eDreams ODIGEO

Integrated Annual Report **FY 2023**

Letter from the CEO

A. Management Report

B. Non Financial Information

C. Consolidated Financial Statements

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

Letter from the CEO

Rapid growth with increasing profitability

I am delighted that eDreams ODIGEO ("eDO") made further significant progress in FY23. In FY23 we set a record year in many KPIs (Bookings(*), Mobile Bookings(*), Revenue Margin(*), and Cash Revenue Margin(*), to name a few) in our 20 plus year history, we continued rapid sales growth with sharply improved margins (an 8ppt improvement since the start of FY23), resulting in accelerating profitability and we are on target to meet or exceed our self-set targets for FY25.

Prime, with its now proven model, was the catalyst for our growth and driver of our outperformance. During FY23 we grew our membership by 1.7 million subscribers to 4.3 million, growth over the previous year of 64% and over 200% on a compound annual growth basis per year during the past five years. In fact eDO is the fastest members growing subscription programme over the past 5 years. This is despite the pandemic and the other systemic global macroeconomic issues impacting most markets including the travel industry. Bookings(*) increased from 12.5 million to 16.2 million during FY23, an all-time record, testament to eDO's market leading position in flights (outside China) and the strength of its overall proposition to customers

Another year of strong strategic delivery

eDO continues to deliver on its three-year plan. FY23 has been another year in which we have successfully executed the strategic plan and objectives outlined in 2021. We have consistently met or exceeded our self-set targets and have achieved this again in FY23. We have continued to grow the business and outperform the travel market, one of the largest markets in the world and done so in challenging times, a testament to the quality of our unique and compelling offer, our leading position in flights globally (ex-China) and our talented people. In fact, while the European and Global travel markets are still below pre COVID-19 levels, we have been for 7 quarters above pre COVID-19 levels, the only major travel company to achieve this. As a result, our continued progress and success enable the reconfirmation our guidance for FY25 of 7.25 million Prime members(*), around €80 of ARPU Prime(*) (Average Revenue Per User) and €180 million of Cash EBITDA(*).

Prime: continuing its success: near doubling of Prime customers by 2025

eDO invented and developed the inaugural travel subscription service, pioneering the model in a similar way to Netflix in video, Spotify in music or Costco in supermarkets. This has given eDO first mover advantage and the opportunity to capitalise on the huge potential in an enormous, global market.

Our successful subscription model has a loyal and rapidly growing membership base which can exclusively access and purchase unique , award winning travel products such as flights, car hire, hotels and other ancillaries. Prime's success lies not only with the exclusivity of the offer, but is also attributed to constant evolution through product development, expansion into new markets and listening to our customers and delivering to them the products and services they want to buy in a personalised and convenient way.

The relationship created with our customers, delivered through Prime, is transformational for our business and is a far superior proposition to the transactional offer that was previously purveyed.

Prime delivers choice, value and excellence in customer service to those that subscribe. Prime membership offers savings on flights, hotels and car rentals. Prime is constantly evolving - our subscriber's family and friends can now also benefit from the Prime discounts as well even if the member is not with them, making our proposition even more appealing to consumers seeking the best value for money.

(*) See definition and reconciliation of Non GAAP measures in section C4. Alternative Performance Measures.

Large future growth

The travel leisure market has recovered quickly and is growing. FY23 has shown the true power of leisure travel. Whilst FY22 was continually interrupted with borders opening and closing, leisure travellers in FY23 returned to the market and demonstrated their strong desire to travel. Even with the war in Ukraine, high inflation and other macroeconomic concerns, leisure travellers prioritised travel over many other discretionary expenditure items. This is a testament to the power and appeal of travel to leisure travellers and bodes well for the future. In fact travel is a growth market, not just still recovering some of the pre COVID-19 expenditures, but over the past 40 years has continually grown every year except 3.

Besides market growth factors, eDO has many other long-term levers for growth. These are:

1. The underlying global structural shifts of digitalization, convenience and premiumisation. In Europe a large portion of the market continues to be off-line. Every year a portion of this shifts to online, and with the pandemic this has accelerated.
2. The proven desire for global leisure consumer to travel. As mentioned travel grows every year in the past 40 years except for 3 years (excluding the pandemic). Beyond this there still is a portion of the market to still recover in Europe.
3. eDO's ability to increase household penetration in the markets in which it currently operates. Penetration of subscription products in Europe varies by offering, and can be in the 20% to 60% penetration range depending on the product (e.g. video, music, etc). eDO's most tenured market is still having record year of growth.
4. Expansion into new markets. While we are in 44 countries as a transaction based product, our Prime offering is in 10 countries. Every time we go to a new market we expand the Total Addressable Market and thus have even more growth potential.
5. New customer segments. Prime started as a flight only offering. Over time we evolved to a multiple travel product offering (e.g. flights, hotels, cars etc). Many other subscription companies segment their offering, adding additional benefits etc. to address specific segment needs. We have a number of opportunities here.
6. Further evolution of the products and services offered. Our products and services have evolved rapidly over the past 5 years. And we will continue to evolve them much further, to continue to offer superior and differentiated offerings to travellers, all of which can make customers stickier, attract more, and help us enter newer revenue growth markets.

A leader in technology

At the core of eDO has been a 'technology company that focuses on travel' as opposed to the other way around. As such we have innovated in a number of ways, not just in terms of Prime but in how technology can provide a much better and superior offering to customers. At eDO we aim to innovate relentlessly utilising the latest technology including generative AI to deliver our members an outstanding experience through our direct to member platform, generating rich data which provides the Group with detailed customer insight to continually improve and target ever more effectively and scale the business to handle the expected near doubling of Prime customers by 2025 and beyond. We have unique insights that allows us to individualise our offering to our customers, meeting their needs in a highly personalised manner. As a result we continually have extremely high customer satisfaction scores, and large word of mouth referrals to our subscription programme.

Underpinning our proposition and growth, we have invested in technology and talent creating a tech lab in Milan to add to those already in Barcelona, Madrid, Porto, Palma de Mallorca and Alicante to harness and recruit best in class talent. Today, our AI models make on average up to 1.8 billion daily AI predictions and our platform is processing over 100 million daily user searches from our customers, and combining travel options from nearly 700 global airlines. We are a leading technology-based business in Europe and are at the forefront of technological change, including in the field of AI in which we have been investing over the past 10 years and have integrated advanced AI models across our platform such as deep learning and reinforcement learning algorithms similar to those being used in self-driving cars. These AI capabilities allow us to create superior and highly personalised products for our customers. Today, for example, already the majority of our customers book the travel option that our AI engine recommended to them. We have also invested in leveraging the power of generative AI, including Large Language Models (LLMs), before they became more popular over the last months. Given that most subscribers to Prime are logged in, we can do unique things that a transaction business can't do. Thus AI has been a real enabler for us in our performance, and over performance vs the industry.

Outstanding FY23 Results - Delivering on the 3-year plan - Strong profitability improvement

Overall, FY23 has seen consistently improving trends and strong improvements in profitability. eDO performance continues to be materially better than the market, with a higher quality business with the pivot to subscription.

Prime membership in FY23 grew by 64% reaching 4.3 million subscribers. In FY23 we added an additional 1.7 million new Prime members[1] over and above the same period of last year. Despite industry moving to more normalised seasonality patterns, and the conflict in Ukraine, the global increase in inflation, and industry disruptions, in FY23 we achieved record Bookings[1], reaching 16.2 million Bookings, 29% above FY22 and 42% above pre-COVID-19[2].

Revenue Margin[1] and Cash Revenue Margin[1] are at record levels and continue with levels above pre-COVID-19[2] by 1% and 9% respectively in FY23. Cash Marginal Profit[1], stood at €164.7 million, an increase of 53% over FY22 (€107.4 million in FY22), and in 4Q FY23 Cash Marginal Profit Margin[1] increased to 30% from 21% in 1Q FY23, an 9pp improvement.

Cash EBITDA[1] also showed substantial improvements, which resulted in €84.4 million in FY23, up 91% vs the same period last year. In fact margins improved by 8 percentage points between the first and last quarter of FY23.

As the maturity of Prime members[1] increases, margins improve. Cash EBITDA Margin[1] in 4Q FY23 stood at 17% vs 9% in 1Q FY23.

We have managed our liquidity position well, a consequence of our strong business model and active management. We have achieved this despite headwinds and normalisation in the market. In 4Q FY23 (end of March 2023), the liquidity position was strong at €196 million.

(1) See definition and reconciliation of Non GAAP measures in section C4. Alternative Performance Measures.
(2) Last 12 months up to 31st January 2020.

Our outstanding people

Our team has continued to develop; without their dedication and hard work, we would not have delivered these excellent results. In turn, the Group strives to deliver an outstanding working environment for its employees, together with the flexibility and respect which enables everyone to thrive.

The Group's key focus is people development and living eDO's values and the ever-growing team has come together well particularly as we grow and invest in new talent for the next stage of our corporate development. We have a strong culture which develops pride in what we do and respect for others in the business. We aim to provide a great place to work providing outstanding ongoing career development opportunities. In 2022. eDO was named one of the "Best 75 Companies to work for in Spain" by the prestigious Forbes magazine and more than 90% of eDOers recommend eDO as a great place to work.

We are expanding our team to enable the fast growth we envisage and are on plan with this recruitment. Over half of our planned requirement for the next three years' growth have already been hired.

Over the last year the Board has also continued to pursue exemplary standards of corporate governance and we strive to drive the eDO values across the business, particularly the uncompromising approach to keeping the interests of our loyal Prime members firmly at the forefront of everything we do.

Because we care (ESG)

eDO has a focused Environmental, Social, and Governance agenda, with a commitment to responsible management and sustainable practices, relevant to our business and our stakeholders.

As a customer-facing company, it is essential to consider the social and governance impacts of our activities; ensuring our stakeholders data is robustly protected, engaging and retaining our talent, and maintaining high standards of compliance.

We have a firm commitment to positively contribute to the environment even if our core activities have a relatively low environmental impact. We have achieved carbon neutrality for the past four fiscal years, a significant accomplishment, and have made strong progress during FY23 in our transition to a greener supply chain. By leveraging our scale and reach, we have the platform to promote our partners' sustainable content, and the potential to empower customers to make more sustainable choices, and foster deeper connections between diverse cultures across the globe.

We will continue to focus on engaging with eDOers, customers, partners, suppliers, and investors on ESG, to further develop as a diverse, sustainable business, and attractive proposition to work for and partner with.

Overall, our commitment to sustainability and ESG practices is firm, and we will continue to prioritise this in the future.

Primed for further success

The desire to travel is undiminished.

eDO has demonstrated that with Prime and its global leadership in flights ex China it has a unique model which is delivering rapid sales growth together with improving margins and growing profitability and is enabling eDO to deliver outstanding performance and consistently outperform both the industry and its peers, trends which are expected to continue regardless of economic conditions.

Operating in the 2.1 trillion euros travel segment, one of the largest in the world, and with a model matching global structural drivers, eDO is in pole position and primed for further growth and success.

eDO has a clear strategy focused on taking advantage of its global opportunity and has demonstrated it's ability to capture new customers through the Prime programme with 67% of new Prime never having booked with eDO previously since 2019.

Our future growth will be driven by developing and growing our Prime membership base, enhancing the breadth and depth of the offer to customers, further international expansion, continued enhancement of our e-commerce platform, increasing margins and delivering value.

eDO is optimally positioned operationally, well financed and is on track to meet its 2025 targets. We are excited for the year ahead where further strong growth is anticipated in sales and profitability and further progress made towards our FY25 targets, and beyond.

Dana

Dana Dunne
CEO of eDreams ODIGEO

A

Management Report

B

Non Financial Information

C

Consolidated Financial Statements & Notes

A

Management Report

A

Management Report

A.1. A brief look at FY 2023 eDreams ODIGEO KPIs

Global Leader
Travel Subscription

Largest
Player Worldwide
in Flight Revenues, ex China

57%
Mobile Flight Bookings(1)
(From 53%)

4,337K
Prime Members(1)
+64%YoY
(From 2,653K)

€75.1
Prime ARPU (1)
(From €88.0)

44
Markets

20M
Customers

€621.0M
Cash Revenue Margin(1)
(From €423.8M)
Prime Share(2) 46%

€164.7M
Cash Marginal Profit(1)
(From €107.4M)
Prime Share 56%

690
Airlines

+100M
daily user searches

1.8Bn
daily AI(2) predictions

2.1M
Hotels

16.2M
Bookings(1)
(From 12.5M)

€84.4M
Cash EBITDA(1)
(From €44.2M)

€33.0M
Adjusted EBITDA(1)
(From €3.0M)

€(34.7)M
Adj Net Income (1)
(From €(52.3)M)

€(43.3)M
Net Income
(From €(65.9)M)

68%
Diversification Revenue(1)
-6ppt
(From 73% of total)

Information presented based on FY23 vs FY22 year-on-year variations.
(1) See definition and reconciliation of Non GAAP measures in section C4. Alternative Performance Measures. (2) Artificial Intelligence.

A

Management Report

A.2.1. Mission and values

Our Mission

To reinvent the travel experience

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

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

Culture and Values

We are passionate about travel

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

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

A.2.1. Mission and values

Reinventing travel – Our values

We fly high

Aspire to make eDO the most successful online travel one-stop shop

Work with passion for our Company customers and for travel

Innovate with our customer in mind

Look out the window and learn and **improve continuously**

We set the path

Take initiative, be a self-starter, speak up with new ideas

Take tough decisions, **using facts and data** and **get things done**

Iterate fast, **try, fail, learn**

We journey together

Work without boundaries, we achieve more together

Contribute constructively

Contribute to the fun

We explore... grow and discover!

Stay hungry for learning and grow others - **learn and grow others**

We value and deliver results and **recognise each other's contribution** based on merit

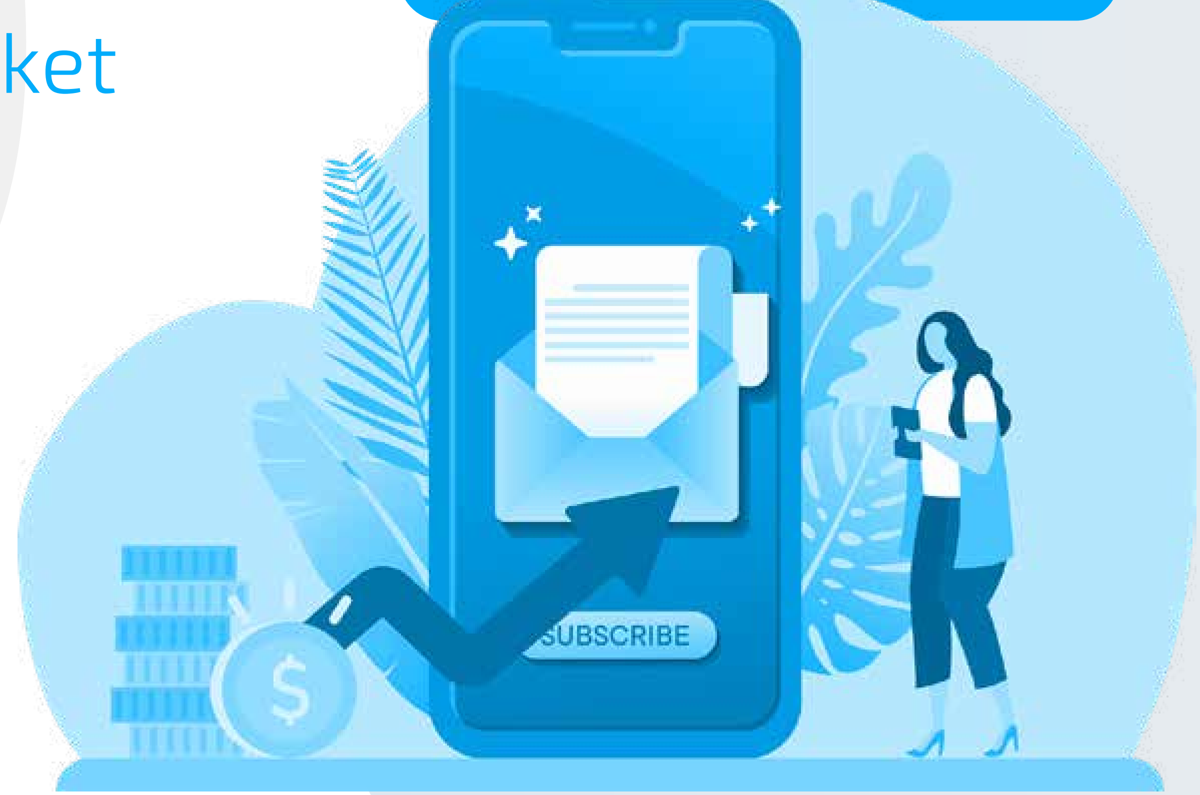
Celebrate and cultivate our diversity

A.2.2. Industry overview

Subscription company that focuses on leisure travel market

eDO benefits from both

Subscription business: a well proven growth model



Leisure travel market: a large, growing and resilient market

A.2.2. Industry overview

Subscription business: a well proven model outside travel

We have seen the travel market continue to improve and recover significantly. Our trading demonstrated our recovery from COVID-19 with best-in-class performance outperforming the market (and its competitors) by a significant margin, which was driven by the increased quality of our business with the pivot to subscription.

