eDreams ODIGEO, S.A.

31st March 2022

1. Audit Report

2. Individual Annual Accounts

3. Individual Director's Report

Free translation from the original document in Spanish.

In the event of discrepancy, the Spanish-language version prevails.

eDreams ODIGEO, S.A.

1. Audit Report

Audit Report on Financial Statements
issued by an Independent Auditor

eDreams ODIGEO, S.A.
Financial Statements and Management Report
for the year ended
March 31, 2022

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AUDIT REPORT ON FINANCIAL STATEMENTS ISSUED BY AN INDEPENDENT AUDITOR

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

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

Report on the financial statements

Opinion

We have audited the financial statements of eDreams ODIGEO, S.A. (the Company), which comprise the balance sheet as at March 31, 2022, the income statement, the statement of changes in equity, the cash flow statement, and the notes thereto for the year then ended.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the equity and financial position of the Company as at March 31, 2022 and of its financial performance and its cash flows for the year then ended in accordance with the applicable regulatory framework for financial information in Spain (identified in Note 2 to the accompanying financial statements) and, specifically, the accounting principles and criteria contained therein.

Basis for opinion

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

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

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

Key audit matters

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

Domicilio Social: C/Raimundo Fernández Villaverde, 65. 28003 Madrid - Inscrita en el Registro Mercantil de Madrid, tomo 9.364 general, 8.130 de la sección 3ª del Libro de Sociedades, folio 68, hoja nº 87.690-1, inscripción 1ª, Madrid 9 de Marzo de 1.989. A member firm of Ernst & Young Global Limited. C.I.F. B-78970506.

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

Description

As indicated in note 10 and 20.2 to the accompanying financial statements, at March 31, 2022 the Company has recorded investments in group companies and long-term loans to group companies amounting to 851,741 thousand euros and 222,481 thousand euros, respectively, which account for 95% of total Assets.

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

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

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

Our response

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

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

Other information: management report

Other information refers exclusively to the 2022 management report, the preparation of which is the responsibility of the Company's directors and is not an integral part of the financial statements.

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

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

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

Based on the work performed, as described above, we have verified that the information referred to in paragraph a) above is provided as stipulated by applicable regulations and that the remaining information contained in the management report is consistent with that provided in the 2022 financial statements and its content and presentation are in conformity with applicable regulations.

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

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

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

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- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on other legal and regulatory requirements

European single electronic format

We have examined the digital file of the European single electronic format (ESEF) of eDreams ODIGEO, S.A. for the 2022 financial year, consisting of an XHTML file containing the financial statements for the year, which will form part of the annual financial report.

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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 requirements set out in Delegated Regulation EU 2019/815 of 17 December 2018 of the European Commission (hereinafter referred to as the ESEF Regulation). In this regard, the Corporate Governance Report and Annual Report on the Remuneration of Directors has been included by reference in the management report.

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

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

Additional report to the audit committee

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

Albert Closa Sala

May 25, 2022

eDreams ODIGEO, S.A.

2. Individual Annual Accounts

2.1. BALANCE SHEET STATEMENT

ASSETS (Euros)	Notes	31st March 2022	31st March 2021
Equity investment in Group entities	10	851,740,896	841,216,462
Loans with Group entities - non-current	20.2	222,481,355	181,395,225
Investment in Group entities - non-current		**1,074,222,251**	**1,022,611,687**
Other financial assets - non-current	12	4,472,423	1,614,483
Investments - non-current		**4,472,423**	**1,614,483**
Deferred tax assets	9.4	**5,368,015**	**1,797,705**
Total non-current assets		**1,084,062,689**	**1,026,023,875**
Trade receivables	11	6,683,977	3,374,583
Trade receivables with Group entities	20.2	10,015,456	1,930,932
Current tax assets	9.3	19,172	20,737
Other receivables with Tax Authorities	9.3	2,576,350	608,305
Trade receivables and others		**19,294,955**	**5,934,557**
Loans with Group entities - current	20.2	23,648,317	16,409,398
Investment in Group entities - current		**23,648,317**	**16,409,398**
Short-term accruals		**91,120**	**15,329**
Cash and cash equivalents	13	**17,506**	**52,111**
Total current assets		**43,051,898**	**22,411,395**
TOTAL ASSETS		1,127,114,587	1,048,435,270

The accompanying notes 1 to 22 and appendices are an integral part of these financial statements.

EQUITY AND LIABILITIES (Euros)	Notes	31st March 2022	31st March 2021
Share capital	14.1	12,760,506	11,878,153
Share premium	14.2	1,048,629,841	974,512,197
Reserves	14.3	(361,584,499)	(355,783,503)
Treasury shares	14.4	(3,320,289)	(3,320,289)
Previous year retained earnings-before distrib. gain/loss		(169,360,710)	(154,456,417)
Profit / (Loss) for the period		17,704,535	(14,904,293)
Other equity instruments	14.5	27,009,496	16,485,062
Capital and reserves		**571,838,880**	**474,410,910**
Total equity		**571,838,880**	**474,410,910**
Non-current provisions	17	**900,000**	**900,000**
Bonds and other negotiable securities	16	368,058,068	421,387,685
Other financial liabilities	19	—	6,159,869
Non-current debt		**368,058,068**	**427,547,554**
Non-current debt with Group entities	20.2	**4,802,895**	**22,852,040**
Total non-current liabilities		**373,760,963**	**451,299,594**
Bonds and other negotiable securities	16	4,413,796	6,812,562
Current debt		**4,413,796**	**6,812,562**
Current debt with Group entities	20.2	**163,612,678**	**105,901,884**
Trade payables	18	5,992,204	4,211,315
Trade payables with Group entities	20.2	7,489,582	5,798,783
Current tax liabilities	9.3	6,484	222
Trade payables and others		**13,488,270**	**10,010,320**
Total current liabilities		**181,514,744**	**122,724,766**
TOTAL EQUITY & LIABILITIES		1,127,114,587	1,048,435,270

2.2. INCOME STATEMENT

(Euros)	Notes	Year ended 31st March 2022	Year ended 31st March 2021
Rendering of services	6	35,792,450	8,090,845
Revenue		**35,792,450**	**8,090,845**
Other operating income with Group entities	20.1	—	(51,999)
Other operating income		**—**	**(51,999)**
External services	7	(38,531,362)	(11,141,770)
Taxes	17	(3,291)	(948,863)
Operating expenses		**(38,534,653)**	**(12,090,633)**
Operating loss		**(2,742,203)**	**(4,051,787)**
Financial expenses for debts with third parties	8	(34,318,601)	(26,023,736)
Financial expenses for debts with Group entities	20.1	(2,282,289)	(4,808,510)
Financial expenses	8	**(36,600,890)**	**(30,832,246)**
Financial income with third parties		1,761	16,499
Financial income with Group entities	20.1	55,382,830	17,714,722
Financial income		**55,384,591**	**17,731,221**
Foreign exchange gains and losses		**5,553**	**416,878**
Financial gain / (loss)		**18,789,254**	**(12,684,147)**
Profit / (Loss) before tax		**16,047,051**	**(16,735,934)**
Income tax	9	1,657,484	1,831,641
Profit / (Loss) for the year		**17,704,535**	**(14,904,293)**

The accompanying notes 1 to 22 and appendices are an integral part of these financial statements.

2.3. STATEMENT OF CHANGES IN EQUITY

2.3.A. STATEMENT OF RECOGNISED INCOME AND EXPENSES

(Euros)	Year ended 31st March 2022	Year ended 31st March 2021
Result of the profit and loss account	17,704,535	(14,904,293)
Income and expenses recorded directly in equity	—	—
Transfers to the profit and loss statement	—	—
Total recognised income and expenses	**17,704,535**	**(14,904,293)**

The accompanying notes 1 to 22 and appendices are an integral part of these financial statements.

