

Regarding the 2016 LTIP, the First, Second and Third Tranche, for which 3,896,311 have been granted since the beginning of the 2016 LTIP, have been closed and the following deliveries have been made to key management:

- 266,550 shares in August 2018 (the First Tranche, First Sub-tranche, First Delivery);
- 266,550 shares in November 2018 (the First Tranche, First Sub-tranche, Second Delivery);
- 266,550 shares in February 2019 (the First Tranche, First Sub-tranche, Third Delivery);
- 260,960 shares in August 2019 (the First Tranche, Second Sub-tranche, First Delivery);
- 248,224 shares in November 2019 (the First Tranche, Second Sub-tranche, Second Delivery);
- 248,224 shares in February 2020 (the First Tranche, Second Sub-tranche, Third Delivery);
- 143,014 shares in August 2020 (the Second Tranche, First Delivery);
- 143,014 shares in November 2020 (the Second Tranche, Second Delivery);
- 143,014 shares in February 2021 (the Second Tranche, Third Delivery);
- 433,542 shares in September 2021 (The Third Tranche, First Delivery);
- 453,848 shares in November 2021 (The Third Tranche, Second Delivery); and
- 413,236 shares in February 2022 (The Third Tranche, Third Delivery).

Regarding the 2019 LTIP, no shares have been delivered yet.

The Group has contracted a civil liability insurance scheme (D&O) for Directors and Managers with a yearly cost of €63 thousand.

29.2. Board of Directors

During the year ended 31st March 2022 the independent members of the Board received a total remuneration for their mandate of €315 thousand (€315 thousand during the year ended 31st March 2021). See more details in the Annual Report on Corporate Governance for the year ended 31st March 2022 in section C1.

Some members of the Board are also members of the key management of the Group and, consequently, their remuneration has been accrued based on their executive services, not for their mandate as members of the Board and, therefore part of this information is included in the key management retribution section above.

Remuneration for management services during the year ended 31st March 2022 and 31st March 2021 amounted to €1.7 million and €1.6 million, respectively.

Executive Directors have also been granted since the beginning of the plan with 2,336,191 Potential Rights of the 2016 LTIP plan and 2,008,147 Potential Rights of the 2019 LTIP plan as at 31st March 2022 (2,336,191 Potential Rights of the 2016 LTIP plan and 1,230,200 Potential Rights of the 2019 LTIP plan as at 31st March 2021) to acquire a certain number of shares of the parent company eDreams ODIGEO, S.A. at no cost.

The valuation of these rights of the 2016 LTIP amounts to €5.8 million of which €5.8 million have been accrued in equity as at 31st March 2022 since the beginning of the plan (€5.7 million of which €5.1 million have been accrued in equity as at 31st March 2021). See note 23.1 for details on the 2016 LTIP.

The valuation of the rights of the 2019 LTIP amounts to €6.4 million of which €3.1 million have been accrued in equity as at 31st March 2022 since the beginning of the plan (€2.5 million of which €1.0 million have been accrued in equity as at 31st March 2021). See note 23.2 for details on the 2019 LTIP.

As at 31st March 2022, there are outstanding 2,008,147 Potential Rights under the LTIP 2019 pending to vest (none under the LTIP 2016).

Regarding the 2016 LTIP, the First, Second and Third Tranche, for which 2,336,191 have been granted since the beginning of the 2016 LTIP, have been closed and the following deliveries have been made to Executive Directors:

- 158,767 shares in August 2018 (the First Tranche, First Sub-tranche, First Delivery);
- 158,767 shares in November 2018 (the First Tranche, First Sub-tranche, Second Delivery);
- 158,767 shares in February 2019 (the First Tranche, First Sub-tranche, Third Delivery);
- 152,261 shares in August 2019 (the First Tranche, Second Sub-tranche, First Delivery);
- 152,261 shares in November 2019 (the First Tranche, Second Sub-tranche, Second Delivery);
- 152,261 shares in February 2020 (the First Tranche, Second Sub-tranche, Third Delivery);
- 85,681 shares in August 2020 (the Second Tranche, First Delivery);
- 85,681 shares in November 2020 (the Second Tranche, Second Delivery);
- 85,681 shares in February 2021 (the Second Tranche, Third Delivery);
- 260,224 shares in September 2021 (the Third Tranche, First Delivery);
- 260,224 shares in November 2021 (the Third Tranche, Second Delivery); and
- 260,224 shares in February 2022 (the Third Tranche, Third Delivery).

Regarding the 2019 LTIP, no shares have been delivered yet.

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

Neither the Company's directors nor any persons related to them were party to any conflicts of interest requiring disclosure in these notes pursuant to the provisions of article 229 of the consolidated text of the Spanish Corporate Enterprises Act.

30. CONTINGENCIES AND PROVISIONS

30.1. License fees

The Group considers that there is a possible risk of reassessment by tax authorities in respect of license fees charged between entities of the Group for the use of self-developed software. Tax authorities may take the view that there was an undercharge of such license fees to group companies. This contingency is estimated at €0.8 million. The Group believes that it has made the appropriate charges of license fees to group companies. The Group considers that this risk is only possible, not probable, according to the definitions in IAS 37 (it is more probable that an outflow of resources will not materialise) and for this reason it has not recognised a liability in the consolidated statement of financial position as at 31st March 2022 (no change compared with 31st March 2021).