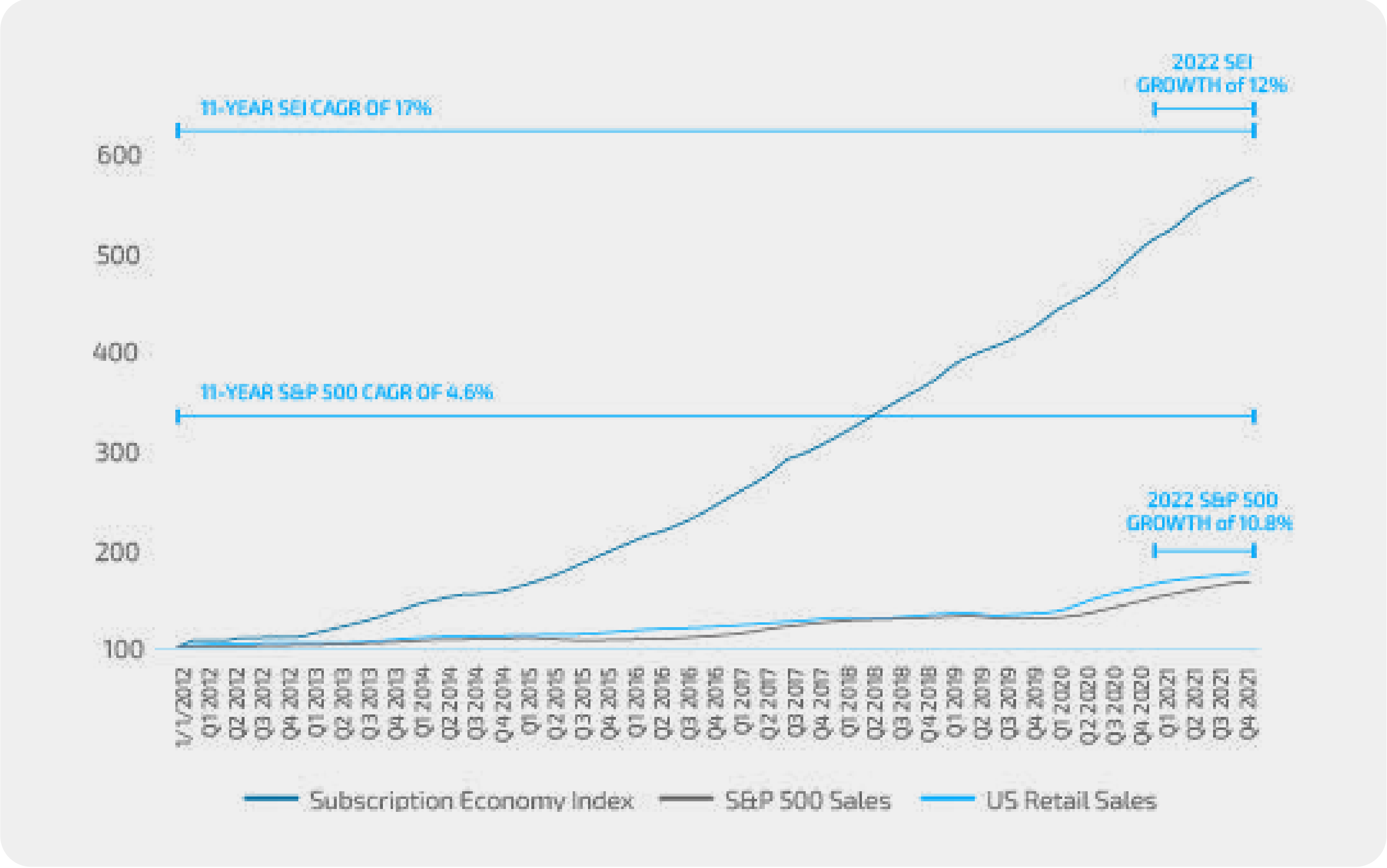
Subscription model is proven to grow much faster than traditional businesses

The subscription business model is already well proven outside travel and grows much faster than the transactional business.

During 2022, the global economy was marked by instability regarding inflation and economic uncertainty due to the invasion of Ukraine. Historically, business models that generate regular revenue have offered stability in these circumstances.

In the last 11 years, the Subscription Economy ® has grown on a CAGR of 17%, that is almost 4x faster than traditional businesses.

Strong growth of the Subscription Economy Index level vs S&P 500 and Retail sales growth



Source: Zoura subscription economy index.

Quarterly levels of the Subscription Economy Index (SEI), in comparison to indices of the S&P 500 Sales per Share and US Retail Sales. All indices take a base value of 100 on 1st January 2012, and grow in proportion to the quarterly increase in the one year trailing total sales that they measure.

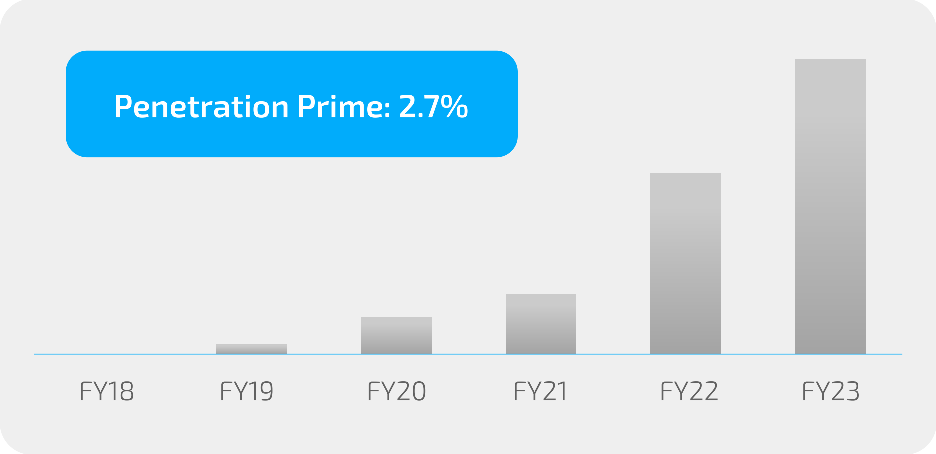
A.2.2. Industry overview

Subscription models prove to show high growth

A feature of subscription companies is that they show high growth and penetration over many years. Companies like Costco have shown over 30 years of growth, Netflix over 20 years, Spotify over 13 years etc. In addition major subscription businesses continued to grow their members in the last 12-24 months even after the strong growth during COVID-19.

Remarkably eDO has the fastest growth among subscription companies (CAGR 220% FY18-FY23), and has lots more growth ahead with just 2.7% household penetration in the Top 6[(1)] markets in which it has launched Prime. Furthermore, if we compare how the growth was on a like for like basis (first to fifth year of the subscription programme), eDO is also the fastest growing. eDO France had a CAGR of 156% while Netflix and Costco, two of the most successful subscription programmes in the US, grew 68% and 8%, respectively, during the same time frame, while it also shows that in terms of penetration we were not too different from companies like Netflix.

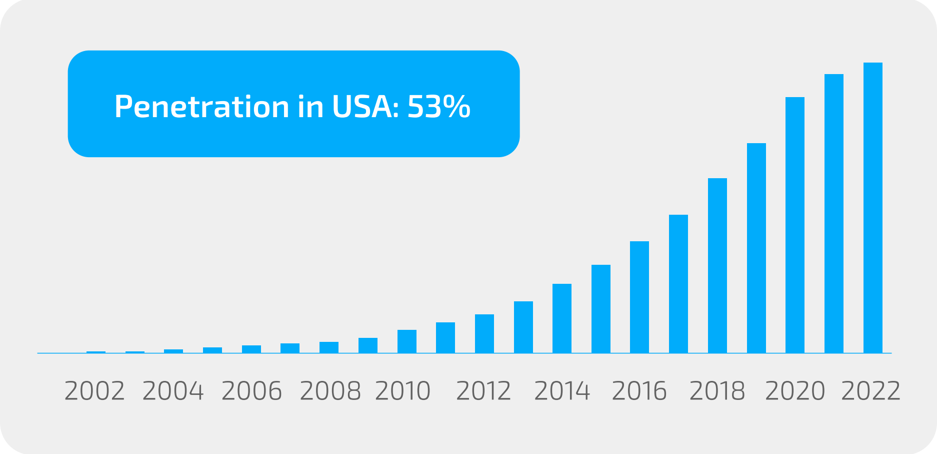
eDO Prime members[(2)]
(in million)



CAGR FY18-FY23: **220%** | L24M Growth: **393%**

eDreamsPrime France
CAGR (1 - 5 Years) **156%** | Penetration (Year 5) **4.6%**

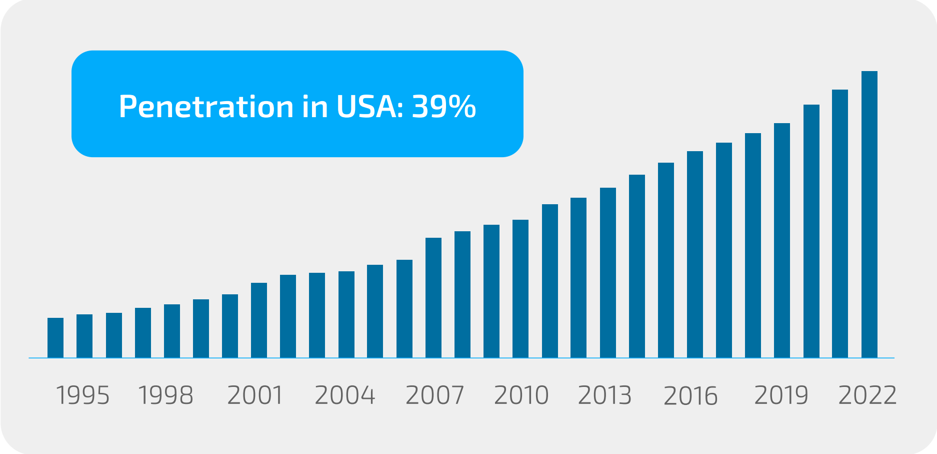
Netflix subscribers
(in million)



CAGR 2001-22: **35%** | L24M Growth: **13%**

NETFLIX (USA)
CAGR (1 - 5 Years) **68%** | Penetration (Year 5) **5.4%**

Costco Paid Members
(in million)



CAGR 1994-22: **7%** | L24M Growth: **13%**

COSTCO WHOLESALE (USA)
CAGR (1 - 5 Years) **8%** | Penetration (Year 5) **12.9%**

(1) Top 6 markets France, Spain, Italy, Germany, UK and Nordics.(2) See definition and reconciliation of Non GAAP measures in section C4. Alternative Performance Measures.

A.2.2. Industry overview

Subscriptions are becoming the world's preferred method of commerce

Despite macroeconomic uncertainties, on average an app user holds memberships of 7.7 subscription services incorporating everything from food delivery to video streaming. Subscriptions are becoming the world's preferred method of commerce because of how effectively these models fulfill customer preferences for more convenient, personalised and cost-effective retail experiences.

The global market for subscription services across all retail sectors is growing rapidly

7.7
average subscriptions per app user (*)

(*) "Online Subscription Survey #2". Deutsche Bank. Survey July 2022.
Sample size: App users below 65. 500 app users per country (Germany, United Kingdom and United States of America).

90% **increased or maintained the number of subscriptions** in the last 12 months.

90% of current travel subscribers would **increase or maintain their travel subscription** in the coming months.

85% **expect to increase or maintain the number of subscriptions** in the next 12 months.

24% who currently **don't subscribe to a travel service or product plan to subscribe** in the short term.

1% across all markets **do not consider themselves to be subscribers** in any form.

Source: Survey commissioned by eDreams ODIGEO in May 2022.
Sample size: 10,000 general customers in 8 global markets (UK, USA, Spain, France, Germany, Italy, Portugal y Sweden).

A.2.2. Industry overview

Leisure travel market: strong despite economic concerns, with good growth prospects

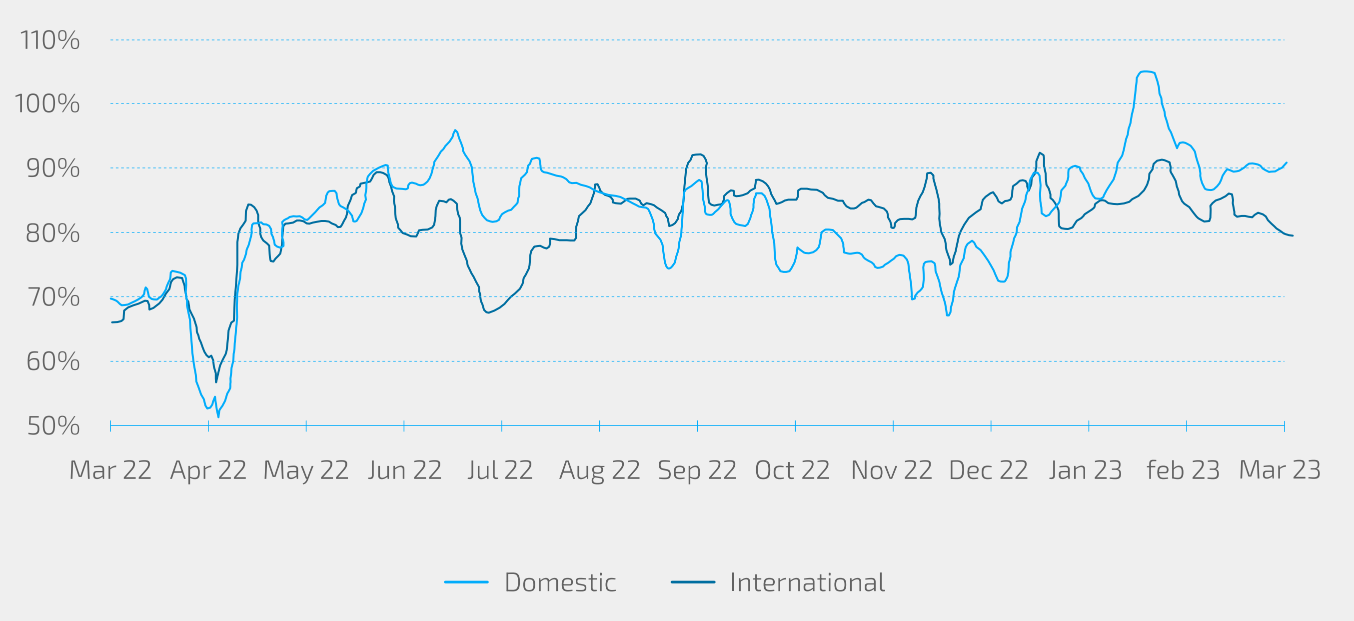
Attractive Industry Outlook

Strength of air industry

The air industry closed 2022 stronger than previous year post COVID-19. Once travel restrictions were lifted people have confirmed the strong desire to travel. According to IATA, this momentum is expected to continue in 2023.