2.3.B. STATEMENT OF CHANGES IN EQUITY

(Euros)	Share capital	Share premium	Reserves	Treasury shares	Previous year retained earnings	Profit / (Loss) for the period	Other equity instruments	**Equity**
31st March 2021	**11,878,153**	**974,512,197**	**(355,783,503)**	**(3,320,289)**	**(154,456,417)**	**(14,904,293)**	**16,485,062**	**474,410,910**
Total recognised income / (expenses)	—	—	—	—	—	**17,704,535**	—	**17,704,535**
Capital increases / (decreases) (see note 14.1)	882,353	74,117,644	(5,800,996)	—	—	—	—	**69,199,001**
Operations with members or owners	**882,353**	**74,117,644**	**(5,800,996)**	—	—	—	—	**69,199,001**
Payments based on equity instruments (see note 14.5)	—	—	—	—	—	—	10,524,434	**10,524,434**
Other changes	—	—	—	—	(14,904,293)	14,904,293	—	—
Other changes in equity	—	—	—	—	**(14,904,293)**	**14,904,293**	**10,524,434**	**10,524,434**
31st March 2022	**12,760,506**	**1,048,629,841**	**(361,584,499)**	**(3,320,289)**	**(169,360,710)**	**17,704,535**	**27,009,496**	**571,838,880**

(Euros)	Share capital	Share premium	Reserves	Treasury shares	Previous year retained earnings	Profit / (Loss) for the period	Other equity instruments	**Equity**
31st March 2020	**11,046,304**	**974,512,197**	**(355,783,503)**	**(3,320,289)**	**(145,170,890)**	**(8,453,678)**	**10,372,679**	**483,202,820**
Total recognised income / (expenses)	—	—	—	—	—	**(14,904,293)**	—	**(14,904,293)**
Capital increases / (decreases) (see note 14.1)	831,849	—	—	—	(831,849)	—	—	—
Operations with members or owners	**831,849**	—	—	—	**(831,849)**	—	—	—
Payments based on equity instruments (see note 14.5)	—	—	—	—	—	—	6,112,383	**6,112,383**
Other changes	—	—	—	—	(8,453,678)	8,453,678	—	—
Other changes in equity	—	—	—	—	**(8,453,678)**	**8,453,678**	**6,112,383**	**6,112,383**
31st March 2021	**11,878,153**	**974,512,197**	**(355,783,503)**	**(3,320,289)**	**(154,456,417)**	**(14,904,293)**	**16,485,062**	**474,410,910**

The accompanying notes 1 to 22 and appendices are an integral part of these financial statements.

2.4. CASH FLOWS STATEMENT

(Euros)	Notes	Year ended 31st March 2022	Year ended 31st March 2021
Loss before tax for the year		**16,047,051**	**(16,735,934)**
Adjustments to the result:		**(18,788,717)**	**13,446,410**
Variation of provisions	17	537	918,914
Financial income		(55,384,591)	(17,731,221)
Financial expenses	8	36,600,890	30,832,246
Exchange rate differences		(5,553)	(416,878)
Other income and expenses		—	(156,651)
Changes in working capital:		**27,341,067**	**1,313,503**
Debtors and other accounts receivable		(11,241,291)	(507,180)
Other current assets		33,287,293	8,966,354
Creditors and other accounts payable		36,659,668	(1,101,982)
Other current liabilities		(29,707,378)	(6,046,987)
Other non-current assets and liabilities		(1,657,225)	3,298
Other cash flows from operating activities:		**(32,896,050)**	**(10,143,248)**
Interest payments	16	(21,640,921)	(23,389,235)
Interest collections		4,374,020	13,525,233
Payment of income tax	9	—	—
Other (payments) / collections		(15,629,149)	(279,246)
A) Cash flows from operating activities		**(8,296,649)**	**(12,119,269)**
Payments for investments:		**(127,187,189)**	**(74,000,531)**
Payments for investments in Group companies		(127,187,189)	(74,000,531)
Collections from divestments:		**347,175**	**6,200,000**
Collections from divestments in Group companies		347,175	6,200,000
B) Cash flows from investing activities		**(126,840,014)**	**(67,800,531)**

(Euros)	Notes	Year ended 31st March 2022	Year ended 31st March 2021
Collections and payments for equity instruments:		**70,903,432**	—
Proceeds on issue of shares	14.1	75,000,000	—
Transaction costs on issue of shares		(4,096,568)	—
Collections and payments for financial liabilities:		**67,971,431**	**74,866,797**
Debt issue obligations and other financial liabilities	16	375,000,000	—
Debt issues with Group companies		472,690,620	450,616,651
Repayment of debt obligations and other financial liabilities	16	(425,000,000)	—
Repayment of debt with Group companies		(354,719,189)	(375,749,854)
C) Cash flows from financing activities		**138,874,863**	**74,866,797**
D) Effect of exchange rate variations		**961**	**3,298**
E) Net increase / (decrease) in cash and cash equivalents (A+B+C+D)		**3,739,161**	**(5,049,705)**
Cash and cash equivalents at beginning of period		(4,812,534)	237,171
Cash and cash equivalents net of bank overdrafts at end of period		**(1,073,373)**	**(4,812,534)**
Cash and cash equivalents	13	17,506	52,111
Bank overdrafts	16	(1,090,879)	(4,864,645)
Cash and cash equivalents net of bank overdrafts at end of period		**(1,073,373)**	**(4,812,534)**

The accompanying notes 1 to 22 and appendices are an integral part of these financial statements.

2.5. NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

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

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

The Company moved its registered seat ("siège sociale") and administration center ("administration centrale") from Luxembourg to Spain on 10th March 2021, once the Spanish public deed was registered in the Commercial Registry of Madrid.

Following the change in nationality, the denomination of the Company changed from eDreams ODIGEO, S.A. ("Société Anonyme") to eDreams ODIGEO, S.A. ("Sociedad Anónima").

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

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

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

The Company eDreams ODIGEO, S.A. and its direct and indirect subsidiaries form a Consolidation Group headed by eDreams ODIGEO, S.A. ("the Group"). The Company prepared consolidated financial statements for the year ended 31st March 2022 which can be obtained at its registered office in Spain.

2. BASIS OF PRESENTATION

2.1 Regulatory framework

These financial statements have been prepared in accordance with the accounting principles and standards contained in the Spanish GAAP in force approved by Royal Decree 1514/2007 of 16th November (PGC 2007), which since its publication has been subject to several modifications, the last of them through Royal Decree 1/2021 of 12th January and other prevailing legislation at the date of these financial statements, to give a true and fair view of the Company's equity, financial position, results and cash flows obtained and applied in the year ended 31st March 2022.

The accompanying 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.

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

2.2 Fair presentation

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

2.3 Impact of COVID-19

Impact in the 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 our main markets in Europe. On 11th March 2020, the World Health Organization declared that the rapidly spreading COVID-19 outbreak was a global pandemic.

In response to the pandemic, many countries have implemented measures such as "stay-at-home" policies and travel restrictions. These measures have led to a significant decrease in Bookings across the travel sector, as well as an unparalleled level of flight cancellations.

In the year ended 31st March 2021, the COVID-19 pandemic had a strong impact on the Company's commercial activities, with a 70% reduction in year-on-year Bookings compared with the year ended 31st March 2020.

In the year ended 31st March 2022, there has been an increasing demand for leisure travel compared to the previous year, as vaccinations increase and restrictions are eased. This, combined with the Group's unique customer proposition, enables the Group 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 is 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 value per Booking is still significantly below pre-COVID-19 levels. Due to restrictions and uncertainties, there is a disproportionate number of consumers booking short-haul flights, with fewer passengers per booking and therefore lower booking value.

In addition, the comparability between periods is affected in part by the change in seasonality patterns due to COVID-19, since clients now tend to book vacations with less time in advance.

The main impacts of COVID-19 on the Company for the year ended 31st March 2022 are as follows:

- Increasing of trading activities, with Revenue up 342% compared with the year ended 31st March 2021 (see note 6).
- Expenses for external services were up 246% compared with the last year, as a large portion is variable costs directly related to volume of Bookings (see note 7).
- As a direct consequence of the increase in volume of Bookings, the amount of trade receivables and trade payables have significantly increased in comparison to 31st March 2021 (see notes 11 and 18).
- Additional operational provisions related to the impact of COVID-19 for cancellations on GDS (Global Distribution System) incentives were recognised by the Company as at 31st March 2021 and 31st March 2022. The amount of these provisions as at 31st March 2022 is €0.1 million (€0.3 million as at 31st March 2021). The Company only bears the risk of these cancellations for the portion of its margin on GDS incentives, as the gross impact of the cancellations is transferred to Group companies.

Future effects of COVID-19

The Company's financial statements have been prepared on a going concern basis, as Management considers that the Company is in a strong financial and liquidity position and that prudent management actions, since the beginning of the crisis, have secured the Company's position to ensure a rapid return to full operational effectiveness once normal activity resumes. The 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 Company 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 Company has taken into consideration the differences that its own business has with the overall travel sector evolution based on the actual differences seen in the performance of the current year. The scenarios 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 Company'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 that the Company belongs to, 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 14.1 and 16).

The Group that the Company belongs to, 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 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 16). 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 projected, projections show that the liquidity of the Group will be sufficient for the next 12 months, and with ample headroom versus the €25 million limit of the new SSRCF covenant.

