

## OTHER RELEVAT INFORMATION

In accordance with article 227 of the consolidated text of the Spanish Securities Market Law approved by Royal Legislative Decree 4/2015 of 23 October 2015, and its implementing regulations, eDreams ODIGEO, S.A. (the “**Company**”) submits hereunder a press release to inform on the Company's annual financial results for the fiscal year ended on March 31, 2022.

Madrid, 26 May 2022

**eDreams ODIGEO**

## eDreams ODIGEO outperforms market, triples Prime members to 2.9m and makes substantial progress towards 2025 targets

**Barcelona, 26 May 2022.** - eDreams ODIGEO (www.edreamsodigeo.com), Europe's largest online travel company, the largest globally in terms of flights outside of China and one of the largest European e-commerce businesses, today reports its results for Q4 and the year ended 31 March 2022.

With 247 websites and apps in 44 countries, 21 languages and 37 different currencies on one central platform, eDreams ODIGEO (eDO) now covers 80% of the global travel market.

Throughout FY22 we have seen the travel market improve and recover significantly, eDO outperformed the market (and its competitors) by a significant margin, and we positioned ourselves for future success with our innovative approach including the first and leading subscription programme in travel – Prime – which today<sup>1</sup> has 2.9 million members, triple that of a year ago.

- **Strong financial and operational improvement, significantly outperforming the market**
  - Record 12.5 million Bookings, exceeding pre-pandemic levels, and up 10% above our pre-COVID-19<sup>2</sup> Bookings
  - Diversification Revenue up 340% at 73% of total revenues (FY21: 57%)
  - Cash Revenue Margin rose by 248% to €423.8 million from €121.8 million in FY21
  - Cash Marginal Profit at €107.4 million was three times that of FY21
  - Cash EBITDA turned positive at €44.2 million
  - Balance sheet strong with financial position enhanced further by €75 million equity raise and refinancing of bond in January 2022
- **Revolutionising travel, continued highly successful transition to subscription model**
  - Prime membership continues to rapidly increase, adding over 482,000 in the last quarter
  - Today<sup>1</sup>, it is triple that at the beginning of FY22 at 2.9 million members and growing
  - Entire proprietary infrastructure reworked to enable growth and scaling of Prime
  - Huge global addressable market and potential, 225 million prospective households in Europe alone
- **Significant achievements in FY22**
  - Transformed from a flight-centric, transactional service in online flights with best prices and flight options to predominantly a subscription model offering even better value
  - Well ahead of industry average in mobile bookings - best end to end mobile experience
  - High customer retention and lifetime value
  - Significant expansion of market and share of travel wallet by offer of hotels, cars, trains and any other travel ancillaries

<sup>1</sup> eDO Prime members as of 17th May 2022

<sup>2</sup> Last twelve months up to 31 January 2020

- Continuous enhancement to our technology platform to provide the quickest and best online experience
- **Good progress towards self-set 2025 targets**
  - 7.25 million member target: 2.9 million reached, growing at a fast rate
  - Cash EBITDA of €180 million: already at €44.2 million (up from - €27.4 million in FY21)

Dana Dunne, CEO of eDreams ODIGEO said:

***“Throughout FY22, we have continued to make strong progress in revolutionising travel and reinventing the travel experience through the ongoing success of our global, leading subscription model, Prime and pre-eminent worldwide position in flight bookings. We have gained market share, further enhanced our proposition and continue to thrive as a global business.***

***We see immense potential, for example 225 million households alone in Europe that we have targeted to become Prime customers. We know we will reach our targets for 2025 and this will represent a significant milestone while bringing substantial value to all our stakeholders.***

***FY23 has started very well indeed with travel markets opening as the pandemic subsides. eDreams ODIGEO is optimally placed and in pole position to take advantage of the undoubted desire to travel and the continued digitalisation of our markets. With FY23 volumes continually at record levels, significantly above 2019, and Prime membership continuing to rapidly grow, we are confident of future success.”***

### **Leisure travel recovery**

After the emergence of COVID-19 in early 2020, there was a substantial reduction in travel across the globe. Vaccinations began to roll out in early 2021, and the ‘booster’ shot was rolled out in the second half of that year. With the scientific progress that led to increased protection and less danger to populations, travel began to recover in FY22. Survey after survey showed throughout COVID-19 that the demand for leisure travel was undimmed and that there was pent up demand to travel again. The only question was when? eDO is a leisure focused business and fully recognizes that leisure travellers simply can’t replace their leisure experience through technology - walking along a sandy beach can’t be replaced by Zoom, standing atop a mountain with a breath-taking view can’t be replaced by Teams, visiting historical sites or new cities can’t be replaced by Hangout. As breakthroughs in science have progressed leisure travellers have been returning with the future for leisure travel exciting.

Not only is the demand for travel high, but individuals have accumulated significant savings during the past two years. An IMF study shows that in Europe alone consumers have saved over one trillion euros, in addition to their normal savings rate, and a good proportion of the savings will find its way into travel and experiences, a market in which we are experts. During the pandemic a lot of additional savings was accumulated, and survey after survey has said that leisure travellers want to travel, the latest European Travel Commission survey, published in April 2022, showed that three in four Europeans plan to travel in the next six months. While the conflict in Ukraine and the global increase in inflation may have caused

some short term uncertainty, we have seen a real resurgence in travel, with bookings in March, April and May <sup>3</sup> +34%, +52% and +58% vs 2019, respectively.