Global demand for air travel remains solid

Passenger ticket sales by purchase date vs 2019

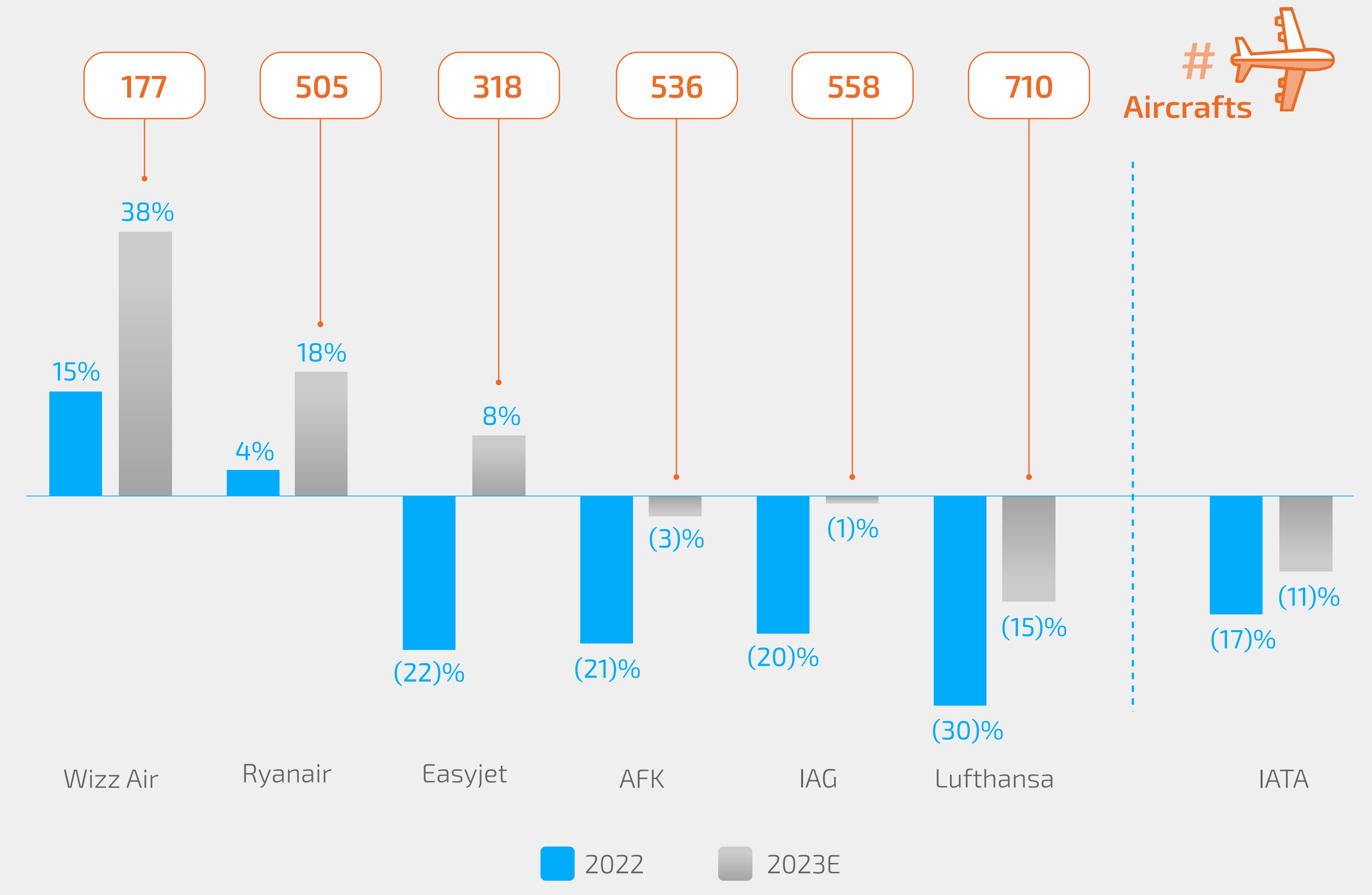


Source: IATA Economics based on data from DDS.

Capacity is expanding

Capacity expansion by major European airlines for 2023 expected to exceed 2019 levels in the case of low cost carriers and regular airlines towards flat.

European airlines capacity 2022 and 2023E vs 2019



Source: 2022 Passengers flown vs. 2019 (airlines websites and IATA). 2023 Cirium, UBS, IATA "Global Outlook for Air Transport" published in December 2022.

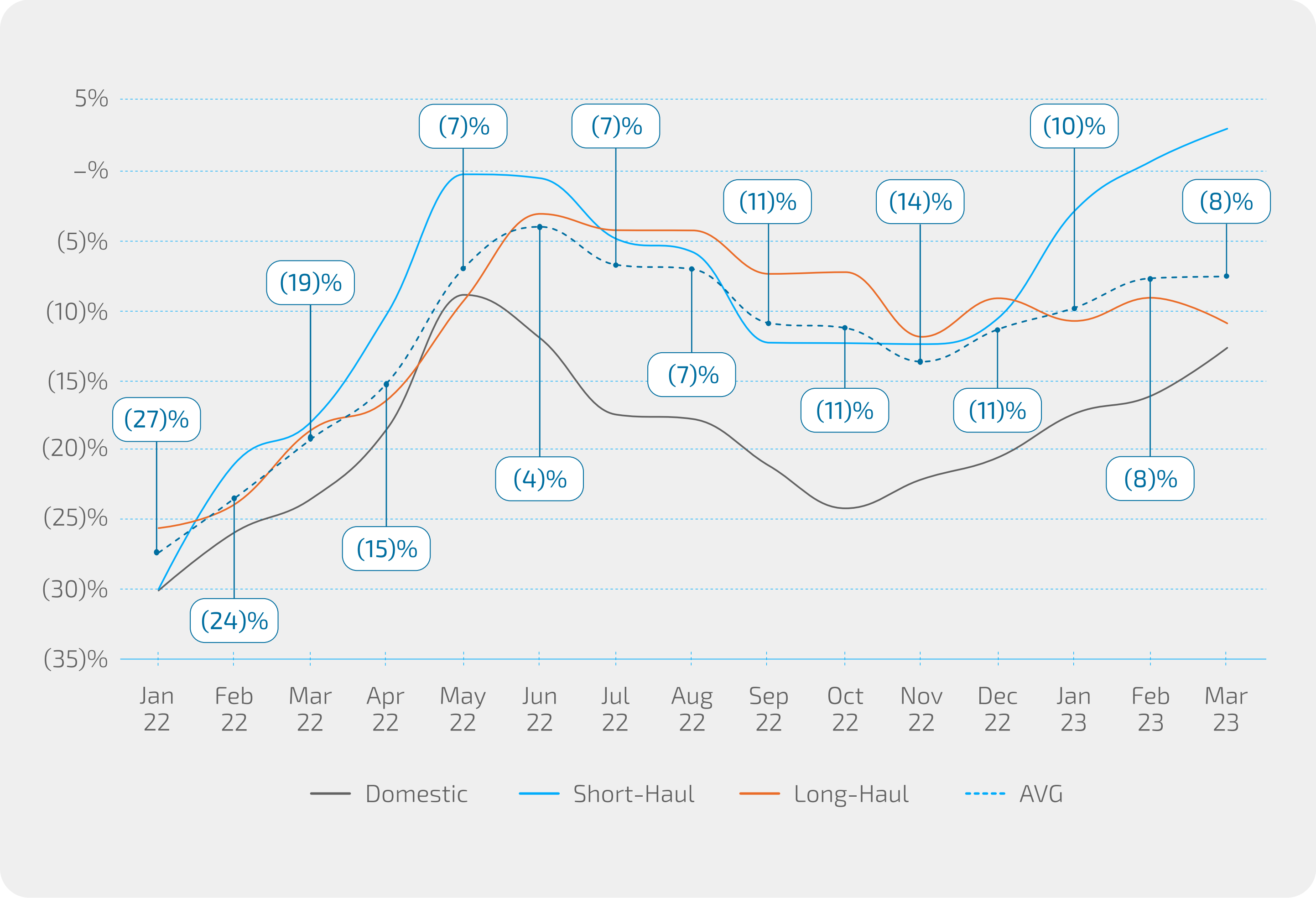
A.2.2. Industry overview

Airfares on average are now returning to pre COVID-19 levels

Despite inflation driven by increased energy crises during 2022, airfares on average were below pre COVID-19 levels during 2022. In the beginning of 2023, they are starting to reach 2019 levels.

Evolution of airfares in Europe

Airfares by haul-type vs Pre COVID-19



Source: Company Data.

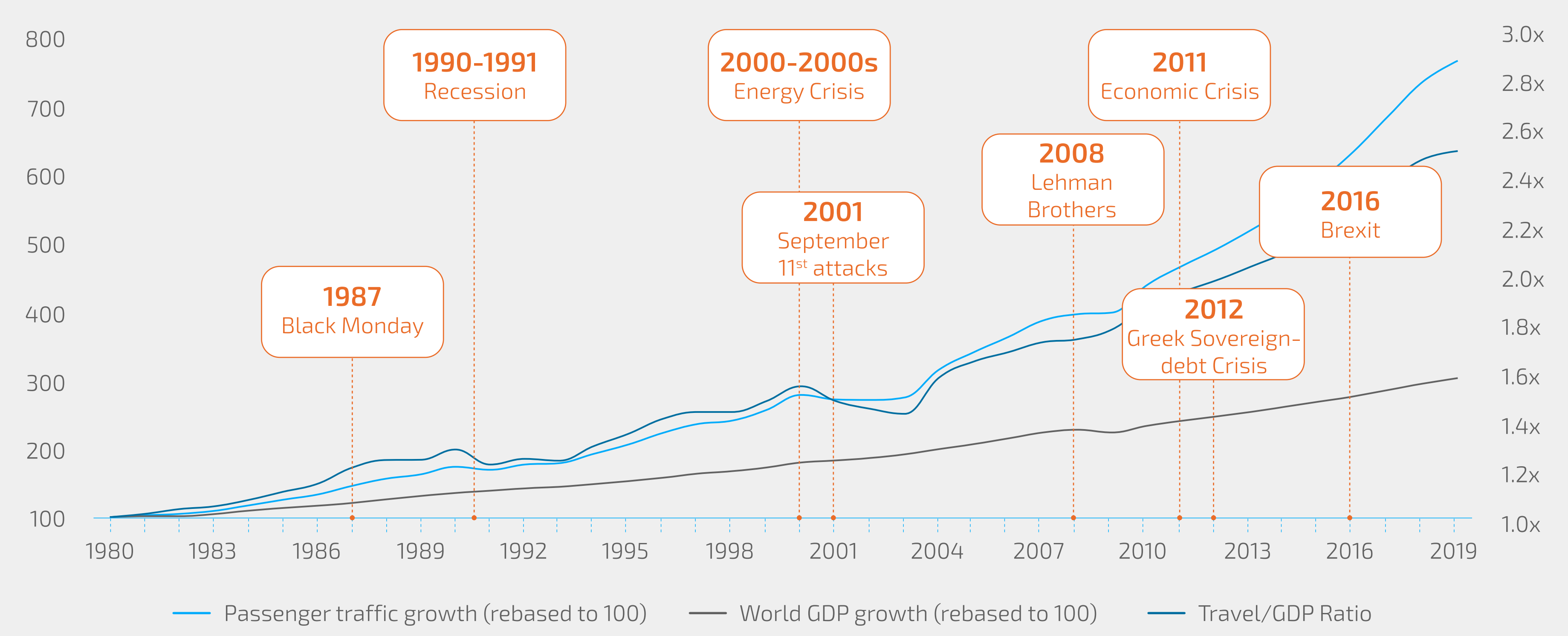
A.2.2. Industry overview

Leisure travel market: a strong and resilient market

Over the past 40 years despite macroeconomic conditions, passenger traffic has mostly increased

As we already highlighted over the past 40 years, even during recessions, energy crises, high inflationary environments etc. passenger traffic has mostly grown. Based on prior market performance there were in fact only 3 years during the period of 1980 to 2019 in which passenger numbers declined, and the largest decline was 2.6% (which occurred in 1991).

Passenger Traffic Growth



Source: IATA Economic Performance December 2017; Economist Intelligence Unit (EIU); The World Bank.

A.2.2. Industry overview

Consumers prioritise travel (experience cannot be replaced by technology) within their overall consumer discretionary spending

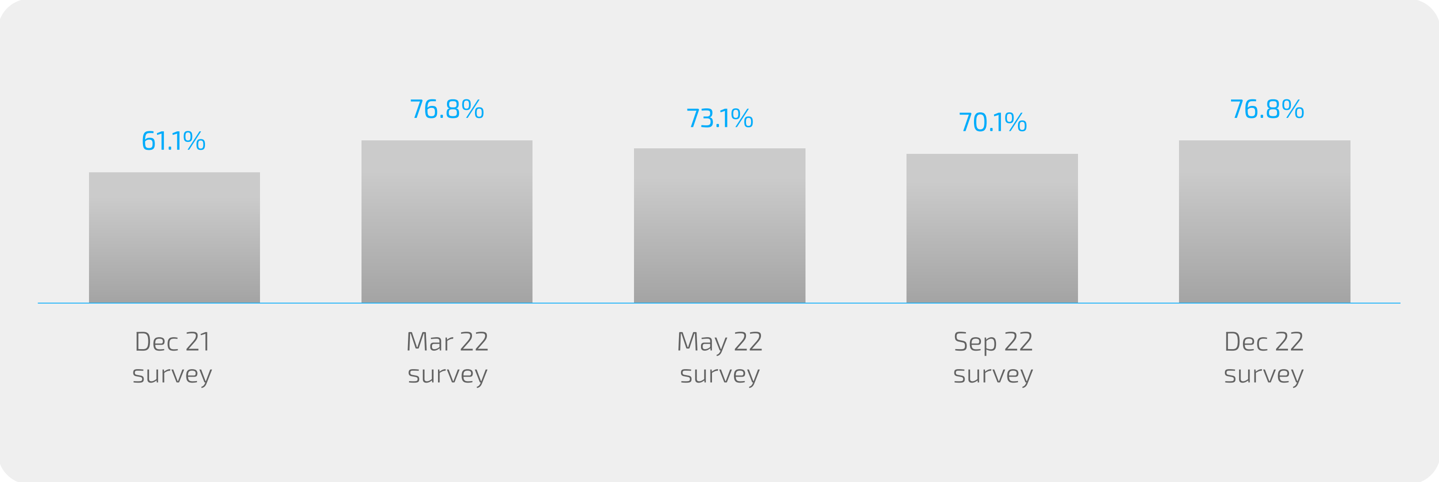
Survey after survey throughout COVID-19 showed that the demand for leisure travel was undimmed. Consumers are prioritising travel over other types of discretionary expenses and are adapting their budget accordingly to travel. This is happening today as it happened in prior recessions as well.

The European Travel Commission originally commissioned research in September 2020 to monitor sentiment and the short-term intentions for domestic and intra-European travel after the COVID-19 crisis. Last report was published in February 2023 with surveys dated December 2022.

> **77% of Europeans plan to travel between January-June 2023, representing a 16% surge over the same period last year. Furthermore, 58% of respondents intend to take multiple trips in the next 6 months**

> **The majority of the 6,000 respondents said that they would be prioritising their discretionary spending in leisure travel and food & home supplies, the two things they can't live without**

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



Source: "Monitoring sentiment for domestic and intra-European travel. Wave 14". European Travel Commission. February 2023.