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

Even when the economic and operating conditions improve, the Group cannot predict the long-term effects of the pandemic on its business or on the travel industry in general and expects the market in which it operates to have evolved. 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.

2.4 Going concern principle of accounting

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

The Company had negative working capital as of 31st March 2022 and 31st March 2021, mainly originated by debts with group companies in the short term, which is a common circumstance in the business in which the Group operates and considering its financial structure. It does not present any impediment to its normal business.

The Group's €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 16.

2.5 Non-obligatory accounting principles applied

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

2.6 Use of estimates and judgments

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

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year. 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 2.3.

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

Recoverability of the investments in group entities

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

Given the uncertainty related to the COVID-19 pandemic (see note 2.3), Management has prepared three different 5-year projection scenarios, depending on the duration of the impact of the COVID-19 pandemic and the form and timing of subsequent recovery. See section "Judgments and estimates related to business projections".

Revenue recognition

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

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

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

Share-based payment valuation

The share-based payments are subject to service and performance conditions, not market conditions. The valuation of the 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 Company reviews its estimate of the number of shares expected to be delivered based on historical employee turnover and the estimate of compliance with performance targets.

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

Judgments and estimates related to business projections

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

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

2.7 Comparative information

The accounting principles and the main valuation standards used by the Company to prepare the financial statements for the year ended 31st March 2022 are the same as those applied in the Company's financial statements for the year ended 31st March 2021, except for the adoption of Royal Decree 1/2021.

The main modifications refer essentially to the transposition into the local accounting field of a large part of the regulations contained in IFRS-EU 9 and IFRS-EU 15, mainly the criteria for the recognition, valuation and breakdown of income and financial instruments.

The impacts on the Company derived from the adoption of Royal Decree 1/2021 are:

Revenue recognition

The standard establishes a new model for recognizing revenue derived from contracts with clients, where revenue must be recognised when the transfer of control of the goods or services committed to the client occurs and for the amount that is expected to be received from this.

The Company has analysed the internal revenue recognition policies for the two types of contracts with customers, identifying performance obligations, determining the schedule for satisfying these obligations, the transaction price and its allocation, with the aim of identifying possible differences with the revenue recognition model of the new standard. No significant differences have been found between the two nor compliance obligations that would give rise to the recognition of liabilities for contracts with customers. Therefore, the Company considers that the impact derived from the initial application of the standard does not have relevant effects when it comes to reflecting the true image, so it has not been considered necessary to modify the methodology used or restate the balance sheet statement and the income statement from the previous year included for comparison purposes in these financial statements.

Financial instruments

In relation to financial assets and liabilities, new criteria are introduced for their classification, valuation and derecognition.

The only impact identified by the Company from the adoption of Royal Decree 1/2021 refers to the changes in the names of the categories of financial assets and liabilities, without affecting the valuation criteria included in the financial statements for the year ended 31st March 2021. The Company has opted for the retrospective application of the new classification of financial instruments.

In the case of financial assets, "Loans and Trade receivables" have been renamed "Assets at amortised cost" and "Equity instruments in Group companies" have been renamed "Assets at cost".

Consequently, the detail of financial assets (see notes 10 and 20.2) classified by class and category as at 31st March 2021 is as follows:

	31st March 2021	1st April 2021
Equity investment in Group entities	841,216,462	
Assets at cost		841,216,462
Loans and receivables	204,724,621	
Assets at amortised cost		204,724,621
Total	**1,045,941,083**	**1,045,941,083**

	At cost	At amortised cost	Total
Equity instruments in Group companies	841,216,462	—	841,216,462
Loans with Group entities	—	181,395,225	181,395,225
Investment in Group entities - non-current	**841,216,462**	**181,395,225**	**1,022,611,687**
Other financial assets	—	1,614,483	1,614,483
Investments - non-current	**—**	**1,614,483**	**1,614,483**
Total non-current assets	**841,216,462**	**183,009,708**	**1,024,226,170**
Trade receivables and others	—	5,305,515	5,305,515
Investment in Group entities - current	—	16,409,398	16,409,398
Total current assets	**—**	**21,714,913**	**21,714,913**
Total assets	**841,216,462**	**204,724,621**	**1,045,941,083**

Regarding financial liabilities (see notes 16 and 20.2), "Debt and Trade payables" has been classified as "Liabilities at amortised cost". The detail of financial liabilities classified by classes and categories as of 31st March 2021 is as follows:

	At cost	At amortised cost	Total
Non-current debt	—	427,547,554	427,547,554
Debt with Group entities	—	22,852,040	22,852,040
Total non-current liabilities	**—**	**450,399,594**	**450,399,594**
Current debt	—	6,812,562	6,812,562
Debt with Group entities	—	105,901,884	105,901,884
Trade payables and others	—	10,010,098	10,010,098
Total current liabilities	**—**	**122,724,544**	**122,724,544**
Total liabilities	**—**	**573,124,138**	**573,124,138**

2.8 Grouping of items

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

2.9 Change in accounting policies

During the year ended 31st March 2022 there were no significant changes in accounting policies with respect to those applied in 31st March 2021, except what is detailed in note 2.7.

2.10 Correction of errors

In preparing the accompanying financial statements no significant errors were detected that would have made it necessary to restate the amounts included in the financial statements for the year ended 31st March 2021.

3. PROPOSED ALLOCATION OF THE COMPANY'S RESULT

The Board of Directors will submit to the Ordinary Shareholders' Meeting, for approval, the proposal to carry forward the result for the year ended 31st March 2022 as shown below, determined according to the applicable Spanish regulations:

	31st March 2022	31st March 2021
Basis of distribution:		
Result for the period	17,704,535	(14,904,293)
Total	**17,704,535**	**(14,904,293)**
Distribution:		
Legal reserve	1,770,454	—
Previous year retained earnings-before distrib. gain/loss	15,934,081	(14,904,293)
Total	**17,704,535**	**(14,904,293)**

The Company is required by law to allocate 10% of the profits for the year to the constitution of the legal reserve, until it reaches at least 20% of the share capital (see note 14.3).

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Revenue recognition

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

Revenue is 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.

Basis of Revenue Recognition

The Company uses Global Distribution System ("GDS") services to process the Bookings of travel services for its customers. Under GDS service agreements, the Company earns revenue in the form of an incentive payment for each segment that is processed through a GDS service provider. This revenue is 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 2.6, 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 11 "Provision for Booking cancellation").

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. Contractual obligations are fulfilled at a certain time, so the income derived from their execution will be recognised on that date.

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

4.2 Income and expenses

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

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

4.3 Operating leases

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

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

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

4.4 Foreign currencies

The Company keeps its books in Euro (€) and the balance sheet statement and income statement are expressed in the same currency.

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

Exchange differences on monetary items are 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.

4.5 Taxation

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

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

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

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.

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.

4.6 Financial instruments

4.6.1 Financial assets

Classification

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

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

Initial recognition

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

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

Subsequent measurement:

Loans and receivables are measured at amortised cost.

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

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

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

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

Interest, calculated using the effective interest rate method, and accrued dividends (financial income) are also recognised in the profit and loss account.

4.6.2 Financial liabilities

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

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

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

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

4.7 Treasury shares

Own equity instruments that are reacquired (treasury shares) are 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 Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in other reserves.

4.8 Current/Non-current classification

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

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

4.9 Long term incentive plan

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

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

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

4.10 Transactions with related companies and associates

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

4.11 Cash and cash equivalents

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

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

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

4.12 Provisions and contingencies

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

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

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

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

5. RISK MANAGEMENT

5.1. Financial Risks

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

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

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

Interest rate risk: Most of our financial debt is exposed to fixed interest rates. However, at 31st March 2022, the Company had drawn €1,090,879 of SSRCF complementary credit policies that accrue interest at a variable rate (see note 16).

If the EURIBOR increased by 2 basis points, the yearly interest expense calculated on the basis of the amount drawn down at 31st March 2022 would increase by €21,818 if we kept that draw-down for a 12-month period. There would be no impact if the EURIBOR decreased.

Liquidity risk: In order to meet the liquidity requirements, the Company has as principal sources of liquidity the cash and cash equivalents from the balance sheet statement. Additionally, the Company has access to the Super Senior Revolving Credit Facility ("SSRCF"), which is a €180 million credit facility for the eDreams ODIGEO Group (see note 16).

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

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

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

However, the volume of our transactions in foreign currency is of little relevance compared to the Company's total operations.