### **Outperforming the market**

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

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

### **Platform for success**

Five years ago, we were the first to start pioneering a subscription programme for travellers. While subscription programmes were taking off in other domains such as movies, music etc. eDO was unique in applying the model to travel. Five years on, we have launched thousands of product features and functionality tests and changes, tens of thousands of 1:2:1 interviews with existing and potential customers, and have reworked every process and system in eDO in order to offer customers a truly great subscription experience and to create a unique and scalable proprietary platform for future growth. In May<sup>4</sup> we have reached 2.9 million Prime members, more than triple that of last year. In just FY22 alone we added over 1.8 million members to our subscription programme, even with the various COVID-19 variants disrupting and impacting the travel market.

We want to revolutionise travel, and the way in which travellers think about service providers. Prime has proven to be very attractive and have universal appeal across all segments of the market and geographies. Therefore, we have great growth prospects, especially since there is such a large addressable market still to be captured. While other industries' subscription programmes may have been around much longer than Prime in travel, we still are in the early days. In terms of Prime, we see growth from 3 main areas. First, we expect to convert a significant portion of our over 24 million existing non-Prime customer base who have booked with us over the past 4 years. Second, the Prime proposition also attracts new customers, eDO has demonstrated the ability to capture new customers through the Prime programme, 60% of Prime members are new customers. Third, Prime is currently in a limited number of countries, and

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<sup>3</sup> eDO Bookings growth until the 17th of May 2022

<sup>4</sup> eDO Prime members as of 17th May 2022

as we extend geographically and extend our product categories we will penetrate further in our existing and new markets and the membership will grow. In all, with over 225 million households alone in Europe, we have enormous growth potential, and we have barely scratched the surface just in Europe. We have set ourselves the target of exceeding 7.25 million members by 31 March 2025 and are progressing well on the path to meeting and exceeding this, as we have with other targets that we have previously set.

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

### **Excellent FY22 Results**

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

Both Prime and eDO continued to outperform. Prime membership grew by 203% year-on year to 2.7 million subscribers in FY22 (reaching 2.9 million by the end of May 2022). Average Revenue per User (ARPU) increased by 55% vs FY21 and stood at 88.0€ per member. In FY22 we tripled the Prime membership with an additional 1.8 million new members over and above the same period of last year, and eDO continues to significantly outperform the market.

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

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

### Financial Information and Income Statement with increase in Prime Deferred Revenue Summary

(in € million)	4Q FY22	4Q FY21	Var. %	12M FY22	12M FY21	Var. %
Revenue Margin	118.9	30.1	295%	382.6	111.1	244%
Increases Prime Deferred Revenue	7.9	2.0	290%	41.2	10.7	284%
Cash Revenue Margin	126.8	32.1	295%	423.8	121.8	248%
Cash EBITDA	10.8	(8.9)	n/a	44.2	(27.4)	n/a
Adjusted EBITDA	2.9	(10.9)	n/a	3.0	(38.2)	n/a
Net Income	(10.9)	(54.6)	n/a	(65.9)	(124.2)	n/a
Adjusted Net Income	(9.8)	(20.8)	n/a	(52.3)	(86.8)	n/a
(in thousands)						
Bookings	3,602	900	300%	12,531	3,244	286%

### Our amazing people

eDOers continue to be amazing, contributing to the constant development and evolution of the Company. While the past two years have been challenging, eDOers day in day out proved that they are unique. eDOers have continued to put the customer first. They find solutions that are win-win: beneficial for our customers and beneficial for our shareholders. eDOers have capacity for innovation, for flying high, setting the path, journeying together, growing, learning and developing as we transform the way in which travel is provided to customers, and in the process changing our industry.

### Doing the right thing (ESG)

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

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

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

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

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

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

**-ENDS-**

### **About eDreams ODIGEO**

eDreams ODIGEO is one of the world's largest online travel companies and one of the largest e-commerce businesses in Europe. The business is the second largest flight retailer globally and the largest in Europe. Under its four leading online travel agency brands – eDreams, GO Voyages, Opodo, Travellink, and the metasearch engine Liligo – it serves more than 17 million customers per year across 44 markets. Listed on the Spanish Stock Market, eDreams ODIGEO works with over 690 airlines and +2.1 million hotels. The business conceptualised Prime, the first subscription product in the travel sector which has attracted 2.9 million members since launching in 2017. The brand offers the best quality products and the widest choice of regular flights, low-cost airlines, hotels, dynamic packages, cruises, car rental services and travel insurance products to make travel easier, more accessible, and better value for consumers across the globe.

**(\*) GLOSSARY**

**Cash EBITDA** means "Adjusted EBITDA", plus the variation of the Prime deferred revenue corresponding to the Prime fees that have been collected and that are pending to be accrued. The Prime fees pending to be accrued are non-refundable and will be booked as revenue based on usage, which refers to each instance the customer uses Prime to make a Booking with a discount, or when the Prime contracted period expires. Cash EBITDA provides to the reader a view of the sum of the ongoing EBITDA and the full Prime fees generated in the period.

**Cash Marginal Profit** means "Marginal Profit" plus the variation of the Prime deferred revenue corresponding to the Prime fees that have been collected and that are pending to be accrued. The Prime fees pending to be accrued are non-refundable and will be booked as revenue based on usage, which refers to each instance the customer uses Prime to make a Booking with a discount, or when the Prime contracted period expires. Cash Marginal Profit provides a measure of the sum of the Marginal Profit and the full Prime fees generated in the period.

**Cash Revenue Margin** means "Revenue Margin" plus the variation of the Prime deferred revenue corresponding to the Prime fees that have been collected and that are pending to be accrued. The Prime fees pending to be accrued are non-refundable and will be booked as revenue based on usage, which refers to each instance the customer uses Prime to make a Booking with a discount, or when the Prime contracted period expires. Cash Revenue Margin provides a measure of the sum of the Revenue Margin and the full Prime fees generated in the period.