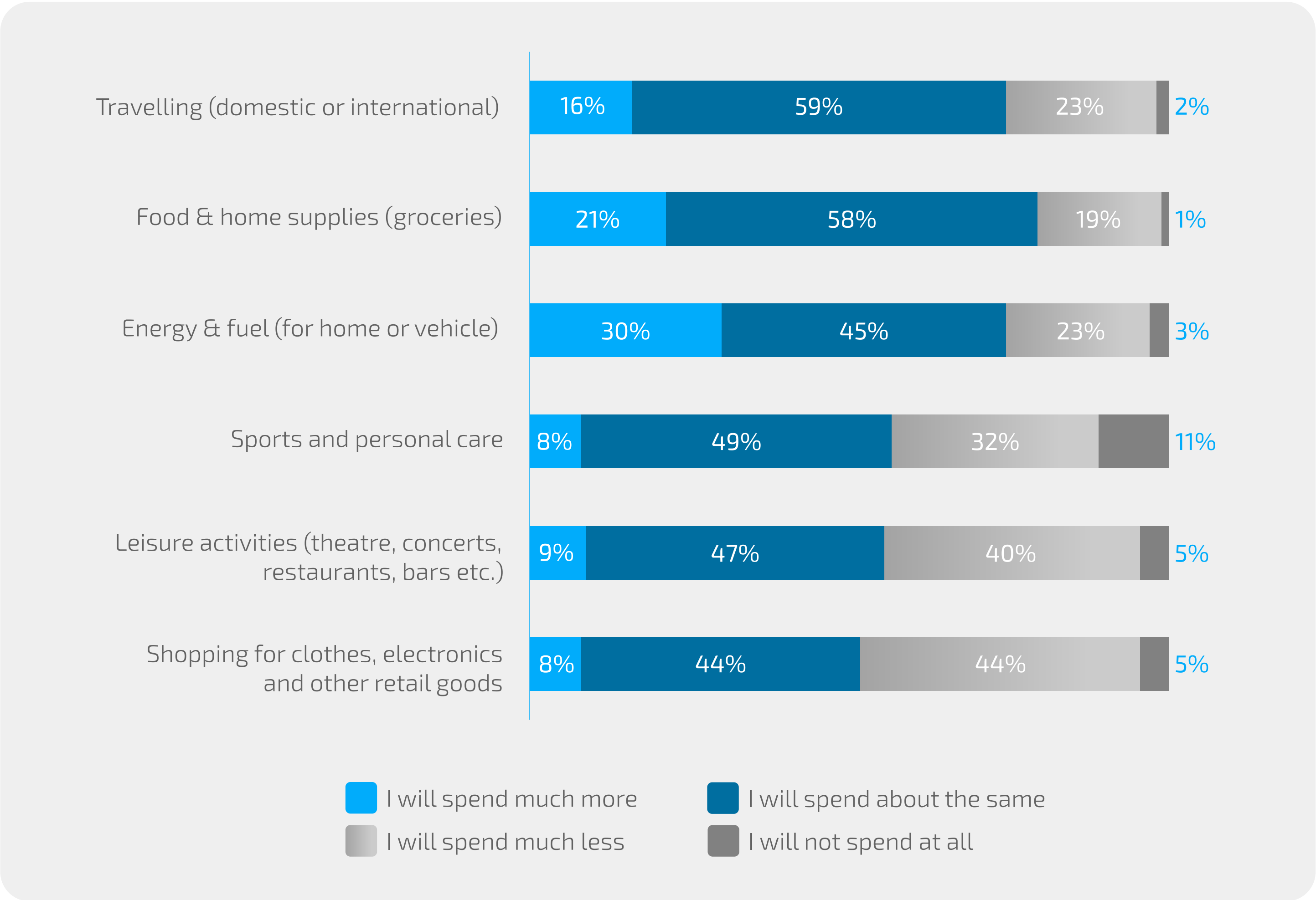
> **While travel desire remains strong, Europeans are adapting their in-destination behaviour due to increased costs: 18% will reduce their shopping activities, 16% will select cheaper accommodation and 15% will be settling for less expensive restaurants/self-catering**

A.2.2. Industry overview

Even as energy costs soared and basic necessities such as food and clothing followed suit, travel continues to be a high priority for Europeans. Notably, travel is the only discretionary expense that people are prepared to maintain (59%) or increase (16%) spending on in today's economic conditions. In fact, 58% of respondents plan to travel at least twice, either domestically or internationally, in the coming months.

> **“75% of Europeans interviewed plan to spend about the same or much more on travel in the the first half of 2023, demonstrating a strong resilience compared to other spending categories”**

Thinking about the next six months, do you foresee any changes in your budget for each of the following categories?



Source: "Monitoring sentiment for domestic and intra-European travel. Wave 14". European Travel Commission. February 2023.

A.2.2. Industry overview

Even within this context of economic uncertainties, leisure travel is going to perform

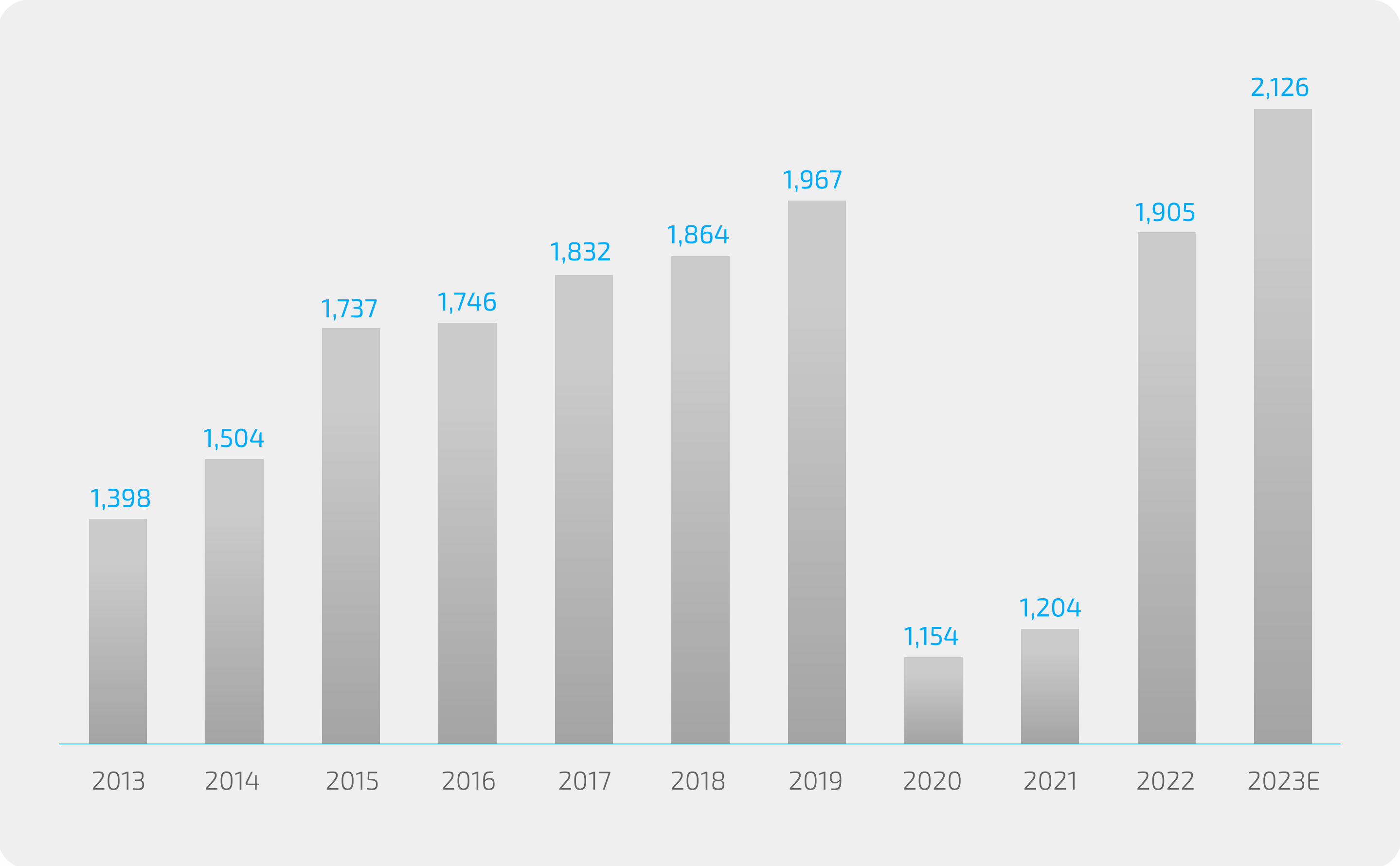
eDO is only in Leisure travel, a market which has proven to be resilient and growing

COVID-19 crisis has once more proven the resilience of leisure travel. The rapid rebound, similar to previous crises, demonstrated that travelling is something unique, providing such memorable experiences that are long lasting, cherished and difficult to replicate.

The number of international tourist arrivals worldwide bounced back in 2022 (and it is expected to grow more in 2023 after the reopening of Chinese borders in early January 2023) after dropping sharply with the onset of the coronavirus (COVID-19) pandemic.

The market size of the global tourism sector grew by roughly 58% in 2022 over the previous year, after dropping dramatically with the onset of the COVID-19. Despite the sharp increase, the market size of tourism worldwide remained below pre-pandemic levels, totalling around 1.9 trillion euros in 2022. As forecast, this figure is expected to rise to nearly 2.1 trillion euros in 2023, surpassing the peak reported in 2019 and it is expected to grow in upcoming years.

Market size of the tourism sector worldwide is growing
(in billion EUR)



Source: Statista. Worldwide; IBISWorld; 2013 to 2022.

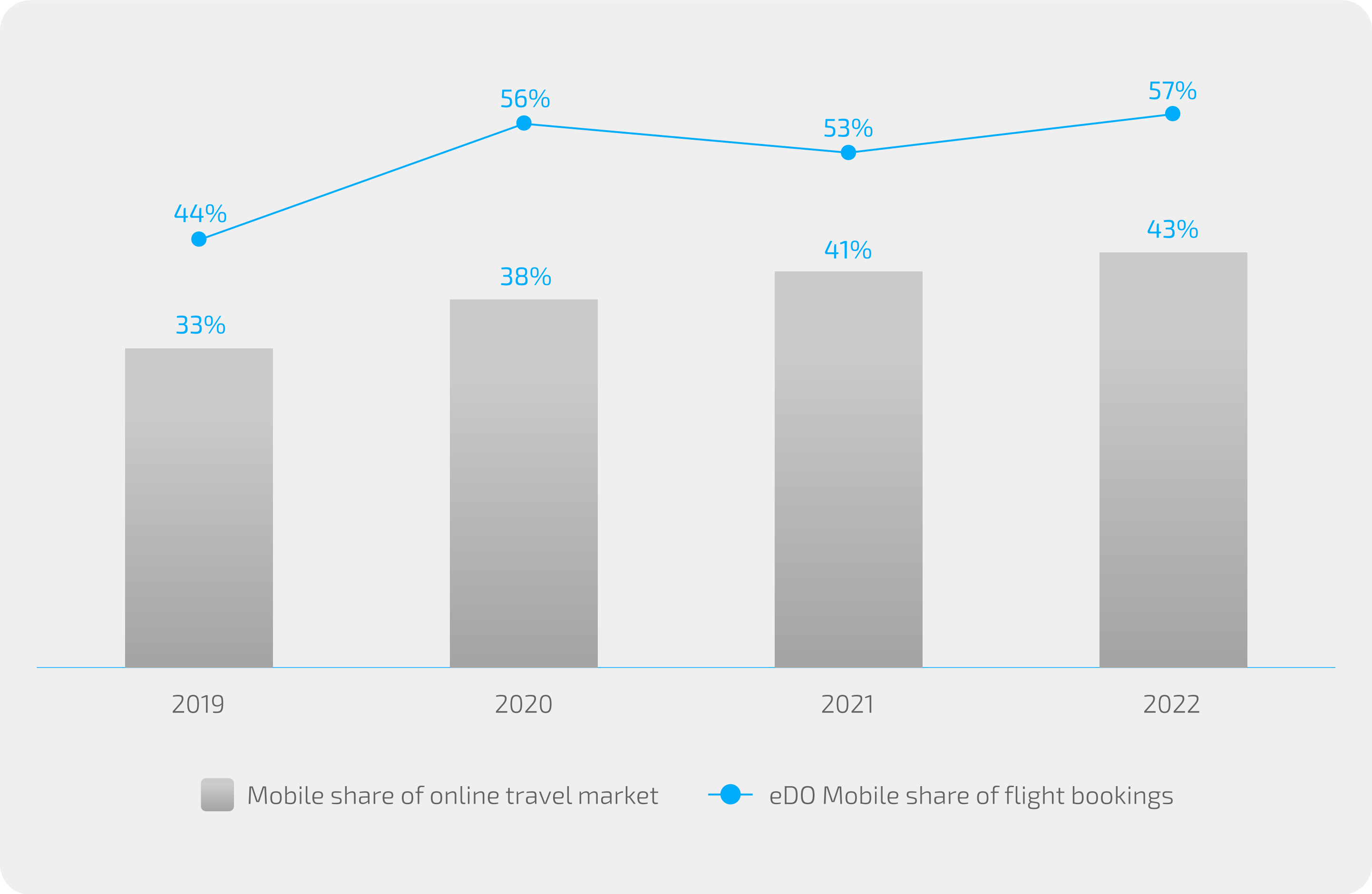
A.2.2. Industry overview

We continue to lead the travel industry in mobile

We continue to lead the travel industry in mobile innovation and have again excelled in mobile, which bodes well for the future.

The shift to online and specifically mobile, accelerated by the pandemic, leaves us in a very strong position to take advantage of future demand.

Share of Mobile Bookings(*)



Source: Phocuswright (Phocal Point) & Company Data. FY 2020, 2021, 2022 and 2023 for eDO. (*) See definition and reconciliation of Non GAAP measures in section C4. Alternative Performance Measures.

A.2.2. Industry overview

eDO is the subscription company in travel of the future

State of the art technological platform, 6-year experience in the most innovative travel subscription programme in the world.

Fastest growing subscription company in the world.

Largest flight retailer ex China. One of the largest e-commerce market is travel with strong prospects.

eDO had the ability to capture new customers through the Prime programme, despite COVID-19 waves and recent political and macro context, and even more so as market really grows.

eDO Superior value proposition drives Bookings(*) above the market.

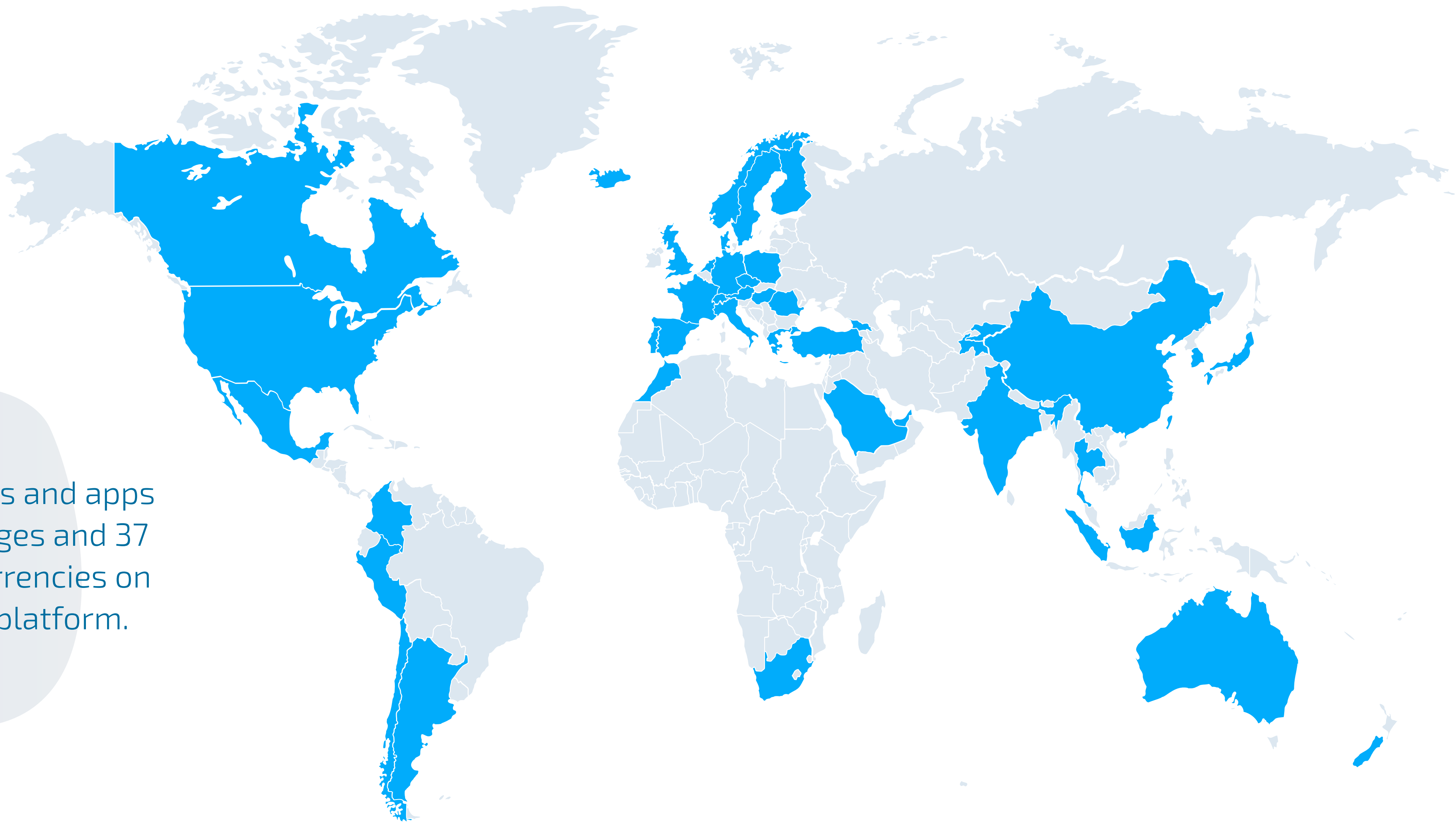
A flexible cost structure (+85% variable costs(*)).