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

	+5%	-5%	+10%	-10%
Effect on Profit before Tax of a change in Exchange rate:				
GBP	1,779	(1,967)	3,397	(4,152)
USD	2,539	(2,806)	4,847	(5,924)

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

Exposure to changes in the British Pound and US Dollar would not have any impact on pre-tax Equity (other than Profit before tax).

The Company's exposure to foreign currency changes as at 31st March 2022 for all other currencies is not significant.

5.2. Financial Profile Risks

Restrictive debt covenants that may limit the ability of the Company to finance future operations and capital needs and to pursue business opportunities and activities. However, according to the modification of the SSRCF on 2nd February 2022, the next testing period of the financial covenant might be tested is 30th September 2022 (see note 16).

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

5.3. Capital Risk Management

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

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

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

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 its debt (see note 14.1).

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

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

The SSRCF 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 16).

As at 31st March 2022 the Company complied with all the restrictions imposed by its main debt contracts, and as its businesses may reasonably be expected to continue operating, the Company does not foresee any non-compliance in the future.

6. REVENUE

	Year ended 31st March 2022	Year ended 31st March 2021
GDS incentives (incl. signing bonus) with third parties	35,575,255	7,940,057
Revenue with related parties (see note 20.1)	217,195	150,788
Total revenue	**35,792,450**	**8,090,845**

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

The increase in revenue is due to the increase of volumes compared with previous year due to the recovery of markets (see note 2.3).

Amadeus

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

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

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

On 2nd March 2022, the Company signed a new amendment to the contract, with effective date 1st March 2022, transferring the rights and obligations of the contract with Amadeus to its indirect subsidiary Vacaciones eDreams, S.L.

Travelport

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

There are no contracts with customers with significant financing components.

The following is an analysis of the revenue by country:

	Year ended 31st March 2022	Year ended 31st March 2021
France	10,527,446	2,546,243
Spain	3,808,489	1,107,898
Italy	2,041,582	392,968
Germany	6,548,587	1,168,626
UK	2,568,364	846,322
Others	10,297,982	2,028,788
Total revenue	**35,792,450**	**8,090,845**

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

7. EXTERNAL SERVICES

	Year ended 31st March 2022	Year ended 31st March 2021
GDS Incentives - Group	(37,434,677)	(8,287,796)
Other operating expenses - Group	(1,924,509)	(1,455,554)
External services with Group entities (see note 20.1)	**(39,359,186)**	**(9,743,350)**
Audit, accounting, finance and tax services	(597,367)	(709,606)
Board fees	(315,000)	(315,000)
Legal fees	(93,342)	(130,594)
Insurance fees	(65,412)	(50,915)
Bank fees	(10,057)	(7,019)
Rental expense	(1,094)	(6,956)
Others	(626,550)	(178,330)
External services with third parties	**(1,708,822)**	**(1,398,420)**
Total external services	**(41,068,008)**	**(11,141,770)**

The increase in expenses linked with the reinvoicing of GDS Incentives to other companies of the Group is due to the increase of volumes (see note 2.3).

The expenses classified as "others" correspond mainly to the amount charged by the GDS suppliers as search fees. The increase is linked with the increase of volumes (see note 2.3), as well as a discount applied in the year ended 31st March 2021.

8. FINANCIAL EXPENSES

	Year ended 31st March 2022	Year ended 31st March 2021
Interest expense on 2027 Notes	(3,322,917)	—
Interest expense on 2023 Notes	(19,609,028)	(23,375,000)
Effective interest rate impact on debt	(4,548,174)	(1,952,674)
Other financial expenses	(6,838,482)	(696,062)
Financial expenses for debts with third parties	**(34,318,601)**	**(26,023,736)**
Financial expenses for debts with Group entities (see note 20.1)	(2,282,289)	(4,808,510)
Financial expenses for debts with Group entities	**(2,282,289)**	**(4,808,510)**
Total financial expenses	**(36,600,890)**	**(30,832,246)**

Interest expense on the 2023 Notes corresponds to the 5.50% interest, payable semi-annually in arrears on 1st March and 1st September each year of the €425 million 5.50% Senior Secured Notes with a maturity date of 1st September 2023 ("the 2023 Notes", see note 16). On 2nd February 2022, the Company fully repaid the 2023 Notes.

Interest expense on the 2027 Notes corresponds to the 5.50% interests, payable semi-annually in arrears on 15th July and 15th January each year of the €375 million Senior Secured Notes issued 2nd February 2022, due 15th July 2027 ("the 2027 Notes"), see note 16.

Effective interest rate impact on debt corresponds to the financing fees for the obtention of the 2023 Notes and the 2027 Notes, capitalised and amortised over the life of the debt.

Other financial expenses mainly include the expenses associated with the cancellation of the 2023 Notes by an amount of €5.8 million euros (see note 16). It also includes commitment fees related to the Super Senior Revolving Credit Facility ("SSRCF"), which is a credit line of €180 million for the eDreams ODIGEO Group (see note 16).

9. INCOME TAX

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

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

The companies that are included in the Spanish tax group headed by eDreams ODIGEO, S.A. for the year ended 31st March 2022 are Vacaciones eDreams, S.L., eDreams, Inc., eDreams International Network, S.L., Opodo, S.L., eDreams Business Travel, S.L., Traveltising, S.A., Tierrabella Invest, S.L. and Engrande, S.L.

9.1 Income tax recognised in profit or loss

	Year ended 31st March 2022	Year ended 31st March 2021
Recognition / (derecognition) of tax losses carried forward	(848,637)	1,685,205
Other deferred tax income	2,485,282	112,500
Deferred Tax	**1,636,645**	**1,797,705**
Current tax income of the period	20,839	33,936
Current Tax	**20,839**	**33,936**
Total Income tax income	**1,657,484**	**1,831,641**

9.2 Reconciliation of Income tax expense

	Year ended 31st March 2022	Year ended 31st March 2021
Profit / (loss) for the year from continuing operations after tax	17,704,535	(14,904,293)
Income tax	1,657,484	1,831,641
Profit / (loss) before tax	**16,047,051**	**(16,735,934)**
Dividends	(41,042,119)	—
Permanent differences	**(41,042,119)**	—
Tax basis profit	**(24,995,068)**	**(16,735,934)**
% Income tax rate	25.00%	25.00%
Expected tax charge expense	**6,248,767**	**4,183,984**
Current year losses for which no deferred tax asset has been recognised	(4,591,283)	(2,352,343)
Corrections of tax expense	**(4,591,283)**	**(2,352,343)**
Total Income tax (expense) / income	**1,657,484**	**1,831,641**
Deferred tax due to temporary differences	(2,485,282)	(112,500)
Tax losses carried forward recognised	848,637	(1,685,205)
Amounts with Group companies for tax consolidation	(20,839)	(33,936)
Current tax payable of the year	—	—

The above table contains the reconciliation between (a) the expected (theoretical) tax expense on the "tax base" based on the corporate tax rate applicable in the country where the Company is resident (the 25.00% Spanish income tax rate) and (b) Company tax expense.

During the year ended 31st March 2022, the Company has received dividends by €43,202,230 from its subsidiary Opodo Ltd. (no amount during the year ended 31st March 2021), see note 20.1. These dividends are 95% exempt from income tax.

9.3 Current tax receivables and payables

	31st March 2022	31st March 2021
Income tax receivable	19,172	20,737
Current tax assets	**19,172**	**20,737**
VAT receivable	2,576,350	608,161
Other tax receivable	—	144
Other receivables with tax authorities	**2,576,350**	**608,305**

	31st March 2022	31st March 2021
Social Security payable	(222)	(222)
Other tax payable	(6,262)	—
Current tax liabilities	**(6,484)**	**(222)**

The Company recognises the total consolidated income tax payable (or recoverable) with a charge (credit) to tax receivable or tax payable accounts. The accounts payable or receivable relating to the subsidiaries are recognised with a credit or charge, respectively, to accounts payable to and receivable from Group companies and associates (see note 20.2).

On 1st January 2022, the Company became the head of the Spanish VAT group. The VAT receivable recognised as at 31st March 2022 corresponds to €2,177,262 Spanish VAT and €399,088 Luxembourg VAT pending to collect.

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

During the year ended 31st March 2022 and the year ended 31st March 2021, the Company has not made any payment of income tax.

9.4. Deferred tax balances

The following table contains the movement of deferred tax assets / liabilities presented in the financial statements for the year ended 31st March 2022:

	31st March 2021	Amounts recorded in Profit and Loss	Amounts recorded in Equity	31st March 2022
Tax losses carried forward	1,685,205	(848,637)	1,933,665	2,770,233
Other deferred tax	112,500	2,485,282	—	2,597,782
Total deferred tax asset	**1,797,705**	**1,636,645**	**1,933,665**	**5,368,015**

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

The amounts recorded in the profit and loss in the year ended 31st March 2022 mainly correspond to excess interest expense carried forward, with an indefinite carry forward period, for €2,485,282.