30.2. Payroll tax

The Group considers that there is a possible risk of assessment by tax authorities in respect of salary tax (“taxe sur les salaires”) due by the French entity. The Company takes the view that only the salary cost of part of the French entity’s employees are subject to this salary tax, whereas the French tax authorities may take the view that the salary cost of all employees should be included in the taxable basis. This contingency is estimated at €0.6 million. The Group believes that it has paid payroll taxes in accordance with French tax laws and regulations. The Group considers that this risk is only possible, and not probable, according to the definitions in IAS 37 (it is more probable that an outflow of resources will not materialise) and for this reason it has not recognised a liability in the consolidated statement of financial position as at 31st March 2022, except for an amount of €0.1 million which the Group considers the appropriate amount of underpaid "taxe sur les salaires" (no change compared with 31st March 2021).

30.3. Retro-active effect of the migration to Spain for Spanish tax

The Group 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 eDreams ODIGEO, S.A. ("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 included those tax losses in the Spanish tax group's taxable profits in accordance with Spanish law. The Group considers that this risk is only possible, not probable, according to the definitions in IAS 37 (it is more probable that an outflow of resources will not materialise) and for this reason it has not recognised a liability in the consolidated statement of financial position as at 31st March 2022 (no change compared with 31st March 2021).

30.4. Pending tax disputes with tax authorities

The Group companies have the following pending disputes with tax authorities, some of which are still in the phase of an administrative claim, whereas for other disputes the Group appealed to the court.

Spain

The Spanish tax group has undergone a tax audit regarding income tax (fiscal years 2015/16 - 2017/18) and VAT (calendar years 2015-2017). The Spanish tax authorities have issued their final assessment notices in June 2021 based on which they have assessed the Spanish company for VAT. The Spanish tax authorities have rejected the method applied by the Spanish company to determine the recoverable part of the input VAT on part of its operating expenses. This has resulted in a total VAT correction amounting to €3.1 million for the audited periods of which €0.5 million has already been assessed and paid. The Group believes that it has appropriate arguments against this VAT correction and has appealed to the Spanish first tier Tribunal. The Group considers that this risk is only possible, not probable, according to the definitions in IAS 37 (it is more probable that an outflow of resources will not materialise) and for this reason it has not recognised a liability in the consolidated statement of financial position as at 31st March 2022 (no change compared with 31st March 2021).

The tax authorities have extended the VAT audit to the calendar years 2018-2021. The tax authorities will most likely assess the company for VAT on the same grounds as for the calendar years 2015-2017. In that case the company will appeal to the first tier Tribunal on the same grounds as its appeal relating to 2015-2017.

Further, the Spanish tax authorities have assessed the Spanish companies for VAT and income tax relating to two additional corrections in connection with the Spanish tax audit. The Group has agreed with these assessments amounting to €0.3 million and €0.4 million respectively, and settled both amounts with the tax authorities. As the Group recognised adequate provisions for these assessments in its consolidated financial statements for the year ended 31st March 2021, these assessments have not impacted the Group's consolidated income statement for the year ended 31st March 2022. As at 31st March 2022, a deferred tax liability of €0.1 million remains in the consolidated statement of financial position (€0.5 million as at 31st March 2021).

Portugal

Following a tax audit in Portugal regarding income tax and VAT (fiscal years 2015/16-2017/18), the Portuguese company has been assessed by the Portuguese tax authorities for an amount of €5.2 million (€5.1 million income tax and €0.1 million VAT) against which the company filed an administrative claim with the Portuguese tax authorities. In July 2021 the Portuguese tax authorities rejected this administrative claim based on pure formal grounds. The Group has, therefore, appealed the decision of the Portuguese tax authorities to the first tier Portuguese court. The Group believes that it has appropriate arguments against the Portuguese tax authorities' decision and, therefore, considers that this risk is only possible, not probable, according to the definitions in IAS 37 (it is more probable that an outflow of resources will not materialise) and for this reason it has not recognised a liability in the consolidated statement of financial position as at 31st March 2022 (no change compared with 31st March 2021).

Italy

The Italian company appealed the decision of the Italian first tier court to the Italian second tier court regarding a €9.3 million assessment of Italian withholding tax (including penalties) on dividends paid to its Spanish parent company concerning identical cases in two separate years (2013 and 2015). The second tier court has dismissed the Italian company's appeal against the decision of the first tier administrative court for the 2013 case. Therefore, the Group has appealed the second tier court's decision to the Italian Supreme Court. The Italian company is awaiting the decision of the second tier court in the 2015 case. The Group takes the position that the Italian company has correctly applied the Italian withholding tax exemption to such dividends.

The Group considers that this risk is only possible, not probable, according to the definitions in IAS 37 (it is more probable that an outflow of resources will not materialise) and for this reason it has not recognised a liability in the consolidated statement of financial position as at 31st March 2022, except for an amount of €0.4 million which the Group considers an appropriate compromise for which it would be willing to settle this case with the Italian tax authorities (no change compared with 31st March 2021).

Luxembourg

Following a VAT audit, the Luxembourg tax authorities assessed the Company for VAT in respect of two cases relating to the calendar years 2016-2018 as well as, subsequently, relating to the calendar years 2019-2021. As the tax authorities only partly accepted the Company's administrative claim against the 2016-2018 VAT assessment, the Company has appealed the tax authorities' decision relating to this period to the Luxembourg court. The Company submitted an administrative claim against the 2019-2021 VAT assessment with the Luxembourg tax authorities which is still pending.