Less dependency than rest of the industry on Search (Google) and therefore potential alternatives to Search that may appear (Generative AI, including in Large Language Models (LLMs)).

(*) See definition and reconciliation of Non GAAP measures in section C4. Alternative Performance Measures.

A.2.3. Geographies and brands

Strong presence in 44 markets, covering 80% of the total travel market



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

We are operating five leading brands

eDreams GOVOYAGES opodo travellink liligo

Strong presence in 44 markets

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

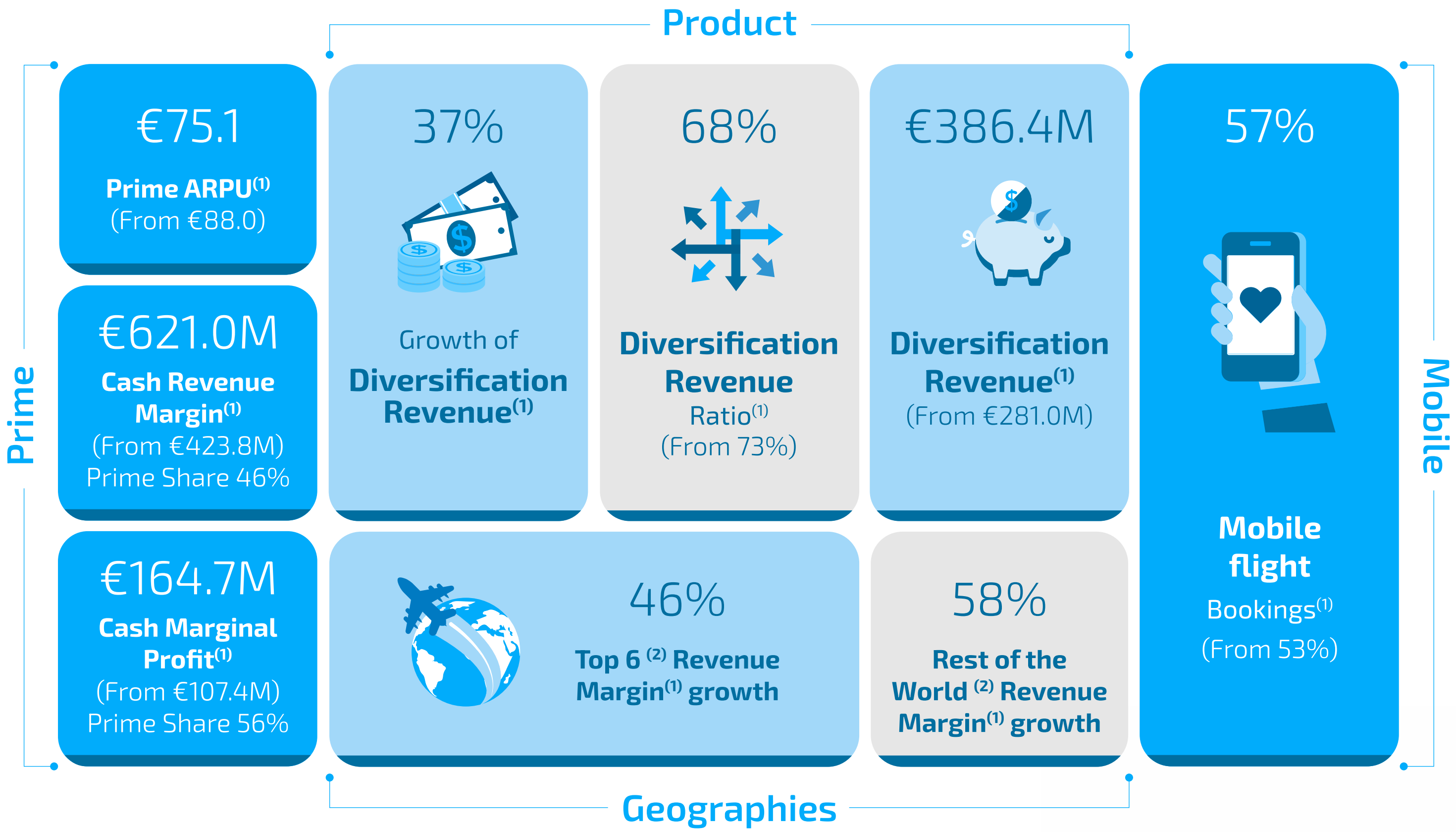
MEA
- Morocco
- South Africa
- Qatar
- Saudi Arabia
- UAE

NORAM
- USA
- Canada

LATAM
- Mexico
- Argentina
- Colombia
- Chile
- Peru

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

A.2.4. Financial performance



Financial Information Summary

	4Q FY23	Var. FY23 vs FY22	4Q FY22	FY23	Var. FY23 vs FY22	FY22
Prime Members ('000) (*)	4,337	64%	2,653	4,337	64%	2,653
Bookings ('000) (*)	4,067	13%	3,602	16,152	29%	12,531
Revenue Margin (in € Million) (*)	150.1	26%	118.9	569.6	49%	382.6
Cash Revenue Margin (in € Million) (*)	161.3	27%	126.8	621.0	47%	423.8
Adjusted EBITDA (in € Million) (*)	15.7	N.A.	2.9	33.0	N.A.	3.0
Cash EBITDA (in € Million) (*)	26.9	148%	10.8	84.4	91%	44.2
Net Income (in € Million)	(9.2)	N.A.	(10.9)	(43.3)	N.A.	(65.9)
Adjusted Net Income (in € Million) (*)	(8.9)	N.A.	(9.8)	(34.7)	N.A.	(52.3)

(*) See definition and reconciliation of Non GAAP measures in section C4. Alternative Performance Measures.

Information presented based on FY23 vs FY22 year-on-year variations.

(1) See definition and reconciliation of Non GAAP measures in section C4. Alternative Performance Measures

(2) Top 6 markets include France, Spain, Italy, Germany, United Kingdom and Nordics.

(3) All markets except Top 6.

A.2.4. Financial performance

eDreams ODIGEO made further significant progress in FY23: continued rapid Revenue Margin(1) growth, sharply improved margins resulting in rising profitability following the pivot to a subscription-based model and we are on track to meet or exceed our self-set targets for FY25.

As guided, the maturity of Prime members(1) is the most important driver for profitability. This has resulted in strong improvements in profitability as we have more and more Prime members(1) renewing their memberships. In 4Q FY23 we have continued to see significant Cash Marginal Profit(1) and Cash EBITDA Margin(1) improvements as maturity of Prime members(1) increases.

The air industry closed 2022 stronger than previous year post COVID-19. Once travel restrictions were lifted people have confirmed the strong desire to travel. According to IATA, it is expected this momentum to continue in 2023. Our trading demonstrated our recovery from COVID-19 with best-in-class performance outperforming the market (and its competitors) by a significant margin, which was driven by the increased quality of our business with the pivot to subscription and consumers' desire to travel. eDreams ODIGEO, with its unique customer proposition and reaching 4.6 million Prime subscribers in May(2), is positioned to take advantage in a post COVID-19 era to attract more customers and capture further market share.

eDO superior value proposition due to Prime has resulted in eDO outperforming the industry peers. Throughout the pandemic, eDreams ODIGEO has consistently outperformed against the airline industry, which highlights the strength and adaptability of its business model, with a business that has increased its quality with the pivot to subscription. In FY23, the Company trading in Europe was on average 58 percentage points ahead regular airlines (IATA) in Europe and 45 percentage points ahead of Low Cost carriers. Despite eDO's superior value proposition leading to outperforming the industry peers, the gap is expected to close due to the reopening of China and corporate travel return, both of which eDreams ODIGEO does not participate.

Despite industry moving to more normalised seasonality patterns, and the conflict in Ukraine, the global increase in inflation, and industry disruptions, in FY23 we achieved strong Bookings(1), the highest ever in the history of the company, reaching 16.2 million Bookings(1), 29% above FY22 and 42% above pre COVID-19(3).

Revenue Margin(1) and Cash Revenue Margin(1) are at record levels and continue above pre COVID-19(3) by 1% and 9% respectively in FY23. Revenue Margin and Cash Revenue Margin(1) in FY23 increased 49% and 47%, respectively, vs the same period last year, due to Bookings(1) being up 29% and increase in Cash Revenue Margin/Booking(1) of 14% driven by the increased quality of our business with the pivot to subscription.

Overall, 4Q FY23 has seen the improving trends we saw in 2Q FY23 and 3Q FY23 as well as significant improvements in profitability as we have more and more Prime members(1) renewing their memberships. In FY23, Marginal Profit(1) and Cash Marginal Profit(1) stood at €113.2 million and €164.7 million, an increase of 71% and 53% the amount in FY22, respectively.

In 4Q FY23 Cash Marginal Profit Margin(1) increased to 30% from 21% in 1Q FY23, a 9ppt improvement. Cash EBITDA(1) also showed substantial improvements, which resulted in €84.4 million in FY23 (€26.9 million in 4Q FY23 alone), up 91% vs the same period last year. As maturity of Prime members(1) increases it is proven the margins improve. Cash EBITDA Margin(1) in 4Q FY23 stood at 17% vs 9% in 1Q FY23. As guided in 1Q FY23, strong growth in year 1 Prime members(1) delayed profitability as profitability improves from year 2 onwards.

Our revenue diversification initiatives continue to develop. Revenue Diversification Ratio(1) remained stable at 68% in FY23, rising 11 percentage points in two years.

(1) See definition and reconciliation of Non GAAP measures in section C4. Alternative Performance Measures.
(2) As of 15th May 2023.
(3) Last 12 months up to 31st January 2020.

A.2.4. Financial performance

Both Prime and eDO continued to outperform. Prime membership grew by 64% year-on year to 4.3 million subscribers. In FY23 we have added an average of 421k net adds[2] of Prime members[1] per quarter. In FY23, as expected, Prime members[1] outgrew Prime Cash Revenues. This resulted in ARPU Prime[1] reduced in line with expectations to €75.1 per member. ARPU in any business is calculated taking the revenue from the subscribers and dividing it by the average number of subscribers in the period. In eDO's business the subscription fees represent the majority of the Cash Revenue Margin, but they are paid by the end of period members as opposed to average of period members. Mathematically, when base of members grows and yearly increases of members are similar, the average and end of period members get closer to each other. This results in a decrease of the ARPU even if the revenues different from subscription fees stay similar on a per subscriber basis. This is the effect we are seeing on our reported ARPU.

eDO continues to significantly outperform the market in FY23. Prime share of Cash Marginal Profit[1] reached 56% in the year. Additionally, mobile bookings also improved and accounted for 57% of our total flight bookings, a record in the history of the company.

Net Income and Adjusted Net Income[1] was a loss of €43.3 million and €34.7 million in FY23 (vs loss of €65.9 million and €52.3 million in FY22), respectively. We believe that Adjusted Net Income[1] better reflects the real ongoing operational performance of the business.

In FY23, despite headwinds and normalisation in the market, we end the year with a positive Cash Flow from Operations of €102.5 million, mainly due to a working capital inflow of €69.4 million. The inflow in FY23 is mainly reflecting strong growth in Prime members[1], the volumes between March 2023 and March 2022 have increased but less than previous year (as FY21 was the main COVID-19 period), as well as the fact that the average basket size has had an increase mainly due to airfare increases in FY23 vs FY22.

Unsurprisingly, leverage ratios have been temporarily impacted from COVID-19. As announced on 19th January 2022, the Company successfully refinanced all its debt with better contractual terms for the debt, including most importantly the maintenance covenant. EBITDA[1] of reference is now Cash EBITDA[1], covenant now springs at 40% vs 30% previously.

Information concerning average payment period of the Spanish companies is provided in Note 26.1, "Information on average payment period to suppliers" of the Notes to the Consolidated Financial Statements for the year ended 31st March 2023.

(1) See definition and reconciliation of Non GAAP measures in section C4. Alternative Performance Measures.

(2) Net Adds: Gross Adds-Churn.

A.2.4. Financial performance

Prime

We are the leader and inventor of a subscription-based model in travel. Prime continues to improve the quality of the business and grows strongly, Cash EBITDA(*) up 91% year-on year, in a market still to fully recover. In May(1) we reached 4.6 million subscribers

Success of Prime clear on our total Bookings(*). Cash Revenue Margin(*) is at record levels 9% above pre COVID-19(2) in FY23. Cash Marginal Profit(*) and Cash EBITDA(*) improved 47% and 93% respectively between 1Q FY23 and 4Q FY23. As a greater percent of Prime members(*) move from year 1 to year 2, our Cash Marginal Profit(*) and Cash EBITDA(*) improve.

Over the past year our subscribers grew by 64% to 4.3 million. In addition, 46% and 56% of our Cash Revenue Margin(*) and Cash Marginal Profit(1) respectively, are now from Prime members(*).

In FY23 the growth in the increase in deferred revenue driven by Prime has accelerated driven by strong growth in Prime members(*) (1.7 million more new members than in the same period last year), amounting to €51.4 million (up 25% year-on-year).

As guided, the maturity of Prime members(*) is the most important driver for profitability, this has resulted in strong improvements in profitability as we have more Prime members(*) renewing their membership.

Cash Marginal Profit Margin(*) increased to 30% for 4Q FY23 from 21% in 1Q FY23, 9ppt improvement. Cash EBITDA Margin(*) in 4Q FY23, also achieved very substantial improvements and stood at 17% vs 9% in 1Q FY23.

Cash EBITDA(*) stood at €84.4 million in FY23, up 91% year-on-year with strong Cash EBITDA(*) in 4Q FY23. In the 4Q FY23 alone totalled €26.9 million, a 17% increase vs 3Q FY23, and 93% increase vs 1Q FY23 which amounted €23.0 million and €14.0 million respectively as profitability of Prime members(*) improves from second year onwards.

P&L with increase in Prime Deferred Revenue

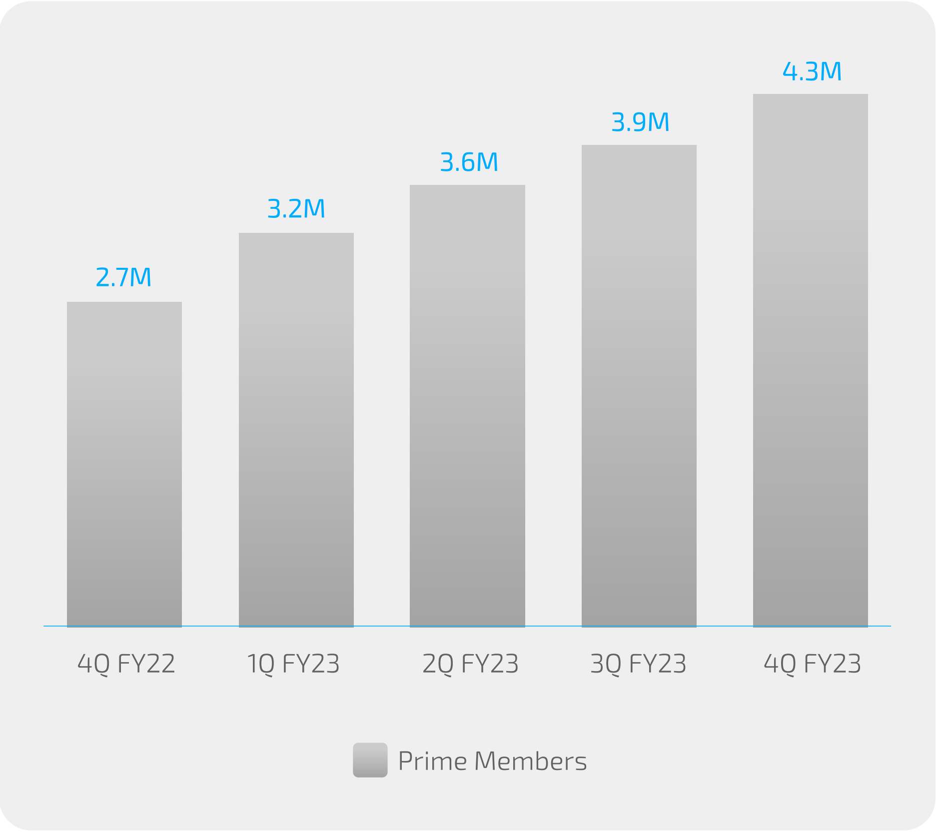
(in € million)	4Q FY23	4Q FY22	Var. %	FY23	FY22	Var. %
Revenue Margin (*)	150.1	118.9	26%	569.6	382.6	49%
Increases Prime Deferred Revenue	11.2	7.9	41%	51.4	41.2	25%
Cash Revenue Margin (*)	161.3	126.8	27%	621.0	423.8	47%
Variable cost (*)	(112.1)	(99.5)	13%	(456.4)	(316.3)	44%
Cash Marginal Profit (*)	49.2	27.2	80%	164.7	107.4	53%
Fixed cost (*)	(22.2)	(16.4)	36%	(80.3)	(63.3)	27%
Cash EBITDA (*)	26.9	10.8	148%	84.4	44.2	91%
Increases Prime Deferred Revenue	(11.2)	(7.9)	41%	(51.4)	(41.2)	25%
Adjusted EBITDA (*)	15.7	2.9	439%	33.0	3.0	1015%
Adjusted items (*)	1.1	(3.2)	N.A.	(8.8)	(10.9)	(20)%
EBITDA (*)	16.8	(0.2)	N.A.	24.2	(8.0)	N.A.