The amount recorded in equity included the tax effect associated with the gross cost of the capital increase of €7.7 million (see note 14.1).

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

Unused tax losses
31st March 2022

Tax loss amount	Income tax rate (%)	Total deferred tax on tax losses	Deferred tax asset recognised	Deferred tax asset not recognised
26,122,615	25.00%	6,530,654	2,770,233	3,760,421

Unused tax losses
31st March 2021

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

The Income tax rate is the 25.00% Spanish rate.

The Company's Luxembourg tax losses, net of recoveries, have been lost as a result of the migration. No deferred tax asset had been recognised for these tax losses.

9.5. Years open for review and tax audits

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

Following a 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 of 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 Company considers that this risk is only possible, not probable and for this reason it has not recognised in the balance sheet statement.

The other dispute, amounting to €450,000 (2016-2018), and €450,000 (2019-2021) relates to the interpretation of the Luxembourg VAT pro rata rules. The Company estimates that there is a probable risk of outflow of resources amounting to €900,000 for which a provision has been recognised in the balance sheet statement (see note 17).

10. EQUITY INVESTMENT IN GROUP ENTITIES

The Company holds the entire share capital of Opodo Ltd. The movement of the asset at cost for the investment in the years ended 31st March 2022 and 31st March 2021 is as follows:

	Investment
Investment in Opodo Ltd. as at 31st March 2021	**841,216,462**
Increase due to Share-based compensation (see note 15)	10,524,434
Investment in Opodo Ltd. as at 31st March 2022	**851,740,896**

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

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

- The cost of the 2016 LTIP that has been recorded as an addition for €4,832,199 for the year ended 31st March 2022 (€3,719,680 for the year ended 31st March 2021).
- The cost of the 2019 LTIP that has been recorded as an addition for €5,692,235 for the year ended 31st March 2022 (€2,392,703 for the year ended 31st March 2021).

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

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

The most significant information in relation to its direct subsidiary as at 31st March 2022 is the following:

Name	Address	Activity	Investment	Ownership %	Voting rights %
Opodo Ltd.	26-28 Hammersmith Grove, W6 7BA (London)	Online travel agency	851,740,896	100%	100%

Name	Share capital (*)	Share premium (*)	Net Profit / (loss) from the year (*)	Other equity items (*)	Total shareholder's equity(*)	Operating profit / (loss) of the year(*)
Opodo Ltd.	344,377,618	75,731,894	5,118,026	93,913,093	519,140,631	6,665,989

(*) Amounts pending to be audited, including the results of the financial year ending 31st March 2022.

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

As at 31st March 2022, the Company holds the entire share capital of Opodo Ltd. represented by 3,443,776,177 ordinary shares of €0.10 each.

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

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

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

The value of future cash flows has been estimated at €1,588 million and has been obtained as follows:

- A business plan, with different scenarios, has been prepared for the entire subgroup headed by Opodo Ltd. for the next 5 years in which the main components are projected adjusted EBITDA, investments and working capital (see definition of Adjusted EBITDA in C4. Alternative Performance Measures in the Group's Notes to the Consolidated Financial Statements). The main drivers in the EBITDA projection 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 in the Group's Notes to the Consolidated Financial Statements). These projections include Management's best estimates, which are consistent with external information, past experience and future expectations.
- Scenarios I, II and III, detailed in note 2.3 have been weighted at 15%, 70% and 15%, respectively.
- The perpetual growth rate used to extrapolate cash flow projections beyond the first five years has been estimated to be between 1.5% and 1.6%.
- The after-tax discount rate has been defined based on the weighted average cost of capital (WACC), being at 31st March 2022 10.8% (9.8% at 31st March 2021).

The value of the net debt of the investees at 31st March 2022 was €226 million.

Consequently, the surplus value based on the calculation made is €510 million.

At 31st March 2022, the investee company was not listed on the stock exchange.

During the year ended 31st March 2022 the Company has received dividends by €43,202,230 (no amount during the year ended 31st March 2021), see note 20.1.

11. TRADE RECEIVABLES

The detail of assets at amortised cost of trade receivables at 31st March 2022 and 31st March 2021 is as follows:

	31st March 2022	31st March 2021
GDS incentives - receivable	3,725,028	2,456,732
GDS incentives - accrued income	3,080,931	1,233,329
Provision for Booking cancellation	(121,982)	(315,478)
Trade receivables	**6,683,977**	**3,374,583**

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

The increase in trade receivables and accrued income as at 31st March 2022 is mainly due to the increase in business volumes (see note 2.3).

As at 31st March 2022 and 31st March 2021 no amounts of trade receivables have been impaired.

"Provision for Booking cancellation" covers the risk that GDS incentives earned are reversed in case of Bookings cancellation. The provision covers the risk for all Bookings with departure dates after the closing date. The decrease in the provision for Booking cancellation is mainly due to decrease in the overall cancellation risk, partly offset by the increase in business volumes (see note 2.3).

12. OTHER NON-CURRENT FINANCIAL ASSETS

The detail of non-current financial assets at amortised cost at 31st March 2022 and 31st March 2021 is as follows:

	31st March 2022	31st March 2021
SSRCF - Financing fees capitalised	6,614,989	3,063,040
SSRCF - Amortisation Financing fees capitalised on SSRCF	(2,203,266)	(1,448,557)
Other non-current assets	60,700	—
Other non-current financial assets	**4,472,423**	**1,614,483**

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

The SSCRF has been amended on 2nd February 2022, increasing the commitment to €180 million and extending its maturity until January 2027.

The Company 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 Company has capitalised €3.6 million of fees incurred for the modification as financing fees that will be amortised over the remaining term of the SSRCF.

13. CASH AND CASH EQUIVALENTS

	31st March 2022	31st March 2021
Cash and cash equivalents	17,506	52,111
Total cash and cash equivalents	**17,506**	**52,111**

The Company has no restricted cash.

14. EQUITY

14.1 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, belonging the same class and series as the previously existing shares.

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 Reserves for an amount of €5.8 million, corresponding to €7.7 million of gross transaction costs and €1.9 million of income tax impact (see note 9.1).

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.

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

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

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

These shares are held by the Group as treasury stock and therefore both their economic and political rights are suspended.

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**	
eDreams International Network, S.L.	4,981,373	3.9%
Treasury shares	1,081,466	0.8%
Board members	2,936,729	2.3%
Others below 3%	45,907,558	36.0%
Total Company	**127,605,059**	

In the years ended 31st March 2022 and 31st March 2021, the Company did not carry out any significant transactions with its shareholders, other than those mentioned in note 21.3 with Board members.

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

14.2 Share premium

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

This reserve is unrestricted as to its use.

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.

14.3 Reserves

	31st March 2022	31st March 2021
Legal reserve	—	—
Other available reserves	(361,584,499)	(355,783,503)
Reserves	**(361,584,499)**	**(355,783,503)**

The Company's legal reserve as at 31st March 2022 and 31st March 2021 is €0. Under the Spanish Companies Law, the legal reserve is not distributable to shareholders, until it exceeds 20% of share capital, and may only be used to offset losses if no other reserves are available. This reserve may also be used to increase share capital to the extent that it exceeds 10% of the increased share capital.

The increase in "Other available reserves" corresponds to the costs related to the capital increase (see note 14.1) that have been booked in Reserves for an amount of €5.8 million, corresponding to €7.7 million of gross transaction costs and €1.9 million of income tax impact.

14.4 Treasury shares

As at 31st March 2020, the Company had 1,081,466 treasury shares, carried in equity at €3,320,289.

During the years ended 31st March 2022 and 31st March 2021, the Company has had no transactions with treasury shares.

As at 31st March 2022, the Company had 1,081,466 treasury shares, carried in equity at an average historic price of €3.07 per share. The treasury shares have a nominal value of €0.10 each one.

The treasury shares have been fully paid.

14.5. Other equity instruments

The amount recognised as equity-settled share-based payments arose as a result of the long-term incentive plan given to the employees of the Company's direct and indirect subsidiaries.

As at 31st March 2022, the only long-term incentive plan currently granted are the 2016 LTIP and the 2019 LTIP detailed in note 15.1 and 15.2, respectively.