The appeal, respectively the administrative claim concerns two VAT disputes. One dispute, amounting to €3.2 million (2016-2018), and €2.7 million (2019-2021), relates to the rejection of the recovery of input VAT on certain expenses which the Company recharged to other persons. The Group considers that this risk is only possible, not probable, according to the definitions in IAS 37 (it is probable that an outflow of resources will not materialise) and for this reason it has not recognised a liability on the consolidated statement of financial position as at 31st March 2022 (no change compared with 31st March 2021).

The other dispute, amounting to €0.45 million (2016-2018), and €0.45 million (2019-2021) relates to the interpretation of the Luxembourg VAT pro rata rules. The Group estimates that there is a probable risk of outflow of resources amounting to €0.9 million for which a provision has been recognised in the consolidated statement of financial position as at 31st March 2022 (no change compared with 31st March 2021).

Other matters

Due to different interpretations of tax legislation, adverse positions may be taken by tax authorities in connection with a future tax audit. However, the Group considers that any such positions would not materially affect the consolidated financial statements.

30.5. Investigation by the Italian consumer protection authority (AGCM)

On 18th January 2018, the Italian consumer protection authority (AGCM) rendered three decisions against Go Voyages, S.A.S., eDreams, S.R.L. and Opodo Italia, S.R.L. in relation to alleged unfair commercial practices based on the three following grounds (i) lack of transparency, (ii) surcharging practice, and (iii) non-authorised use of premium-rate numbers.

The amounts of fines issued by the AGCM are as follows: Go Voyages, S.A.S. (€0.8 million), eDreams, S.R.L. (€0.7 million) and Opodo Italia, S.R.L. (€0.1 million). A provision for this was booked on the statement of financial position for €1.6 million at 31st March 2018, of which the main part has already been paid.

An appeal was lodged before the TAR Lazio in order to challenge the legal grounds invoked by the AGCM and the amount of fines. In April and May 2019, the appeal judgments were notified. The TAR reduced the amount of fines as follows: Go Voyages, S.A.S. (€0.2 million), eDreams, S.R.L. (€0.3 million) and Opodo Italia, S.R.L. (€0.1 million). The TAR Lazio judgment was not final because the AGCM had lodged an appeal before the Consiglio di Stato (the Italian Supreme Administrative Court).

On 18th November 2021 the Consiglio di Stato (the Italian Supreme Administrative Court) issued the sentence for eDreams, S.R.L and accepted AGCM's appeal, compensating for the legal costs. So the reduction obtained in the first instance before the TAR was annulled. For Go Voyages, S.A.S. the first hearing of the second instance has not yet been scheduled but considering the sentence issued for eDreams, S.R.L, the Group considers it probable that it will have to pay the remaining €0.2 million from the original fines for which the Group has a provision for litigation on the consolidated statement of financial position as at 31st March 2022 (no change compared with 31st March 2021).

30.6. Litigation with a supplier

The Group has been sued related to an alleged breach of contract. In December 2020, the Group was sued in the Court of Paris with an emergency writ of summons requesting a payment of €0.1 million. On March 2021, this request was dismissed. In May 2021, the suer launched an action on the merits of the case before the Paris Court asking for €0.4 million penalty based on an alleged contract violation. A provision for €0.4 million has been booked for litigation risks in the liabilities of the Group (€0.1 million as at 31st March 2021).

31. AUDITOR'S REMUNERATION

The costs accrued by the Group in respect of the fees for services rendered by the Group's auditors are as follows:

	Year ended 31st March 2022	Year ended 31st March 2021
Audit Services	330	375
Services in connection with Corporate transactions (see note 2.1)	386	—
Others	38	28
Total Audit	**754**	**403**
Ernst & Young, S.L.	612	298
EY Network	142	105
Total Audit	**754**	**403**

Others corresponds to other verification services performed by Ernst & Young, such as the verification of the Group's non-financial information report.

32. ENVIRONMENTAL MATTERS

eDreams ODIGEO, S.A. recognises that businesses have a responsibility towards the environment. Although the Group's core activities have a relatively low impact, by virtue of the fact that the Group is primarily an online business, it is nevertheless committed to finding ways in which it can reduce any environmental footprint.

The Group has not been subject to any claims, fines, or actions relating to its environmental impact during the year ended 31st March 2022. The Group has not accrued any provisions for environmental risks as at 31st March 2022.

Where possible, the Group 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 our business processes (see note B.4 The environment of section B. Non-financial information).

33. SUBSEQUENT EVENTS

There have been no significant subsequent events after the closing of the year.

34. CONSOLIDATION SCOPE

As at 31st March 2022 the companies included in the consolidation are as follows:

Name	Location / Registered Office	Line of business	% interest	% control
eDreams ODIGEO, S.A.	Calle López de Hoyos 35, 2. 28002 (Madrid)	Holding Parent company	100%	100%
Opodo Ltd.	26-28 Hammersmith Grove, W6 7BA (London)	On-line Travel agency	100%	100%
Opodo, GmbH.	Hermannstraße 13, 20095 (Hamburg)	Marketing services	100%	100%
Travellink, A.B.	Rehnsgatan 11, 113 79 (Stockholm)	On-line Travel agency	100%	100%
Opodo, S.L.	Calle Conde de Peñalver 5, 1 Ext. Izq. 28006 (Madrid)	On-line Travel agency	100%	100%
eDreams, Inc.	1209 Orange Street, Wilmington (New Castle), 19801 Delaware	Holding company	100%	100%
Vacaciones eDreams, S.L.	Calle de Manzanares, nº 4, Planta 1º, Oficina 108, 28005, Madrid	On-line Travel agency	100%	100%
eDreams International Network, S.L.	Calle López de Hoyos 35, 2. 28002 (Madrid)	Admin and IT consulting	100%	100%
eDreams, S.R.L.	Via San Gregorio, 34, 20124 (Milan)	On-line Travel agency	100%	100%
Viagens eDreams Portugal - Agência de Viagens, Lda.	Rua Heróis e Mártires de Angola, 59, Piso 4, B400, 4000-285 Porto, Uniao de Freguesias de Cedofeita, Santo Ildefonso, Sé Miragaia, Sao Nicolau e Vitória, concelho de Porto	On-line Travel agency	100%	100%
eDreams, L.L.C.	2035 Sunset Lake Road Suite B-2, 19702 (Newark) Delaware	On-line Travel agency	100%	100%
eDreams Business Travel, S.L.	Calle Bailén, 67-69, 08009 (Barcelona)	On-line Travel agency	100%	100%
Traveltising, S.A.	Calle López de Hoyos 35, 2. 28002 (Madrid)	Optimizing online advertising campaigns	100%	100%