(*) See definition and reconciliation of Non GAAP measures in section C4. Alternative Performance Measures.

(1) eDO Prime members until the 15th of May 2023.

(2) Last 12 months up to 31st January 2020.

Evolution of Prime Members(*)



Source: Company Data.

A.2.4. Financial performance

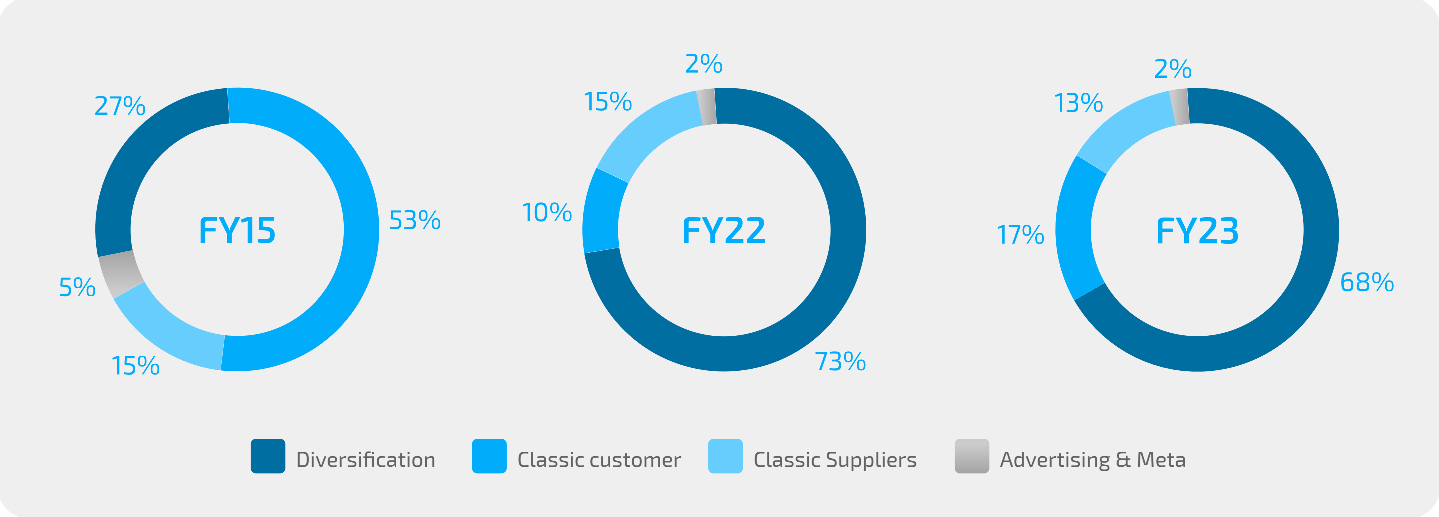
Product

Classic Customer outgrowing Diversification revenue, which continues to grow, due to the strong growth in subscription fees from new members

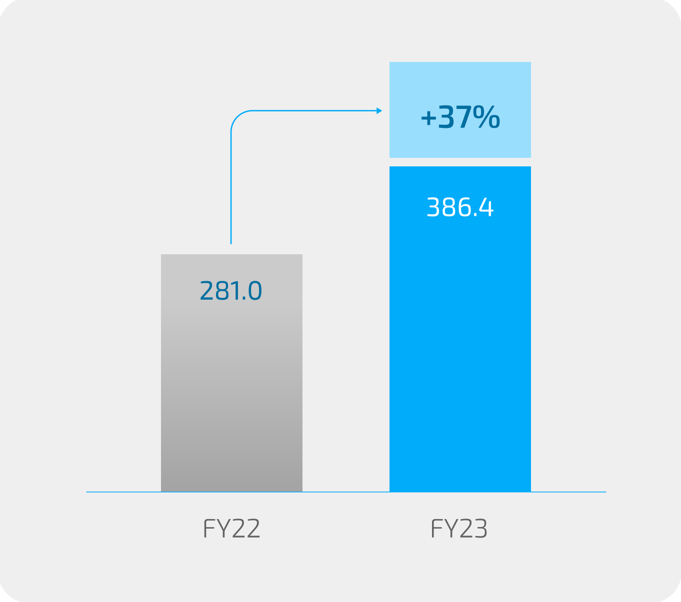
Revenue Margin(*)

(In € million)	4Q FY23	Var. FY23 vs FY22	4Q FY22	FY23	Var. FY23 vs FY22	FY22
Diversification	101.6	13%	90.2	386.4	37%	281.0
Classic Customer	25.3	161%	9.7	97.5	158%	37.8
Classic Supplier	20.1	21%	16.6	74.0	33%	55.8
Advertising & Meta	3.2	34%	2.4	11.8	49%	8.0
Total	**150.1**	**26%**	**118.9**	**569.6**	**49%**	**382.6**

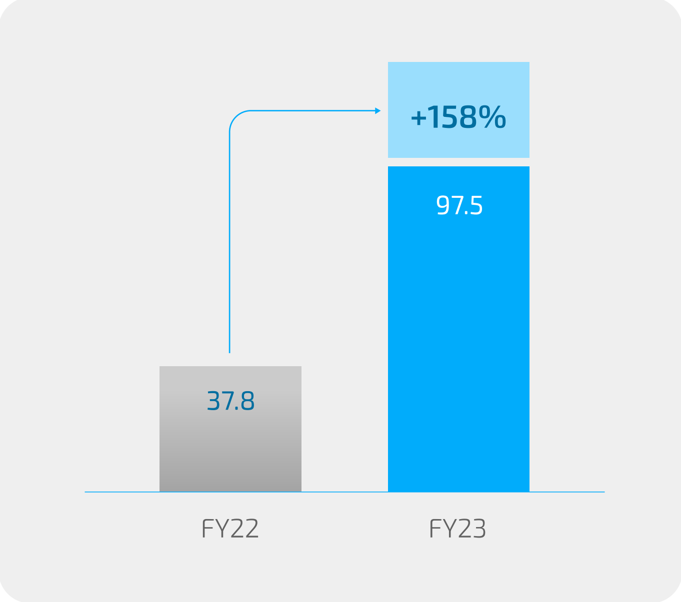
(*) See definition and reconciliation of Non GAAP measures in section C4. Alternative Performance Measures.



Diversification
(In € million)



Classic customer
(In € million)



A.2.4. Financial performance

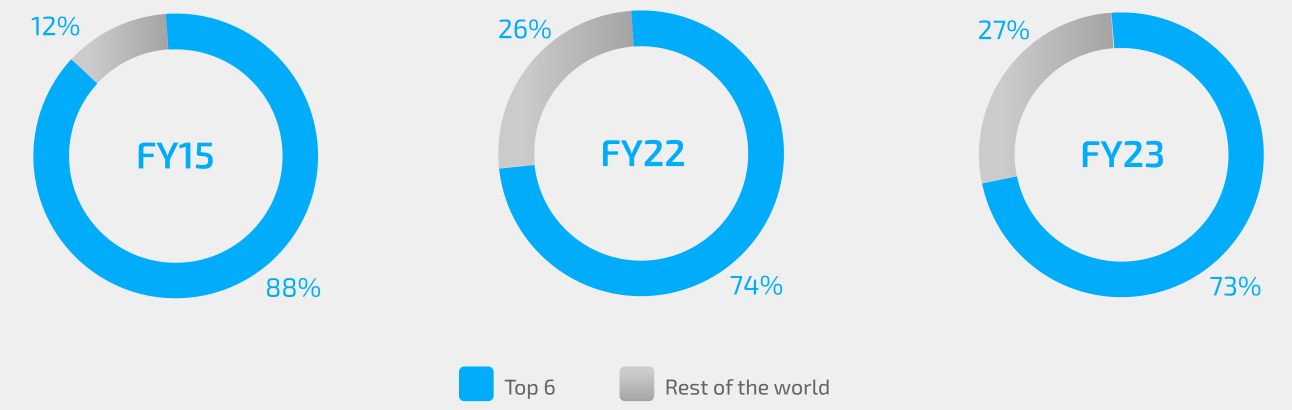
Geography

Rest of the World grows more than our Top 6 due to the success of Prime international expansion

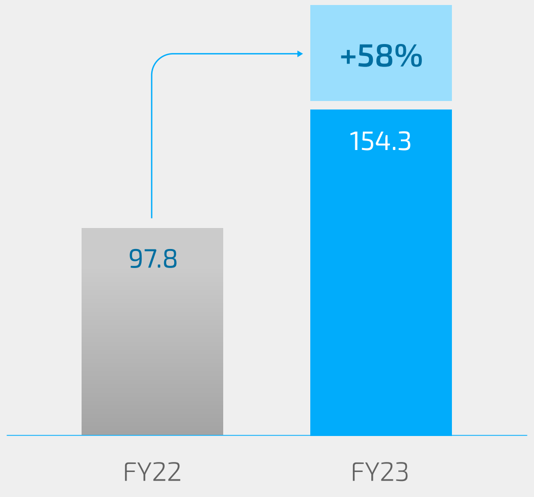
Revenue Margin(*)

(In € million)	4Q FY23	Var. FY23 vs FY22	4Q FY22	FY23	Var. FY23 vs FY22	FY22
France	40.0	24%	32.3	147.9	32%	111.8
Southern Europe (Spain + Italy)	26.1	42%	18.4	104.0	57%	66.0
Northern Europe (Germany, Nordics & UK)	45.4	26%	36.0	163.3	53%	106.9
Total Top 6 Markets	**111.6**	**29%**	**86.6**	**415.3**	**46%**	**284.8**
Rest of the World	**38.5**	**20%**	**32.2**	**154.3**	**58%**	**97.8**
Total	**150.1**	**26%**	**118.9**	**569.6**	**49%**	**382.6**

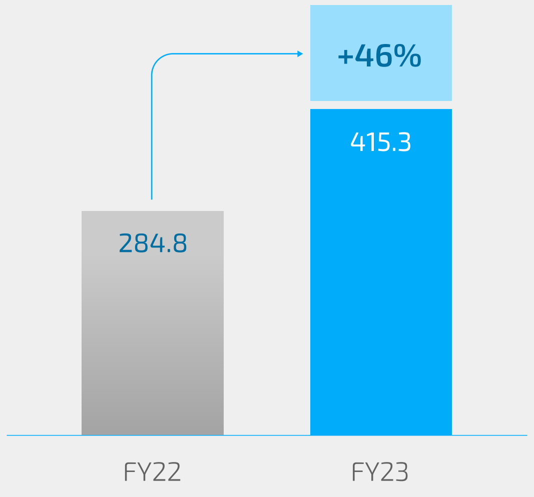
(*) See definition and reconciliation of Non GAAP measures in section C4. Alternative Performance Measures.



Rest of the World
(In € million)



Top 6
(In € million)

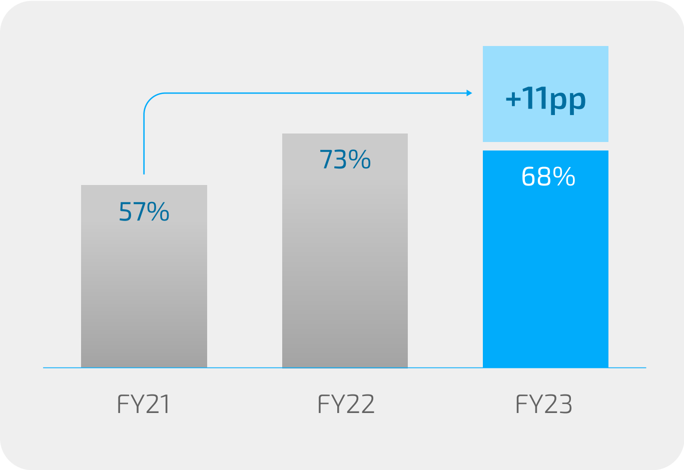


A.2.4. Financial performance

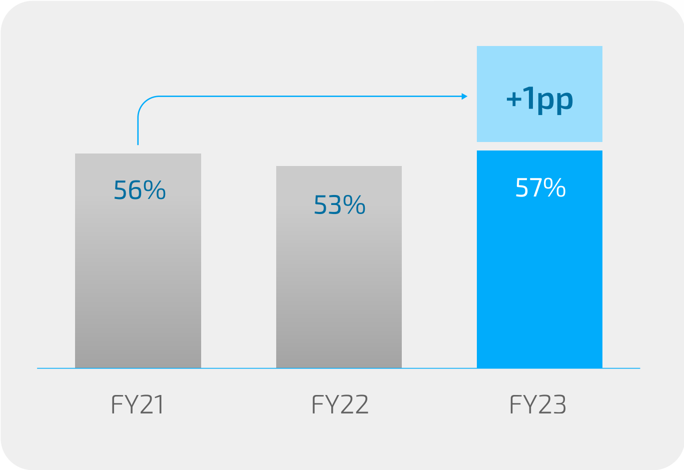
KPIs

Continued strategic progress as evidenced by our KPIs

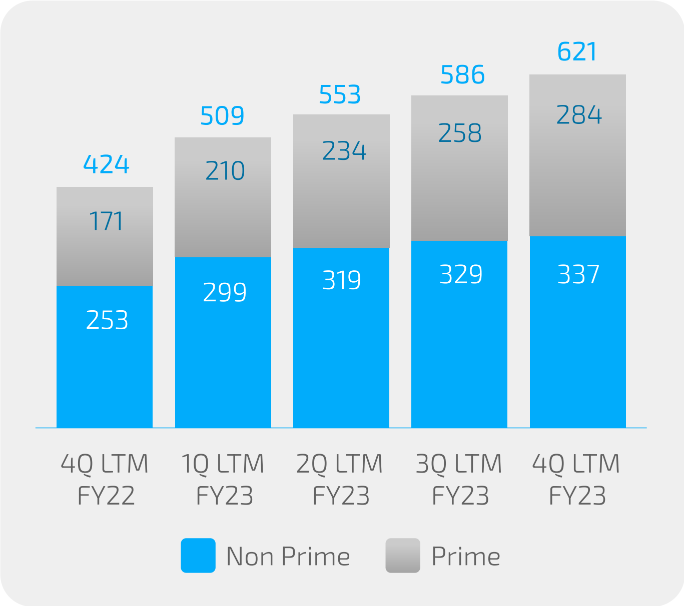
Revenue diversification ratio [1] [2]