15. SHARE-BASED COMPENSATION

15.1 2016 Long-term incentive plan

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

During the year ended 31st March 2021, the Company observed that there were significant potential rights pending to be allotted under the 2016 LTIP. As a result, on 23rd March 2021, the Board of Directors agreed to extend and adjust the 2016 LTIP by creating four additional tranches and extending its duration, intending to include new individuals that previously were not beneficiaries of the 2016 LTIP and continue incentivizing and retaining its personnel.

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 2,692,899 shares delivered during the year ended 31st March 2022 have been satisfied with shares of eDreams ODIGEO, S.A. owned by the Group entity eDreams International Network, S.L. (see note 14.1).

The movement of the Potential Rights during the years ended 31st March 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 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 as an addition to Investments in Group entities (see note 10) and against Equity (included in Equity-settled share based payments, see note 14.5), amounting to €4,832,199 and €3,719,680 for the years ended 31st March 2022 and 31st March 2021 respectively.

15.2 2019 Long-term incentive plan

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

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

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

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

The new 2019 LTIP lasts for four years and is designed to vest around financial results publications between August 2022 and February 2026. The exercise price of the rights is €0. 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 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**	—	—	—
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**	—	—	—
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 as an addition to Investments in Group entities (see note 10) and against Equity (included in Equity-settled share based payments, see note 14.5), amounting to €5,692,235 and €2,392,703 for the years ended 31st March 2022 and 31st March 2021 respectively.

16. BONDS AND OTHER NEGOTIABLE SECURITIES

The detail of the liabilities at amortised cost as at 31st March 2022 and 31st March 2021 is as follows:

	31st March 2022			31st March 2021		
	Current	Non current	Total	Current	Non current	Total
2027 Notes - Principal	—	375,000,000	**375,000,000**	—	—	—
2027 Notes - Financing fees capitalised	—	(6,941,932)	**(6,941,932)**	—	—	—
2027 Notes - Accrued interest	3,322,917	—	**3,322,917**	—	—	—
2023 Notes - Principal	—	—	—	—	425,000,000	**425,000,000**
2023 Notes - Financing fees capitalised	—	—	—	—	(3,612,315)	**(3,612,315)**
2023 Notes - Accrued interest	—	—	—	1,947,917	—	**1,947,917**
Bank facilities & bank overdrafts	1,090,879	—	**1,090,879**	4,864,645	—	**4,864,645**
Total bonds and other negotiable securities	**4,413,796**	**368,058,068**	**372,471,864**	**6,812,562**	**421,387,685**	**428,200,247**

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").

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.

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.

Senior Notes – 2023 Notes

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

Interest on the 2023 Notes is payable semi-annually in arrears on the 1st of March and 1st of September each year. 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 and €23.4 million in the year ended 31st March 2021).

The 2023 Notes have been redeemed in full on 2nd February 2022. The expenses associated with the redemption have been recognised as a financial expense of the period for an amount of €5.8 million (see note 8).

Super Senior Revolving Credit Facility

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

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

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

In April 2020 and April 2021, the Company obtained a waiver for the covenant for the year ended 31st March 2021 and 2022.

The SSRCF has been amended on 2nd February 2022, increasing the commitment to €180 million and extending its maturity until 15th January 2027.

The Company 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 Company has capitalised €3.6 million of fees incurred for the modification as financing fees that will be amortised over the remaining term of the SSRCF.

The interest rate of the SSRCF is the benchmark rate (such as EURIBOR for Euro transactions) 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 Group's 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.

The Company 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 (€60,0 million and 9.6 million respectively as at 31st March 2021).

As at 31st March 2022, the Company had drawn €1,090,879 of credit facilities ancillary to the SSRCF (€4,864,645 as at 31st March 2021).

Additionally, the Group subsidiaries have drawn €30,000,000 under the SSRCF (€55,000,000 as at 31st March 2021) and €8,837,121 of credit facilities ancillary to the SSRCF (€11,782,355 as at 31st March 2021).

See below the detail of cash available to the Group under the SSRCF:

	31st March 2022	31st March 2021
SSRCF total amount	180,000,000	175,000,000
Guarantees drawn under SSRCF	(11,061,429)	(5,865,585)
Drawn under SSRCF	(30,000,000)	(55,000,000)
Ancillaries to SSRCF drawn	(9,928,000)	(16,647,000)
Remaining undrawn amount under SSRCF	**129,010,571**	**97,487,415**
Undrawn amount specific for guarantees	(788,571)	(3,734,415)
Remaining cash available under SSRCF	**128,222,000**	**93,753,000**

16.1. Debt by maturity date

The maturity date of bonds and other negotiable securities 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	—	—	—	—	375,000,000	**375,000,000**
2027 Notes - Financing fees capitalised	—	—	—	—	(6,941,932)	**(6,941,932)**
2027 Notes - Accrued interest	3,322,917	—	—	—	—	**3,322,917**
Total Senior Notes	**3,322,917**	**—**	**—**	**—**	**368,058,068**	**371,380,985**
Bank facilities and bank overdrafts	1,090,879	—	—	—	—	**1,090,879**
Total other financial liabilities	**1,090,879**	**—**	**—**	**—**	**—**	**1,090,879**
Trade payables (see note 18)	5,992,204	—	—	—	—	**5,992,204**
Total trade payables	**5,992,204**	**—**	**—**	**—**	**—**	**5,992,204**
Total	**10,406,000**	**—**	**—**	**—**	**368,058,068**	**378,464,068**

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

16.2. Fair value measurement of debt

		Fair value		
31st March 2022	Total net book value of the class	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	17,506	17,506		
2027 Notes	371,380,985		332,454,651	
Bank facilities and bank overdrafts	1,090,879	1,090,879		

		Fair value		
31st March 2021	Total net book value of the class	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	52,111	52,111		
2023 Notes	423,335,602		444,900,317	
Bank facilities and bank overdrafts	4,864,645	4,864,645		

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 balance sheet statement shown in the table above has been ranked based on the three hierarchy levels defined by accounting regulations:

- Level 1: quoted price in active markets;
- Level 2: inputs observable directly or indirectly;
- Level 3: inputs not based on observable market data.

17. NON-CURRENT PROVISIONS

As at 31st March 2022 the Company had a provision of €900,000 for indirect tax risks (€900,000 as at 31st March 2021), see note 9.5.

18. TRADE PAYABLES

The detail of liabilities at amortised cost for trade payables as at 31st March 2022 and 31st March 2021 is as follows:

	31st March 2022	31st March 2021
GDS related payables	633,189	2,824,599
Other payables	5,359,015	1,386,716
Trade payables	**5,992,204**	**4,211,315**

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

The increase in other payables as at 31st March 2022 is mainly due to the costs related to the capital increase (see note 14.1), financing costs on the 2027 Notes and modified SSRCF (see note 16) pending to be paid.

18.1 Disclosures on the average period of payment to suppliers

Pursuant to the Spanish legislation in force(1), the disclosure on the average period of payment to trade suppliers as at 31st March 2022 and 31st March 2021 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)	30	31
Ratio of transactions paid (3)	30	31
Ratio of outstanding payments (4)	30	30
Euros		
Total transactions paid	20,146,186	4,178,061
Total outstanding payments	1,611,774	105,161

(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.

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

19. OTHER NON-CURRENT FINANCIAL LIABILITIES

As at 31st March 2021, the Company had €6,159,869 of other non-current financial liabilities at amortised cost related to the GDS Signing Bonus agreement with Amadeus (see note 6), expected to be settled in more than 12 months as certain thresholds established by contract had not been met. This amount has been settled in March 2022.

20. RELATED PARTIES TRANSACTIONS AND BALANCES

Related parties involved in transactions with the Company, as well as the nature of the relationship, are:

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

20.1 Related party transactions

Year ended 31st March 2022	Revenue	Other operating income	External services	Financial expenses	Financial income
Vacaciones eDreams, S.L.	217,195	—	(37,645,517)	(791,653)	8,182,459
Opodo Ltd.	—	—	(241,232)	(1,215,781)	43,538,394
eDreams, S.R.L.	—	—	—	(7)	—
Go Voyages, S.A.S.	—	—	—	(153,018)	3,627,343
eDreams International Network, S.L.	—	—	(1,472,437)	(71,213)	34,634
Travellink, A.B.	—	—	—	(50,617)	—
Total	**217,195**	**—**	**(39,359,186)**	**(2,282,289)**	**55,382,830**

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

External services with Group entities mainly correspond to the invoices issued by Vacaciones eDreams, S.L. in relation with the Global agreement between the Company and its GDS providers.