Name	Location / Registered Office	Line of business	% interest	% control
GEO Travel Pacific, Pty. Ltd.	Level 2, 117 Clarence Street (Sydney)	On-line Travel agency	100%	100%
Go Voyages, S.A.S.	11, Avenue Delcassé, 75008 (Paris)	On-line Travel agency	100%	100%
Go Voyages Trade, S.A.S.	11, Avenue Delcassé, 75008 (Paris)	On-line Travel agency	100%	100%
Liligo Metasearch Technologies, S.A.S.	11, Avenue Delcassé, 75008 (Paris)	Metasearch	100%	100%
ODIGEO Hungary, Kft.	Nagymezo ucta 44, 1065 (Budapest)	Admin and IT consulting	100%	100%
Tierrabella Invest, S.L.	Calle López de Hoyos 35, 2. 28002 (Madrid)	Holding company	100%	100%
Engrande, S.L.	Calle Conde de Peñalver 5, 1 Ext. Izq. 28006 (Madrid)	On-line Travel agency	100%	100%
eDreams Gibraltar Ltd. (see note 4.4)	21 Engineer Lane, GX11 1AA (Gibraltar)	On-line Travel agency	100%	100%

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C.4. Alternative Performance Measures

C.4. ALTERNATIVE PERFORMANCE MEASURES

In addition to the financial information prepared under IFRS, the Group also uses and presents a series of alternative performance measures ("APMs") that provide additional information useful to assess the Group's performance, solvency and liquidity.

APMs are useful for users of financial information as they are the measures employed by Management to evaluate the Group's financial performance, cash flows or financial position when making operational or strategic decisions.

The Group considers that these measures are useful in evaluating the business, however this information should be considered as supplemental in nature and it is not meant as a substitute of IFRS measures.

DEFINITIONS OF APMs

APMs Non-Reconcilable to GAAP

Gross Bookings refers to the total amount paid by customers for travel products and services booked through or with the Group (including the part that is passed on to, or transacted by, the travel supplier), including taxes, service fees and other charges and excluding VAT. Gross Bookings include the gross value of transactions, booked under both agency and principal models. It also includes transactions made under white label arrangements and transactions where the Group acts as a ''pure'' intermediary, whereby the Group serves as a click-through and pass the reservations made by the customer to the relevant travel supplier. Gross Bookings provide to the reader a view about the economic value of the services that the Group mediates.

APMs Reconcilable to GAAP

Adjusted EBITDA means operating profit / loss before depreciation and amortisation, impairment and profit / loss on disposals of non-current assets, as well as adjusted items corresponding to certain share-based compensation, restructuring expenses and other income and expense items which are considered by management to not be reflective of the Group's ongoing operations. Adjusted EBITDA provides to the reader a better view about the ongoing EBITDA generated by the Group. See section "Reconciliation of APMs", subsection "1.6. EBIT, EBITDA, Adjusted items, Adjusted EBITDA and Adjusted EBITDA Margin".

Adjusted EBITDA Margin means Adjusted EBITDA divided by Revenue Margin. See section "Reconciliation of APMs", subsection "1.6. EBIT, EBITDA, Adjusted items, Adjusted EBITDA and Adjusted EBITDA Margin".

Adjusted EBITDA per Booking means Adjusted EBITDA divided by the number of Bookings. See definitions of "Adjusted EBITDA" and "Bookings". See section "Reconciliation of APMs", subsection "3. Per Bookings measures".

Adjusted Items refers to share-based compensation, restructuring expenses and other income and expense items which are considered by management to not be reflective of the Group's ongoing operations. It corresponds to the sum of adjusted personnel expenses and adjusted operating expenses.

- **Adjusted personnel expenses** refers to adjusted items that are included inside personnel expenses.
- **Adjusted operating expenses** refers to adjusted items that are included inside other operating expenses.

See section "Reconciliation of APMs", subsection "1.6. EBIT, EBITDA, Adjusted items, Adjusted EBITDA and Adjusted EBITDA Margin".

Adjusted Net Income means the IFRS net income less certain share-based compensation, restructuring expenses and other income and expense items which are considered by management to not be reflective of the Group's ongoing operations. Adjusted Net Income provides to the reader a better view about the ongoing results generated by the Group. See section "Reconciliation of APMs", subsection "1.7. Adjusted Net Income".

Capital Expenditure represents the cash outflows incurred during the period to acquire non-current assets such as property, plant and equipment, certain intangible assets and capitalisation of certain development IT costs, excluding the impact of any business combination. It provides a measure of the cash impact of the investments in non-current assets linked to the ongoing operations of the Group. See section "Reconciliation of APMs", subsection "5.2. Capital Expenditure".