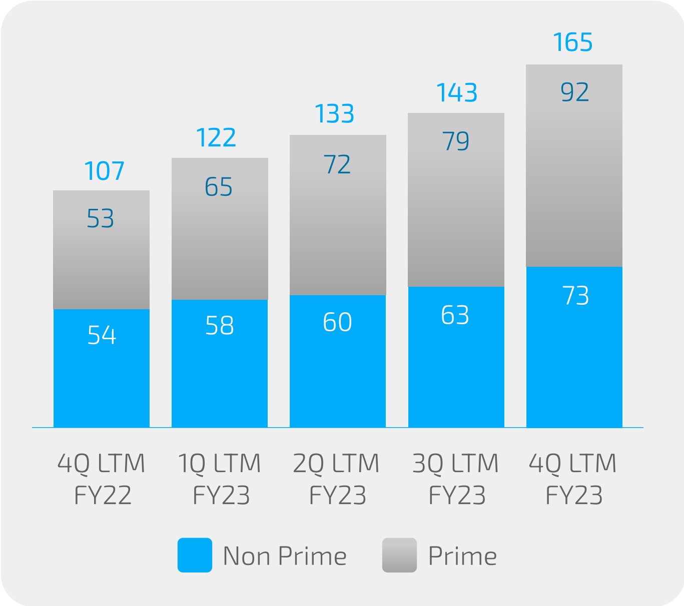
Mobile bookings [1] [2] [3]



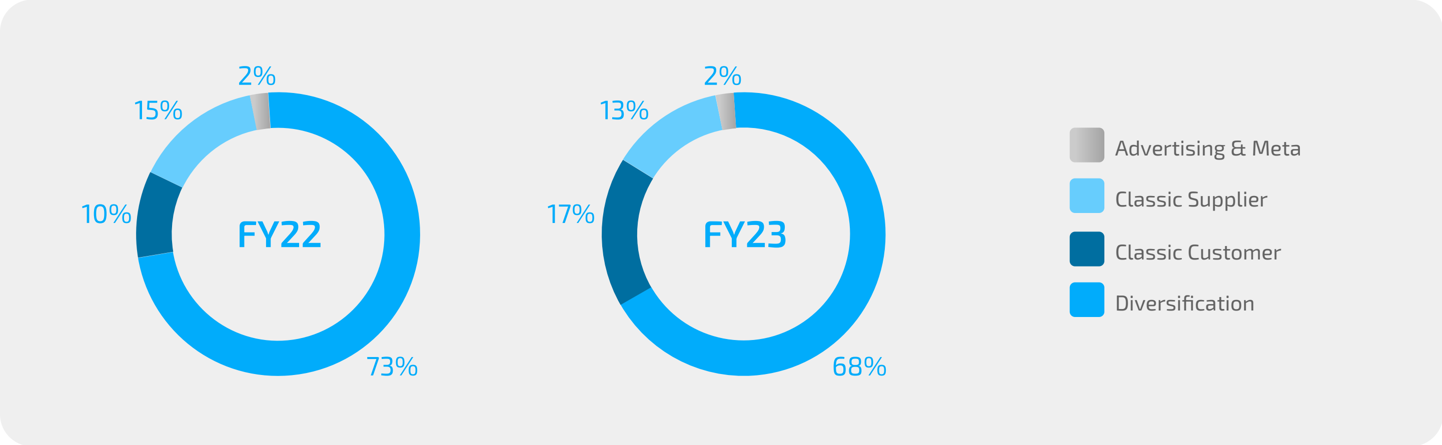
Evolution of Cash Revenue Margin [1] [2]
(in million euros)



Evolution of Cash Marginal Profit [1] [2]
(in million euros)



Revenue evolution [1] [2]



(1) Definitions non-GAAP measures can be found in C4. Alternative Performance Measures.
(2) Ratios are calculated on last twelve month basis.
(3) Share of flight bookings.

A.2.4. Financial performance

Income statement

(in € million)	4Q FY23	Var. FY23 vs FY22	4Q FY22	FY23	Var. FY23 vs FY22	FY22
Revenue Margin (*)	**150.1**	**26%**	**118.9**	**569.6**	**49%**	**382.6**
Variable costs (*)	(112.1)	13%	(99.5)	(456.4)	44%	(316.3)
Fixed costs (*)	(22.2)	36%	(16.4)	(80.3)	27%	(63.3)
Adjusted EBITDA (*)	**15.7**	**439%**	**2.9**	**33.0**	**1015%**	**3.0**
Adjusted items (*)	1.1	N.A.	(3.2)	(8.8)	(20)%	(10.9)
EBITDA (*)	**16.8**	**N.A.**	**(0.2)**	**24.2**	**N.A.**	**(8.0)**
D&A incl. Impairment	(8.4)	N.A.	2.8	(34.0)	48%	(22.9)
EBIT (*)	**8.4**	**227%**	**2.6**	**(9.8)**	**N.A.**	**(30.9)**
Financial result	(7.1)	(55)%	(15.8)	(27.2)	(31)%	(39.3)
Income tax	(10.6)	N.A.	2.3	(6.4)	N.A.	4.3
Net income	**(9.2)**	**N.A.**	**(10.9)**	**(43.3)**	**N.A.**	**(65.9)**
Adjusted net income (*)	**(8.9)**	**N.A.**	**(9.8)**	**(34.7)**	**N.A.**	**(52.3)**

Source consolidated financial statements audited.

Highlights FY23

- **Revenue Margin**(*) increased by 49% to €569.6 million, due to the 29% increase in Bookings(*) and 16% increase in Revenue Margin per Booking(*), from €30.5 per Booking in FY22, to €35.3 per Booking in FY23 mainly driven by increase in classic customer and diversification revenue.
- **Variable costs**(*) increased by 44% due to both the increase in Bookings(*) and increase of Variable costs per Booking(*) of 12%, from €25.2 in FY22, to €28.3 in FY23, mainly driven by higher acquisition costs (as part of the investment to acquire Prime members(*)) and merchant costs (associated to higher gross sales and international expansion).
- **Fixed costs**(*) increased by €17.0 million, mainly driven by higher personnel costs and external fees, both related to the recruitment of new employees and in-line with our strategy to add 500 new employees by March 2025 and IT Costs partially offset by the capitalisation of IT costs and €1.1 million positive impact of FX.
- **Adjusted EBITDA**(*) was €33.0 million (€84.4 million including the full contribution of Prime) from €3.0 million in FY22.
- **Adjusted items**(*) decreased by €2.2 million primarily due to the decrease of Waylo earn-out modification of €3.9 million , offset by the increase in the Long Term Incentive expenses of €0.7 million in FY23.
- **D&A and impairment** increased by €11.1 million mainly due to the impairment reversal income on brands booked in FY22 for €10.8 million and the impairment loss on brands booked in FY23 for €0.2 million.
- **EBITDA**(*) increased by €32.2 million from a loss of €8.0 million in FY22 to a gain of €24.2 million in FY23.
- **Financial loss** decreased by €12.1 million, mainly due to the impact of the interest expense on the 2027 Notes compared with the interest expense on the 2023 Notes as 2027 Notes has €50.0 million lower principal. Also is related to the decrease in the expenses associated with the early redemption of the 2023 Notes for €5.4 million, and the decrease in the amortisation of financing fees capitalised on debt for €2.6 million.
- The **income tax expense** increased by €10.6 million from an income of €4.3 million in FY22 to an expense of €6.4 million in FY23 due to (a) write-off of deferred tax assets related to tax losses and excess interest expenses carried forward (€11.2 million lower income tax expense), (b) no correction of the deferred tax liability relating to the increase of the UK tax rate (€6.4 million lower income tax expense), (c) recognition of a lower deferred tax asset due to lower Spanish tax losses (€3.0 million higher income tax expense), (d) recognition of an US deferred tax liability related to certain brands (€2.2 million higher income tax expense), (e) lower release of a provision for tax risks (€0.8 million higher income tax expense), (f) recognition of a UK deferred tax asset related to tax losses carried forward (€1.8 million lower income tax expense) and (g) other differences (€0.8 million higher income tax expense).
- **Net income** totalled a loss of €43.3 million, which compares with a loss of €65.9 million in FY22, as a result of all of the explained evolution of revenue and costs.
- **Adjusted Net Income**(*) stood at a loss of €34.7 million. We believe that Adjusted Net Income better reflects the real ongoing operational performance of the business.

(*) See definition and reconciliation of Non GAAP measures in section C4. Alternative Performance Measures.

A.2.4. Financial performance

Balance sheet

(in € million)	31st March 2023	31st March 2022
Total fixed assets	**955.4**	**948.2**
Total working capital	**(341.8)**	**(275.9)**
Deferred tax	**(9.1)**	**(5.9)**
Provisions	**(16.0)**	**(14.8)**
Other non current assets / (liabilities)	**—**	**—**
Financial debt	(388.3)	(425.0)
Cash and cash equivalents	35.9	45.9
Net financial debt (*)	**(352.3)**	**(379.1)**
Net assets	**236.3**	**272.5**

Source consolidated financial statements audited.

Highlights FY23

Compared to prior year, the main changes relate to:

- Total **fixed assets** increased mainly as a result of the acquisitions of assets for €29.3 million, offset mainly by the depreciation and amortisation booked in the last twelve months for €20.8 million.
- **Provisions** increased by €1.2 million mainly due to the increase in operational provisions for €6.1 million related to the increase in Bookings, offset by the decrease in Waylo earn-out modification of €3.5 million.
- The net **deferred tax** liability increased by €3.2 million from €5.9 million in FY22 to €9.1 million at the end of FY23 due to (a) net write-off and non-recognition of a deferred tax asset for Spanish tax losses (€5.6 million higher deferred tax liability), (b) advance payment of Italian withholding tax in connection with a court appeal (€1.9 million lower deferred tax liability) and (c) other differences (€0.5 million lower deferred tax liability).
- Negative **working capital** increased mainly reflecting strong growth in Prime members(*), the volumes between March 2023 and March 2022 have increased but less than previous year (as FY21 was the main COVID-19 period), as well as the fact that the average basket size has had an increase mainly due to airfare increases in FY23 vs FY22.
- **Net financial debt**(*) decreased mainly due to the decrease in the utilisation of the SSRCF for €30.0 million, the reduction in the Government sponsored loan for €3.8 million with the payments done in July 2022 and January 2023 and the decrease by €6.0 million in SSRCF bank facilities and bank overdraft and the increase in cash and cash equivalents generated from our operations.

(*) See definition and reconciliation of Non GAAP measures in section C4. Alternative Performance Measures.

A.2.4. Financial performance

Cash flow

(in € million)	4Q FY23	4Q FY22	FY23	FY22
Adjusted EBITDA (*)	**15.7**	**2.9**	**33.0**	**3.0**
Adjusted items	1.1	(3.2)	(8.8)	(10.9)
Non cash items	(4.3)	1.8	10.6	10.3
Change in working capital	57.8	76.1	69.4	115.0
Income tax (paid) / collected	0.4	(0.1)	(1.7)	1.8
Cash flow from operating activities	**70.6**	**77.6**	**102.5**	**119.1**
Cash flow from investing activities	**(11.2)**	**(9.0)**	**(38.1)**	**(26.9)**
Cash flow before financing	**59.5**	**68.5**	**64.4**	**92.2**
Acquisition of treasury shares	—	—	—	—
Issue of shares	—	70.9	(3.7)	70.9
Other debt issuance / (repayment)	(23.4)	(79.4)	(39.5)	(80.7)
Financial expenses (net)	(11.3)	(26.4)	(24.5)	(41.2)
Cash flow from financing	**(34.7)**	**(35.0)**	**(67.7)**	**(50.9)**
Net increase / (decrease) in cash and cash equivalents before bank overdrafts	**24.8**	**33.6**	**(3.4)**	**41.3**
Bank overdrafts usage / (repayment)	(28.8)	(10.7)	(6.0)	(6.7)
Net increase / (decrease) in cash and cash equivalents net of bank overdrafts	**(4.0)**	**22.8**	**(9.4)**	**34.6**

Source consolidated financial statements audited.

(*) See definition and reconciliation of Non GAAP measures in section C4. Alternative Performance Measures.

Highlights FY23

- **Net cash from operating activities decreased by €16.6 million,** mainly reflecting:
  - Working capital inflow of €69.4 million compared to €115.0 million in FY22. The inflow in FY23 is due to strong growth in Prime members(*) the volumes between March 2023 and March 2022 have increased but less than previous year (as FY21 was the main COVID-19 period), as well as the fact that the average basket size has had an increase mainly due to airfare increases in FY23 vs FY22.
  - Income tax paid increased by €3.5 million from €1.8 million income tax received in FY22 to €1.7 million income tax paid in FY23 due to (a) no refund related to the carry back of US tax losses (€0.5 million lower current tax receivable), (b) lower refund of Spanish VAT credit (€2.4 million lower current tax receivable) and (c) other differences (€1.1 million lower current tax receivable).
  - Adjusted EBITDA (*) increased to €33.0 million from €3.0 million in FY22.
  - Non-cash items: items accrued but not yet paid, increased by €0.3 million mainly due to higher expenses related to share-based payments.
- We have **used cash for investments** of €38.1 million in FY23, an increase by €11.2 million, mainly due to an increase in software that was capitalised.
- **Cash used in financing** amounted to €67.7 million, compared to €50.9 million from financing activities in FY22. The variation by €16.8 million in financing activities mainly relates to the capital increase of €75.0 million in FY22, the lower reimbursement of the SSRCF by €5.0 million, the repayment of the Government sponsored loan by €3.8 million in FY23, partly offset by the reduction of €50.0 million of the Senior Notes in FY22 and the payment of the costs associated with these transactions for €19.5 million in FY22 vs €4.9 million in FY23.

A.2.4. Financial performance

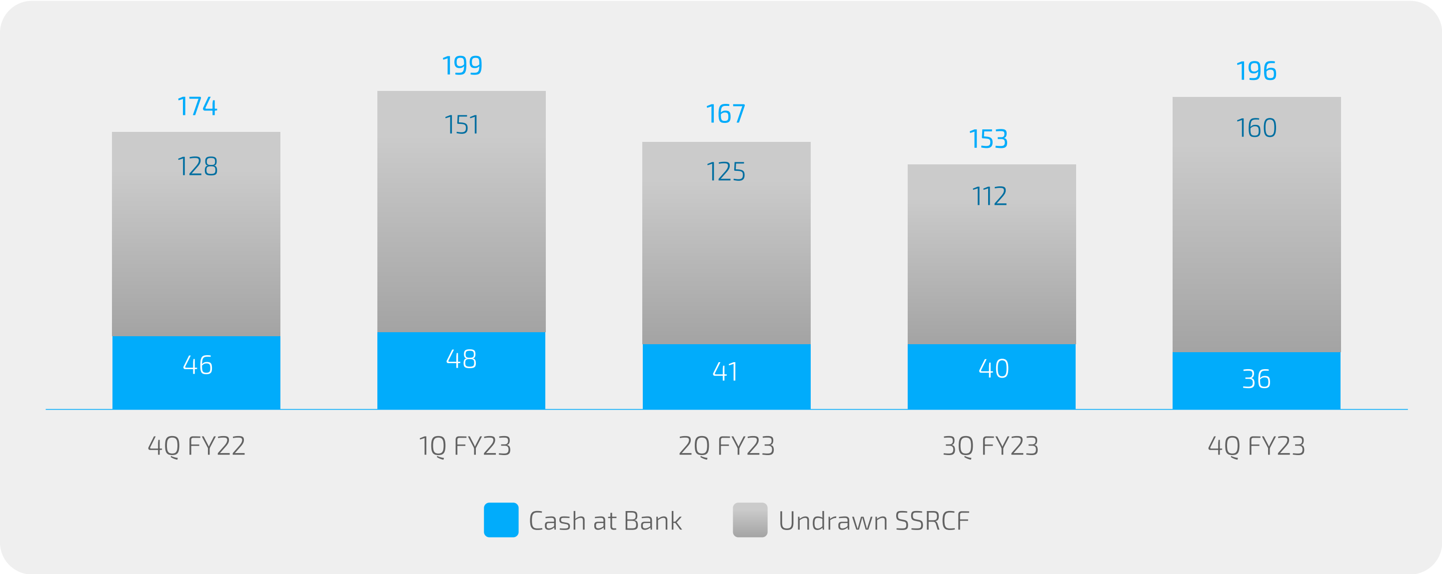
Solid liquidity & optimisation of capital structure

Successfully executed on the optimisation of our capital structure

In January 2022, the company successfully executed on the optimisation of its capital structure by raising on the 12th January 2022 €75.0 million of primary equity enabled by inbound investor demand to accelerate its deleveraging and further support its continued strategic growth. This led to reducing the size of the existing Senior Notes from €425.0 million to €375.0 million, and successfully refinancing all its debt on the 19th January 2022, extending the maturity by 5.5 years to 2027, improving contractual terms, and reducing yearly interest expense by €2.7 million a year, which gives the company financial stability to execute on its business plan and deliver on the FY25 targets and continue to focus on winning in a post COVID-19 world.