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

In the year ended 31st March 2022 the financial income with Group entities mainly corresponds to the dividends the Company has received for €43,202,230 from Opodo Ltd. (see note 10), paid through the compensation of current debt for an amount of €36.083.128 and non-current debt for an amount of €7.119.102.

The financial income with Group entities of the years ended 31st March 2022 and 31st March 2021 also includes the 2023 Notes interests and 2027 Notes interests (see note 16).

20.2 Related party balances

The detail of assets at amortised cost with related parties is as follows:

	31st March 2022			31st March 2021		
	Non-current loans	Current loans	Trade Receivables	Non-current loans	Current loans	Trade Receivables
Vacaciones eDreams, S.L.	65,048,715	2,358,949	8,806,508	129,329,724	624,803	1,800,341
Opodo Ltd.	121,749,980	—	27,403	—	—	127,086
eDreams, S.R.L.	—	—	—	—	279,025	2,082
Go Voyages, S.A.S.	35,682,660	20,860,517	1,181,545	52,065,501	15,310,194	1,220
Opodo, S.L.	—	127,245	—	—	—	—
Engrande, S.L.	—	106,554	—	—	—	—
eDreams International Network, S.L.	—	—	—	—	—	203
Tierrabella Invest, S.L.	—	195,052	—	—	195,376	—
Total	**222,481,355**	**23,648,317**	**10,015,456**	**181,395,225**	**16,409,398**	**1,930,932**

Non-current loans with Group entities includes the loans granted to Group entities in relation with the Senior Notes (see note 16). As at 31st March 2022, the loans granted to Vacaciones eDreams, S.L. and Go Voyages, S.A.S. were in relation with the 2027 Notes, formalised on 2nd February 2022, with maturity on 15th July 2027 and bearing interest at a rate of 5.50% + 21.01 bps per annum. As at 31st March 2021, the loans granted to Vacaciones eDreams, S.L. and Go Voyages, S.A.S. were in relation with the 2023 Notes to Group entities, formalised on 25th September 2018, with maturity on 25th September 2023 and bearing interest at a rate of 5.50% + 21.01 bps per annum. The amount of these non-current loans has decreased during the year ended 31st March 2022 as they have been partially offset with current debt and non-current debt, mainly with Vacaciones eDreams, S.L.

The increase in non-current loans with Opodo Ltd. is related to a new loan agreement signed on 31st March 2022 for an amount of €121,749,980. The interest rate is set at EURIBOR 1 year + 4% with maturity on 31st March 2025.

Current loans with Group entities includes the following:

- Interests related to the non-current loans granted to Group entities in relation with the 2023 Notes and 2027 Notes for an amount of €9,552,796 as at 31st March 2022 (€9,482,876 as at 31st March 2021).
- Cash-pooling and current accounts with Group entities, for an amount of €11,930,354 as at 31st March 2022 (€6,697,115 as at 31st March 2021).
- Amounts receivable for the tax consolidation of Spanish corporate income tax, for a total amount of €195,052 with Tierrabella Invest, S.L. and €127,245 with Opodo, S.L. as at 31st March 2022 (€195,376 with Tierrabella Invest, S.L. as at 31st March 2021).
- Amounts receivable for VAT with companies of the Spanish VAT group for a total amount of €1,842,821 as at 31st March 2022. The Company has become the head of the Spanish VAT group from 1st January 2022.

Trade receivables with Group entities at 31st March 2022 mainly related to the recharge of the 2027 Notes financing costs and the modified SSRCF financing costs, as well as the early redemption costs of the 2023 Notes (see note 16). Additionally it also includes amounts recharged for GDS incentives.

The detail of liabilities at amortised cost with related parties is as follows:

	31st March 2022			31st March 2021		
	Non-current debt	Current debt	Trade payables	Non-current debt	Current debt	Trade payables
Vacaciones eDreams, S.L.	—	(33,177,718)	(6,028,623)	(8,283,421)	(66,481,536)	(4,664,179)
Opodo Ltd.	(487,136)	(128,119,874)	—	(7,926,351)	(38,943,464)	(201,076)
eDreams, S.R.L.	—	(23,360)	—	—	(12,700)	—
Go Voyages, S.A.S.	(4,315,759)	—	—	(4,315,759)	(79,115)	—
eDreams Business Travel, S.L.	—	(864)	—	—	(811)	—
eDreams, Inc.	—	(22,676)	—	—	(9,704)	—
Engrande, S.L.	—	(17,907)	—	—	(11,039)	—
Traveltising, S.A.	—	(761)	—	—	(53)	—
Opodo, S.L.	—	(106,453)	—	—	(6,577)	—
eDreams International Network, S.L.	—	(2,067,204)	(1,460,959)	—	(117,551)	(933,528)
Tierrabella Invest, S.L.	—	(5,199)	—	—	—	—
Travellink, A.B.	—	(70,662)	—	(2,326,509)	(239,334)	—
Total	**(4,802,895)**	**(163,612,678)**	**(7,489,582)**	**(22,852,040)**	**(105,901,884)**	**(5,798,783)**

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

- Loan with Vacaciones eDreams, S.L.: On 31st March 2018, Vacaciones eDreams, S.L. and eDreams ODIGEO, S.A. entered into a loan agreement for a total amount of €8,283,421. The interest rate was set at EURIBOR 1 year + 4%. The decrease is due to the cancellation of the debt with non-current loan with Vacaciones eDreams, S.L.
- Loan with Opodo Ltd.: On 1st October 2016, Opodo Ltd. and eDreams ODIGEO, S.A. entered into a loan agreement for a total maximum amount of €11,000,000, of which €7,119,102 were drawdown as at 31st March 2021. The interest rate is set at EURIBOR 1 year + 4%. As at 31st March 2022 this loan has been settled.
- Loan with Go Voyages, S.A.S.: On 31st March 2019, Go Voyages, S.A.S. and eDreams ODIGEO, S.A. entered into a loan agreement for a total amount of €4,315,759. On 31st March 2022 they renegotiated the maturity to 31st March 2025. The interest rate is set at EURIBOR 1 year + 4%.
- Loan with Travellink, A.B.: On 31st March 2018, Travellink, A.B. and eDreams ODIGEO, S.A. entered into a loan agreement for a total amount of €2,326,509. The interest rate is set at EURIBOR 1 year + 4% and the interests shall be paid annually on 31st March. The decrease is due to the cancellation of non-current loans with Go Voyages, S.A.S.
- Financing cost capitalised SSRCF for an amount of €487,136 with Opodo Ltd. (€807,249 as at 31st March 2021).

Current debt with Group entities mainly includes the following loans:

- Cash-pooling and current accounts with Group entities, for an amount of €162,588,916 as at 31st March 2022 (€88,106,034 as at 31st March 2021). The interests related to the Cash-pooling are nil as at 31st March 2022 (€809,860 as at 31st March 2021).
- Group Credit Facility with group companies, for an amount of €80,580 as at 31st March 2022 (€8,401,291 as at 31st March 2021). On 15th February 2016, the Group Credit Facility agreement was signed. It bears interest of EURIBOR 1 year + 400 bps per annum, payable monthly but interest can be added to the principal amount. The Group Credit Facility Agreement will mature on 14th of February of each year and is automatically renewed for successive annual periods.
- Loan agreement with Opodo Ltd.: on 31st March 2018, Opodo Ltd. and the Company amended previous loan agreements, for a total amount of €6,650,000. The interest rate is set at EURIBOR 1 year + 4%. As at 31st March 2022 this loan has been settled.
- Income tax payable to companies of the Spanish tax group, for a total amount of €270,667 as at 31st March 2022 (€161,297 as at 31st March 2021).
- VAT debts with companies of the Spanish VAT group for a total amount of €672,515 as at 31st March 2022. The Company has become the head of the Spanish VAT group from 1st January 2022.

Trade payables with Group entities mainly includes:

- Amounts payable related to GDS incentives for an amount of €5,388,349 as at 31st March 2022 (€4,070,488 as at 31st March 2021).
- Management fees with eDreams International Network, S.L. for an amount of 1,441,135 as at 31st March 2022 (€933,528 as at 31st March 2021).

There are no differences between the book values and the fair values of debts with Group companies.

21. OTHER DISCLOSURES

21.1 Foreign currency transactions and balances

The detail of the most significant balances and transactions in foreign currency (mainly US Dollars, British Pounds and Swiss Francs) valued in Euros at the year-end exchange rates and the average exchange rates for the years ended 31st March 2022 and 31st March 2021 is as follows:

		Year ended 31st March 2022		Year ended 31st March 2021
	US Dollars	Other foreign currencies	US Dollars	Other foreign currencies
Revenue	(111,735)	—	225,670	—
Other operating income	42,640	—	25,646	—
Operating expenses	(85,521)	(38,755)	(311,493)	(229,916)
Total transactions	**(154,616)**	**(38,755)**	**(60,177)**	**(229,916)**

The Revenue in US Dollars for the year ended 31st March 2022 includes the regularization of amounts from the previous year.