Cash EBITDA means "Adjusted EBITDA", plus the variation of the Prime deferred revenue corresponding to the Prime fees that have been collected and that are pending to be accrued. The Prime fees pending to be accrued are non-refundable and will be booked as revenue based on usage, which refers to each instance the customer uses Prime to make a Booking with a discount, or when the Prime contracted period expires. Cash EBITDA provides to the reader a view of the sum of the ongoing EBITDA and the full Prime fees generated in the period. The Group's main sources of financing (the 2027 Notes and the SSRCF) consider Cash EBITDA as the main measure of results and the source to meet the Group's financial obligations. Additionally, under the SSRCF, the Group is subject to the Adjusted Gross Leverage Financial Covenant (see note 2.2), that is a Financial Covenant based on Gross Financial Debt divided by Cash EBITDA, further adjusted by certain corrections. See section "Reconciliation of APMs", subsection "2.4. Cash EBITDA".

Cash EBITDA Margin means Cash EBITDA divided by Cash Revenue Margin. See section "Reconciliation of APMs", subsection "2.5. Cash EBITDA Margin".

Cash EBITDA per Booking means Cash EBITDA divided by the number of Bookings. See definitions of "Cash EBITDA" and "Bookings". See section "Reconciliation of APMs", subsection "3. Per Bookings measures".

Cash Marginal Profit means "Marginal Profit" plus the variation of the Prime deferred revenue corresponding to the Prime fees that have been collected and that are pending to be accrued. The Prime fees pending to be accrued are non-refundable and will be booked as revenue based on usage, which refers to each instance the customer uses Prime to make a Booking with a discount, or when the Prime contracted period expires. Cash Marginal Profit provides a measure of the sum of the Marginal Profit and the full Prime fees generated in the period. See section "Reconciliation of APMs", subsection "2.3. Cash Marginal Profit".

Cash Marginal Profit per Booking means Cash Marginal Profit divided by the number of Bookings. See definitions of "Cash Marginal Profit" and "Bookings". See section "Reconciliation of APMs", subsection "3. Per Bookings measures".

Cash Revenue Margin means "Revenue Margin" plus the variation of the Prime deferred revenue corresponding to the Prime fees that have been collected and that are pending to be accrued. The Prime fees pending to be accrued are non-refundable and will be booked as revenue based on usage, which refers to each instance the customer uses Prime to make a Booking with a discount, or when the Prime contracted period expires. Cash Revenue Margin provides a measure of the sum of the Revenue Margin and the full Prime fees generated in the period. See section "Reconciliation of APMs", subsection "2.2. Cash Revenue Margin".

Cash Revenue Margin per Booking means Cash Revenue Margin divided by the number of Bookings. See definitions of "Cash Revenue Margin" and "Bookings". See section "Reconciliation of APMs", subsection "3. Per Bookings measures".

EBIT means operating profit / loss. This measure, although it is not specifically defined in IFRS, is generally used in the financial markets and is intended to facilitate analysis and comparability. See section "Reconciliation of APMs", subsection "1.6. EBIT, EBITDA, Adjusted items, Adjusted EBITDA and Adjusted EBITDA Margin".

EBITDA means operating profit / loss before depreciation and amortisation, impairment and profit / loss on disposals of non-current assets. This measure, although it is not specifically defined in IFRS, is generally used in the financial markets and is intended to facilitate analysis and comparability. See section "Reconciliation of APMs", subsection "1.6. EBIT, EBITDA, Adjusted items, Adjusted EBITDA and Adjusted EBITDA Margin".

Fixed Costs includes IT expenses net of capitalisation write-off, personnel expenses which are not Variable Costs, external fees, building rentals and other expenses of fixed nature. The Group's management believes the presentation of Fixed Costs may be useful to readers to help understand its cost structure and the magnitude of certain costs that it has the ability to reduce in response to changes affecting the number of transactions processed. See section "Reconciliation of APMs", subsection "1.4. Fixed cost, Variable cost and Adjusted items".

(Free) Cash Flow before financing means cash flows from operating activities plus cash flows from investing activities. The Group believes that this measure is useful as it provides a measure of the underlying cash generated by the Group before considering the impact of debt instruments. See section "Reconciliation of APMs", subsection "5.1. Free Cash Flow Before Financing".

Gross Financial Debt or Gross Debt means total financial liabilities including financing cost capitalised plus accrued interests pending to be paid and overdraft. It includes both non-current and current financial liabilities. This measure offers to the reader a global view of the Financial Debt without considering the payment terms. See section "Reconciliation of APMs", subsection "4.1. Gross Financial Debt and Net FInancial Debt".

Gross Leverage Ratio means the total amount of outstanding Gross Financial Debt on a consolidated basis divided by "Cash EBITDA". This measure offers to the reader a view about the capacity of the Group to generate enough resources to repay the Gross Financial Debt. This measure was previously calculated by using Adjusted EBITDA, instead of Cash EBITDA. However, with the introduction of Cash EBITDA as a new APM of the Group, Management considers that Gross Leverage Ratio calculated based on Cash EBITDA provides a more accurate view of the capacity to generate resources to repay its debt. The Group's main sources of financing (the 2027 Notes and the SSRCF) consider

Cash EBITDA as the main measure of results and the source to meet the Group's financial obligations. Additionally, under the SSRCF the Group is subject to the Adjusted Gross Leverage Financial Covenant (see note 2.2), that is a Financial Covenant based on Gross Financial Debt divided by Cash EBITDA, further adjusted by certain corrections. See section "Reconciliation of APMs", subsection "4.2. Gross Leverage Ratio".

Liquidity position means the total amount of cash and cash equivalents, and remaining cash available under the SSRCF. This measure provides to the reader a view of the cash that is available to the Group. See section "Reconciliation of APMs", subsection "4.4. Liquidity Position".

Marginal Profit means "Revenue Margin" less "Variable Costs". It is the measure of profit that Management uses to analyse the results by segments. See section "Reconciliation of APMs", subsection "1.5. Marginal Profit".

Marginal Profit per Booking means Marginal Profit divided by the number of Bookings. See definitions of "Marginal Profit" and "Bookings". See section "Reconciliation of APMs", subsection "3. Per Bookings measures".

Net Financial Debt or Net Debt means "Gross Financial Debt" less "cash and cash equivalents". This measure offers to the reader a global view of the Financial Debt without considering the payment terms and reduced by the effects of the available cash and cash equivalents to face these future payments. See section "Reconciliation of APMs", subsection "4.1. Gross Financial Debt and Net FInancial Debt".

Net Leverage Ratio means the total amount of outstanding Net Financial Debt on a consolidated basis divided by "Cash EBITDA". This measure offers to the reader a view about the capacity of the Group to generate enough resources to repay the Gross Financial Debt, also considering the available cash in the Group. This measure was previously calculated by using Adjusted EBITDA, instead of Cash EBITDA. However, with the introduction of Cash EBITDA as a new APM of the Group, Management considers that Gross Leverage Ratio calculated based on Cash EBITDA provides a more accurate view of the capacity to generate resources to repay its debt. The Group's main sources of financing (the 2027 Notes and the SSRCF) consider Cash EBITDA as the main measure of results and the source to meet the Group's financial obligations. See section "Reconciliation of APMs", subsection "4.3. Net Leverage Ratio".

Prime ARPU means the Cash Revenue Margin generated from Prime users on a last twelve months basis. It is calculated considering all the Cash Revenue Margin elements linked to the bookings done by Prime members (such as, but not limited to, the Prime fees collected, GDS incentives, commissions, ancillary services, etc.) divided by the average number of Prime members during the same period. Management considers this is a relevant measure to follow the Prime performance. As Prime is a yearly program, this measure is calculated on a last twelve months basis. See section "Reconciliation of APMs", subsection "2.7. Prime ARPU".

Revenue Diversification Ratio is a ratio representing the amount of Diversification Revenue earned in a twelve-month period as a percentage of total revenue. The Group's management believes that the presentation of the Revenue Diversification Ratio measure may be useful to readers to help understand the results of the Group's revenue diversification strategy. See section "Reconciliation of APMs", subsection "1.3. Revenue Diversification Ratio".

Revenue Margin means the IFRS revenue less cost of supplies. The Group's management uses Revenue Margin to provide a measure of its revenue after reflecting the deduction of amounts payable to suppliers in connection with the revenue recognition criteria used for products sold under the principal model (gross value basis). Accordingly, Revenue Margin provides a comparable revenue measure for products, whether sold under the agency or principal model.

Revenue Margin is split by source into the following four categories, that the Group's management believes may be useful to readers to help understand the results of its revenue diversification strategy:

- **Diversification Revenue** represents revenue margin other than Classic Customer Revenue, Classic Supplier Revenues or Advertising and Metasearch Revenue, earned through vacation products (including car rentals, hotels and Dynamic Packages), flight ancillaries (including reserved seats, additional check-in luggage, travel insurance and additional service options), travel insurance, as well as certain commissions, and incentives directly received from airlines.
- **Classic Customer Revenue** represents customer revenue margin other than Diversification Revenues earned through flight service fees, cancellation and modification fees, tax refunds and mobile application revenue. This category includes the revenue for the Prime fees and the Prime discounts.
- **Classic Supplier Revenue** represents supplier revenue margin earned through GDS incentives for Bookings mediated by the Group through GDSs and incentives received from payment service providers.
- **Advertising and Metasearch Revenue** represents revenue margin from other ancillary sources, such as advertising on the Group's websites and revenue from metasearch activities.

See section "Reconciliation of APMs", subsections "1.1. Revenue Margin" and "1.2. Revenue Margin by source".

Revenue Margin per Booking means Revenue Margin divided by the number of Bookings. See definitions of "Revenue Margin" and "Bookings". See section "Reconciliation of APMs", subsection "3. Per Bookings measures".

Variable Costs includes all expenses which depend on the number of transactions processed. These include acquisition costs, merchant costs and other costs of a variable nature, as well as personnel costs related to call centers as well as corporate sales personnel. The Group's management believes the presentation of Variable Costs may be useful to readers to help understand its cost structure and the magnitude of certain costs. The Group has the ability to reduce certain costs in response to changes affecting the number of transactions processed. See section "Reconciliation of APMs", subsection "1.4. Fixed cost, Variable cost and Adjusted items".

OTHER DEFINITIONS

Bookings refers to the number of transactions under the agency model and the principal model as well as transactions made under white label arrangements. One Booking can encompass one or more products and one or more passengers.

Customer Repeat Booking Rate (%) refers to the ratio, expressed on a percentage basis, of Bookings made in a quarter by customers who made a prior Booking in the 12 months prior to that quarter divided by the total number of Bookings. The ratio is annualised, multiplying by four and by the ratio of the quarter over the average of last 4 quarters, to eliminate seasonality effects.