		31st March 2022		31st March 2021
	US Dollars	Other foreign currencies	US Dollars	Other foreign currencies
Current assets	424,436	(7,905)	302,535	(492)
Non-current liabilities	—	—	—	(373,023)
Current liabilities	(479,051)	(76,723)	64,804	(198,938)
Total balances	**(54,615)**	**(84,628)**	**367,339**	**(572,453)**

21.2 Auditor's remuneration

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

	31st March 2022	31st March 2021
Audit Services	101,900	109,400
Services in connection with Corporate transactions (see note 14.1)	386,000	—
Other services related to audit	21,000	17,000
Total Audit	**508,900**	**126,400**

The services includes inside "Other services related to audit" correspond to the verification of the non-financial information report for the Group.

21.3 Remuneration of Key Management and Board of Directors

The Company doesn't have any direct employees.

During the year ended 31st March 2022 the independent members of the Board received a total remuneration for their mandate of €315,000 (€315,000 during the year ended 31st March 2021). See additional detail in Annual Corporate Governance Report of the Group.

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

Remuneration of members of the Board for management services during the year ended 31st March 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 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 at 31st March 2021) to acquire a certain number of shares of the company eDreams ODIGEO, S.A. at no cost.

The valuation of these rights of the 2016 LTIP plan amounts to €5,841,111 of which €5,841,111 have been accrued in equity at 31st March 2022 since the beginning of the plan (€5,677,890 of which €5,104,254 have been accrued in equity at 31st March 2021). (See note 15.1).

The valuation of the rights of the 2019 LTIP amounts to €6,374,981 of which €3,050,175 have been accrued in equity at 31st March 2022 since the beginning of the plan (€2,529,606 of which €991,479 have been accrued in equity at 31st March 2021). (See note 15.2).

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 Company.

The Group has contracted a civil liability insurance scheme (D&O) for Directors and Managers with a yearly cost of €63 thousand.

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

During the years ended 31st March 2022 and 31st March 2021, neither the Board of Directors, nor the persons related thereto, as defined in the Spanish Limited Liability Companies law, had reported any direct or indirect conflict that they might have with the Company's interests.

21.5 Environmental matters

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

21.6 Rental commitments

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

During the year ended at 31st March 2022, the Spanish building lease expense is €1,094 (€6,956 of the Luxembourgish building for the year ended 31st March 2021).

22. SUBSEQUENT EVENTS

There have been no significant subsequent events after the closing of the year.

eDreams ODIGEO, S.A.

3. Director's Report

3. DIRECTORS' REPORT

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

COVID-19

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

In response to the pandemic, many countries have implemented measures such as “stay-at-home” policies and travel restrictions. These measures have led to a significant decrease in Bookings across the travel sector, as well as an unparalleled level of flight cancellations.

In the year ended 31st March 2021, the COVID-19 pandemic had a strong impact on the Company's commercial activities, with a 70% reduction in year-on-year Bookings.

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).

However, the average value per booking is still significantly below pre-COVID-19 levels. Due to restrictions and uncertainties, there is a disproportionate number of consumers booking short-haul flights, with fewer passengers per booking and therefore lower booking value.

Additionally, the comparability between periods is partly affected by the change in seasonality patterns due to COVID-19, since clients now tend to book vacations with less time in advance.

The scope of the future effects of the COVID-19 pandemic on the Company’s operations, cash flows and growth prospects depends on future developments. These include, among others, the severity, extent and duration of the pandemic as well as its impact on the travel industry and the level of consumption in general.

The Group that the Company belongs to, 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 at 31st March 2021) to manage the liquidity requirements of its operations. The Group has a waiver regarding the only covenant of Gross Leverage Ratio of the SSRCF, see the following section.

Foreseeable evolution

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

Since the beginning of the health crisis, Management has adopted and continues to follow a prudent approach to its cost base and capital expenditure. Several measures have been taken at Group level to achieve cost savings, reducing Fixed Costs & CAPEX and adding in this way extra adaptability to our business model. 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: Prime, customer care, mobile and travel content to emerge stronger and well positioned from the crisis once normal activity resumes.

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

Issue of shares

On 12th January 2022, the Board of Directors of the Company approved the issue of 8,823,529 new shares (the "New Shares"), with a face value of €0.10 per share, belonging to the same class and series as the previously existing shares.

The share price (face value and share premium) of the New Shares was set at €8.50 per share, which represents a discount of approximately 9.1% with respect to the closing price of the Company's shares at that date. The gross income obtained through the Capital Increase was €74,999,996.50.

The New Shares represent approximately 7.43% of the Company's share capital before the Capital Increase and approximately 6.91% of the share capital after the Capital Increase.

As a result of the new shares’ issuance, the Company’s share capital amounts to €12,760,505.90 and is represented by 127,605,059 shares with a face value of €0.10 per share, all of them belonging to a unique class and series.

The public deed was registered in the Commercial Registry of Madrid on 14th January 2022.

The new shares have been admitted to official listing on the Spanish Stock Exchanges and the first trading date was 17th January 2022.

Debt refinancing

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”).

The net funds from the offer, together with part of the proceeds from the Company's recent capital increase, have been used to fully pay the outstanding €425.0 million of the 2023 Notes and to pay the costs 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 Notes offering is part of a broader refinancing transaction that also includes an additional amendment to the "SSRCF", originally dated 4th October 2016 (amended and updated on 18th September 2018), between the Company and some of its its subsidiaries and Société Générale, as broker and collateral broker, effective on settlement date and comprising a €180.0 million Super Senior Revolving Credit Facility and a super senior bank guarantee facility. This guarantees mechanism without initial amount, with the ability to increase commitments through the use of the accordion function.

In addition to the increased commitment and extended maturity, the modified SSRCF also provides improved conditions with respect to the Financial Covenant.

The amended SSRCF contains financial covenants that require the Group to ensure that the ratio between Gross Financial Indebtedness at the end of each test period and EBITDA Cash (previously Adjusted EBITDA) adjusted as defined in the financial covenant (the "Financial Covenant of adjusted gross leverage") in respect of such trial period does not exceed 6.00, and before 30th September 2022, the Group's Liquidity on each Quarterly Date is not less than €25.0 million.

The first test period against which the Adjusted Gross Leverage Financial Covenant can be tested is the test period ending 30th September 2022. The Adjusted Gross Leverage Financial Covenant is only tested against a test period if, on the last day of such trial period, the total principal amount of outstanding loans (excluding any outstanding balance under any letter of credit, bank guarantee or supplementary credit policies) exceeds 40% (previously 30%) of the total commitments under the Super Senior Financing Agreement.

The obligations under the 2027 Notes and the SSRCF will be guaranteed by various subsidiaries of the Company and guaranteed by certain assets of the Company.

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.

Main risks

In the notes of the annual report presented and formulated by the Board of Directors, in accordance with the current accounting regulations, the main risks and uncertainties of the Company's business are described (see note 5 of the annual report).

Treasury shares

As at 31st March 2022, the Company had 1,081,466 treasury shares, carried in equity at an average historic price of €3.07 per share. The treasury shares are valued at €0.10 each.

The treasury shares have been fully paid.

Research, Development and Technology Innovation

No direct investments have been made by the Company in research, development and technological innovation during the years ended 31st March 2022 and 31st March 2021.

Environmental issues

As at 31st March 2022 there are no significant assets for the protection or improvement of the environment and it has not incurred any major expenses of an environmental nature during either year.

Personnel

The Company has no employees.

Use of derivative financial instruments

The Company did not use any derivative financial instruments during the years ended 31st March 2022 and 31st March 2021.

Payments to suppliers

In compliance with the duty to disclose the average period of payment to suppliers, provided for in Additional Provisional Three of Law 15/2010 (as amended by Final Provision Two of Law 31/2014 reforming Spanish Limited Liability Companies Law), the Company hereby discloses that the average period of payment to suppliers was 30 days. For the purposes of this calculation, the number of days from the invoice date until the payment date was taken into consideration, without deducting the management period that normally occurs from receipt of the invoice until its recognition in accounting.

Annual Corporate Governance Report and Annual Directors' Remuneration Report

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

Subsequent events

There have been no significant subsequent events after the closing of the year.