Mobile bookings as share of flight bookings means the number of flight Bookings done on a mobile device over the total number of flight Bookings, on a last twelve months basis.

Prime members means the total number of customers that have a paid Prime subscription in a given period.

Prime / Non Prime. The Group presents certain profit and loss measures split by Prime and Non Prime. In this context, Prime means the profit and loss measure generated from Prime users. Non Prime means the profit and loss measure generated from non Prime users.

For instance, in the case of Prime Cash Revenue Margin, it includes elements such as, but not limited to, the Prime fees collected, GDS incentives, commissions, ancillary services, etc.

As Prime is a yearly program, Prime / Non Prime profit and loss measures are presented on a last twelve months basis.

See section "Reconciliation of APMs", subsection "2.6. Cash Revenue Margin and Cash Marginal Profit by Prime / Non Prime".

Top 6 Markets and Top 6 Segments refers to the Group's operations in France, Spain, Italy, Germany, United Kingdom and Nordics.

RECONCILIATIONS OF APMs

1. Measures of Profit and Loss

1.1. Revenue Margin

	Year ended 31st March 2022	Year ended 31st March 2021
BY NATURE:		
Revenue	398,282	107,172
Cost of sales	(15,704)	3,918
Revenue Margin	**382,578**	**111,090**
BY SEGMENTS (see note 8):		
Top 6	284,751	85,884
Rest of the World	97,827	25,206
Revenue Margin	**382,578**	**111,090**

1.2. Revenue Margin by source

	Year ended 31st March 2022	Year ended 31st March 2021
BY SOURCE (see note 9):		
Diversification revenue	281,024	63,856
Classic revenue - customer	37,837	32,961
Classic revenue - supplier	55,765	10,562
Advertising & Metasearch	7,952	3,711
Revenue Margin	**382,578**	**111,090**

1.3. Revenue Diversification Ratio

	Year ended 31st March 2022	Year ended 31st March 2021
Diversification revenue	281,024	63,856
/ Revenue Margin	382,578	111,090
Revenue Diversification ratio	**73%**	**57%**

1.4. Fixed cost, Variable cost and Adjusted items

	Year ended 31st March 2022			
	Variable cost	Fixed cost	Adjusted items	Total
Personnel expenses (see note 10)	(2,650)	(43,463)	(10,524)	**(56,637)**
Impairment loss on bad debts	(707)	—	—	**(707)**
Other operating expenses (see note 12)	(312,990)	(19,811)	(385)	**(333,186)**
Total Operating cost	**(316,347)**	**(63,274)**	**(10,909)**	**(390,530)**

	Year ended 31st March 2021			
	Variable cost	Fixed cost	Adjusted items	Total
Personnel expenses (see note 10)	(2,920)	(38,726)	(6,137)	**(47,783)**
Impairment loss on bad debts	1,417	—	—	**1,417**
Other operating expenses (see note 12)	(84,552)	(24,467)	(721)	**(109,740)**
Total Operating cost	**(86,055)**	**(63,193)**	**(6,858)**	**(156,106)**

1.5. Marginal Profit

	Year ended 31st March 2022	Year ended 31st March 2021
Revenue Margin	**382,578**	**111,090**
Variable costs	(316,347)	(86,055)
Marginal Profit (see note 8)	**66,231**	**25,035**

1.6. EBIT, EBITDA, Partidas Ajustadas, EBITDA Ajustado y Margen EBITDA Ajustado

	Year ended 31st March 2022	Year ended 31st March 2021
Operating profit / (loss) = EBIT	**(30,861)**	**(110,949)**
(-) Depreciation and amortisation (see note 11)	(33,694)	(35,353)
(-) Impairment (loss) / reversal (see note 11)	10,785	(30,580)
EBITDA	**(7,952)**	**(45,016)**
Long term incentives expenses	(10,524)	(6,111)
Other adjusted personnel expenses	—	(26)
Adjusted personnel expenses (see note 10)	**(10,524)**	**(6,137)**
M&A Projects (Waylo earn-out modification, see note 25)	(191)	—
Redomicile to Spain	(18)	(291)
Restructuring cost	—	(18)
Government loan application process	(87)	—
Other adjusted operating expenses	(89)	(412)
Adjusted operating expenses (see note 12)	**(385)**	**(721)**
(-) Adjusted items	**(10,909)**	**(6,858)**
Adjusted EBITDA	**2,957**	**(38,158)**
/ Revenue Margin	382,578	111,090
Adjusted EBITDA Margin	**0.8%**	**(34.3)%**

1.7. Adjusted Net Income

	Year ended 31st March 2022	Year ended 31st March 2021
Net income	**(65,869)**	**(124,229)**
Adjusted items (included in EBITDA)	10,909	6,858
2023 Notes Repayment[1]	8,269	—
Modification of the SSRCF[2]	86	—
Impairment loss / (reversal) on brands (see note 16)	(10,840)	6,315
Impairment loss on goodwill (see note 15)	—	24,147
Tax effect of the above adjustments	(931)	(2,068)
Impact of change in tax rate in the UK[3]	6,124	—
Derecognition of tax losses carried forward in the UK	—	2,219
Adjusted net income	**(52,252)**	**(86,758)**
Adjusted net income per share (€)	**(0.46)**	**(0.79)**
Adjusted net income per share (€) - fully diluted basis	**(0.46)**	**(0.79)**

[1] The impact of the 2023 Notes repayment corresponds to early redemption expenses amounting to €5.8 million and the write off of financing fees capitalised on the 2023 Notes amounting to €2.4 million (see note 13).

[2] The impact of the modification of the SSRCF corresponds to €0.1 million of adjustment to the value of the liability due to the modification (see note 13).

[3] Deferred tax mainly on the value of the Opodo Brand.

2. Measures of Profit and Loss related to Prime

2.1. Variation of Prime Deferred Revenue

	Year ended 31st March 2022	Year ended 31st March 2021
Prime deferred revenue at period end (see note 27)	63,214	22,017
Prime deferred revenue at period start	22,017	11,297
Variation of Prime deferred revenue	**41,197**	**10,720**

2.2. Cash Revenue Margin

	Year ended 31st March 2022	Year ended 31st March 2021
Revenue Margin	**382,578**	**111,090**
Variation of Prime deferred revenue	41,197	10,720
Cash Revenue Margin	**423,775**	**121,810**

2.3. Cash Marginal Profit

	Year ended 31st March 2022	Year ended 31st March 2021
Marginal Profit (see note 8)	**66,231**	**25,035**
Variation of Prime deferred revenue	41,197	10,720
Cash Marginal Profit	**107,428**	**35,755**

2.4. Cash EBITDA

	Year ended 31st March 2022	Year ended 31st March 2021
Adjusted EBITDA	**2,957**	**(38,158)**
Variation of Prime deferred revenue	41,197	10,720
Cash EBITDA	**44,154**	**(27,438)**

2.5. Cash EBITDA Margin

	Year ended 31st March 2022	Year ended 31st March 2021
Cash EBITDA	44,154	(27,438)
Cash Revenue Margin	423,775	121,810
Cash EBITDA Margin	**10.4%**	**(22.5)%**

2.6. Cash Revenue Margin and Cash Marginal Profit by Prime / Non Prime

			Year ended 31st March 2022			Year ended 31st March 2021
	Prime	Non-Prime	Total	Prime	Non-Prime	Total
Revenue Margin	**129,603**	**252,975**	**382,578**	**29,787**	**81,303**	**111,090**
Variation of Prime deferred revenue	41,197	—	**41,197**	10,720	—	**10,720**
Cash Revenue Margin	**170,800**	**252,975**	**423,775**	**40,507**	**81,303**	**121,810**
Variable Costs	(117,511)	(198,836)	**(316,347)**	(20,021)	(66,034)	**(86,055)**
Cash Marginal Profit	**53,289**	**54,139**	**107,428**	**20,486**	**15,269**	**35,755**

2.7. Prime ARPU

	Year ended 31st March 2022	Year ended 31st March 2021
Cash Revenue Margin from Prime customers	**170,800**	**40,507**
Average Prime members	1,941,842	716,500
Prime ARPU (euros)	**88.0**	**56.5**

3. Per Bookings measures

	Year ended 31st March 2022	Year ended 31st March 2021
Revenue Margin	382,578	111,090
/ Number of Bookings	12,530,448	3,244,249
Revenue Margin per Booking (euros)	**30.5**	**34.2**
Cash Revenue Margin	423,775	121,810
/ Number of Bookings	12,530,448	3,244,249
Cash Revenue Margin per Booking (euros)	**33.8**	**37.5**
Marginal Profit	66,231	25,035
/ Number of Bookings	12,530,448	3,244,249
Marginal Profit per Booking (euros)	**5.3**	**7.7**
Cash Marginal Profit	107,428	35,755
/ Number of Bookings	12,530,448	3,244,249
Cash Marginal Profit per Booking (euros)	**8.6**	**11.0**
Adjusted EBITDA	2,957	(38,158)
/ Number of Bookings	12,530,448	3,244,249
Adjusted EBITDA per Booking (euros)	**0.2**	**(11.8)**
Cash EBITDA	44,154	(27,438)
/ Number of Bookings	12,530,448	3,244,249
Cash EBITDA per Booking (euros)	**3.5**	**(8.5)**

4. Measures of Financial Position

4.1. Gross Financial Debt and Net FInancial Debt

	31st March 2022	31st March 2021
Non-current financial liabilities (see note 24)	376,207	488,745
Current financial liabilities (see note 24)	48,829	24,500
Gross Financial Debt	**425,036**	**513,245**
(-) Cash and cash equivalents	(45,929)	(12,138)
Net Financial Debt	**379,107**	**501,107**

4.2. Gross Leverage Ratio

	31st March 2022	31st March 2021
Gross Financial Debt	425,036	513,245
/ Cash EBITDA	44,154	(27,438)
Gross Leverage Ratio	**9.6**	**(18.7)**

4.3. Net Leverage Ratio

	31st March 2022	31st March 2021
Net Financial Debt	379,107	501,107
/ Cash EBITDA	44,154	(27,438)
Net Leverage Ratio	**8.6**	**(18.3)**

4.4. Liquidity Position

	31st March 2022	31st March 2021
Cash and cash equivalents	45,929	12,138
Remaining cash available under SSRCF (see note 24)	128,222	93,753
Liquidity position	**174,151**	**105,891**

5. Measures of Cash Flow

5.1. Free Cash Flow Before Financing

	Year ended 31st March 2022	Year ended 31st March 2021
Net cash from operating activities	119,146	428
Net cash used in investing activities	(26,917)	(21,656)
Free Cash Flows before financing activities	**92,229**	**(21,228)**

5.2. Capital Expenditure

	Year ended 31st March 2022	Year ended 31st March 2021
Net cash from / (used in) investing activities	(26,917)	(21,656)
Business combinations net of cash acquired	—	—
Capital expenditure	**(26,917)**	**(21,656)**


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