Solid liquidity - liquidity position(*) in FY23 stood at €196 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 4Q FY23 (end of March 2023), the liquidity position(*) was solid at €196 million.



Source: Company data. Audited.

Unsurprisingly, leverage ratios have been temporarily impacted. As already highlighted, the Company successfully refinanced all its debt and increased the SSRCF size to €180.0 million, in a context of high demand for SSRCF availability, with better contractual terms for the debt, including most importantly the maintenance covenant. EBITDA(*) of reference is now Cash EBITDA(*), in line with a subscription company, covenant now springs at 40% vs 30% previously, which means we need to draw down €72.0 million in cash from SSRCF (€3.9 million in cash draw at the end of March 2023) to be measured which is not the case in this quarter.

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

S&P upgraded eDO to 'B-' on performance recovery and good Cash Flow trends; Outlook Stable

Rating and issues

Issues

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

Rating

Agency	Corporate	2027 Notes	Outlook	Evaluation date
Fitch	B	B-	Stable	01/02/2023
Standard & Poors	B-	B-	Stable	27/04/2023

(*) See definition and reconciliation of Non GAAP measures in section C4. Alternative Performance Measures.

A.2.5. Subscription model a proven success, strategy overview & investment highlights

Building a better & increasingly profitable business for today and tomorrow

A.2.5. Subscription model a proven success, strategy overview & investment highlights

Prime model, a proven success

The subscription model has been proven in other industries such as Netflix for video streaming, Costco for groceries and goods, Spotify for music streaming and many others. Yet we are not just copying but innovating, devising some things that no one else has done. These are the three reason why Prime model is a proven success.

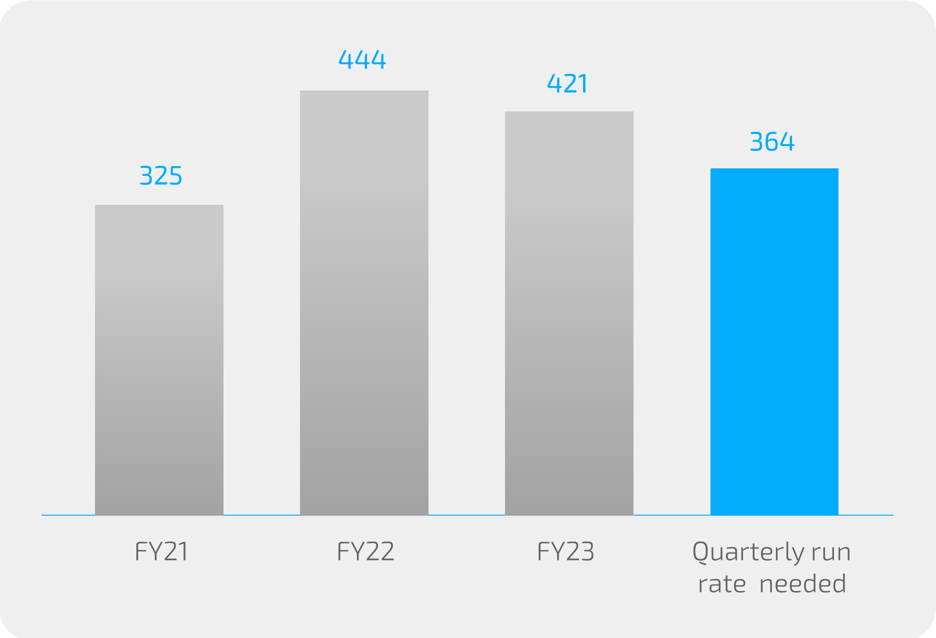
Prime members[1]: on track with our guidance to reach 7.25 million by FY25

a. eDO ahead of the implied run rate needed to achieve target. Prime net adds[2] are influenced by seasonality.

Even with normalised customer churn, based on previous year's high growth, we are ahead of the run rate needed to achieve 7.25 million subscribers by FY25. As guided, Prime members[1] increase in higher volume seasonality periods such as 4Q.

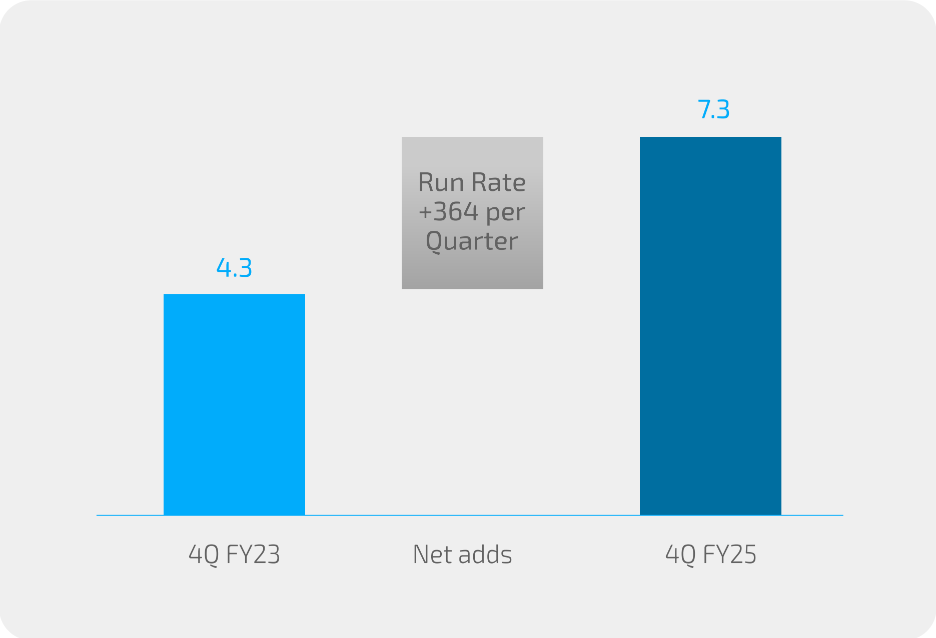
In addition to continued market recovery and launching Prime in new countries (to increase our total addressable market), we still have enhancements for Prime which will improve further our run rate. These factors give us confidence in meeting our FY25 target of 7.25 million Prime members[1] and to deliver much higher level of Prime members[1] beyond FY25.

Quarterly Net Adds[2] Run Rate
(in 000')



Source: Company data.

Implied Prime Member quarterly run rate needed to achieve target
(Million Members)



Source: Company data.

(1) See definition and reconciliation of Non GAAP measures in section C4. Alternative Performance Measures. (2) Net Adds: Gross Adds-Churn.

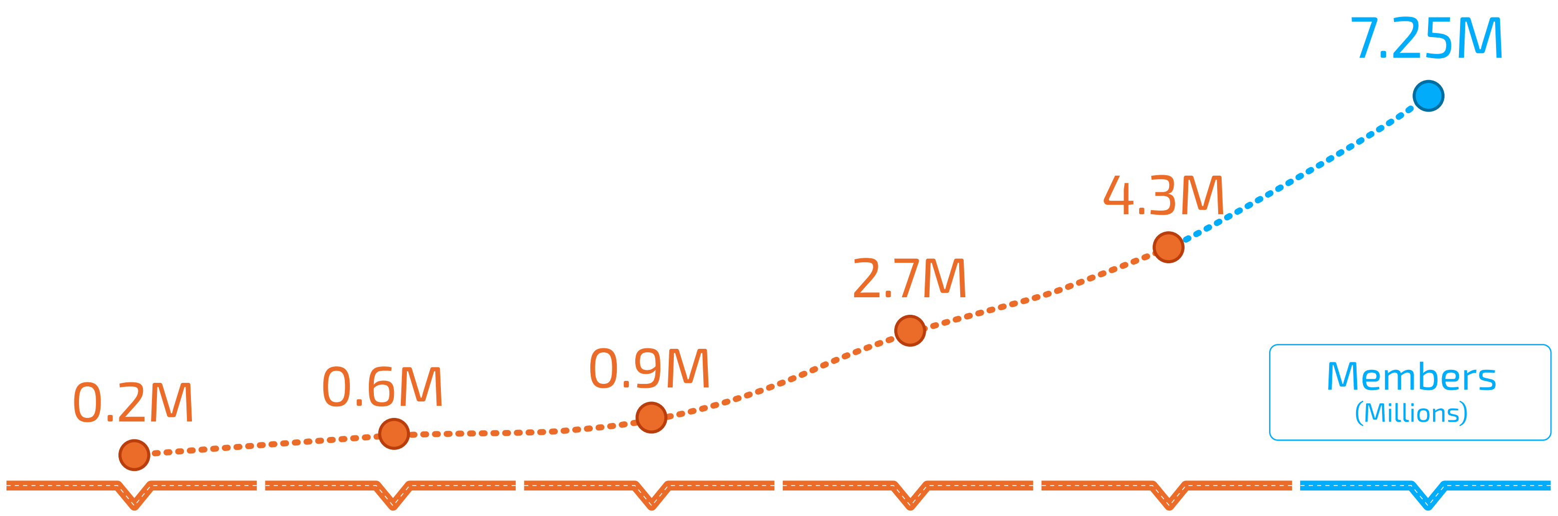
A.2.5. Subscription model a proven success, strategy overview & investment highlights

b. A feature of subscription companies is that they show high growth and penetration

eDO success demonstrated by being the fastest growing subscription programme over five years and has only penetrated 2.7% household in the Top 6 (*) markets in which Prime was launched.

Household Penetration(*)

EDO FY19	EDO FY20	EDO FY21	EDO FY22	eDO FY23	eDO FY25
0.1%	0.3%	0.5%	1.6%	2.7%	4.5%



	CAGR (1 - 5 Years)	Penetration (Year 5)
eDreamsPrime France	156%	4.6%
NETFLIX (USA)	68%	5.4%
COSTCO WHOLESALE (USA)	8%	12.9%

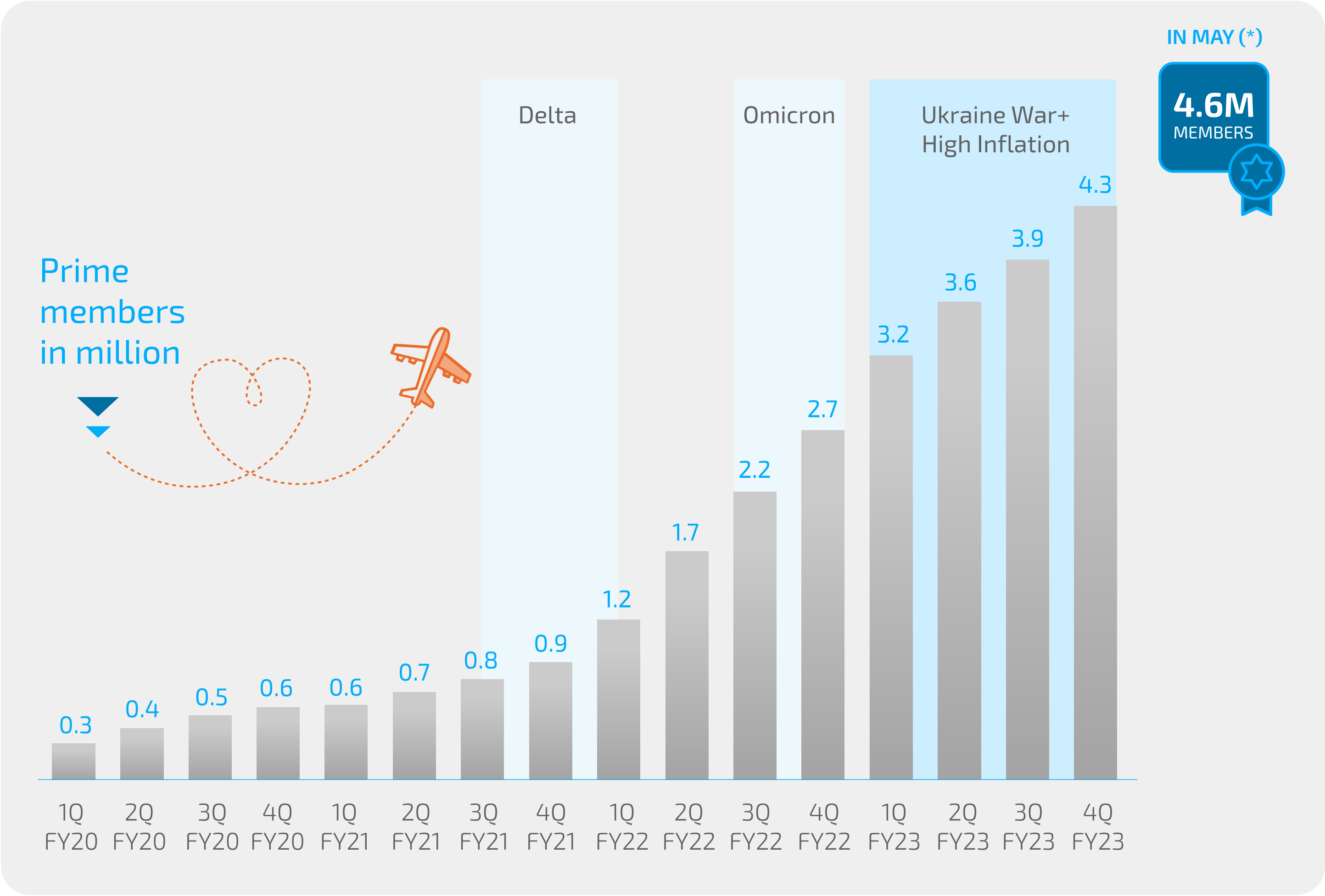
(*) Top 6 markets France, Spain, Italy, Germany, UK and Nordics.

Source: Company data and Netflix and Costco website for subscribers and US census Bureau for US households.

A.2.5. Subscription model a proven success, strategy overview & investment highlights

c. eDO has demonstrated the ability to capture new customers through the Prime Programme, despite further COVID-19 waves and the recent geopolitical and macroeconomic context. The capture of new Prime customers only accelerates as the travel market grows

Evolution of Prime Members[1]



Source: Company data. (*) As of 15th May 2023. (1) See definition and reconciliation of Non GAAP measures in section C4. Alternative Performance Measures.

A.2.5. Subscription model a proven success, strategy overview & investment highlights

Prime ARPU(*): on track to meet FY25 guidance

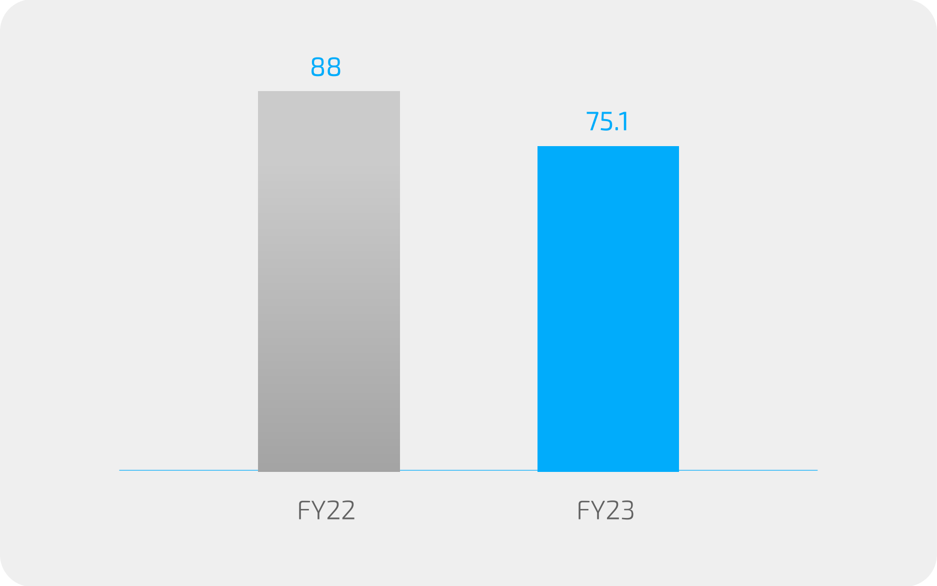
ARPU in any business is calculated taking the revenue from the subscribers and dividing it by the average number of subscribers in the period.

In eDO's business the subscription fees represent the majority of the Cash Revenue Margin, but they are paid by the end of period members as opposed to average of period members.

Mathematically, when base of members grows and yearly increases of members are similar, the average and end of period members get closer to each other.

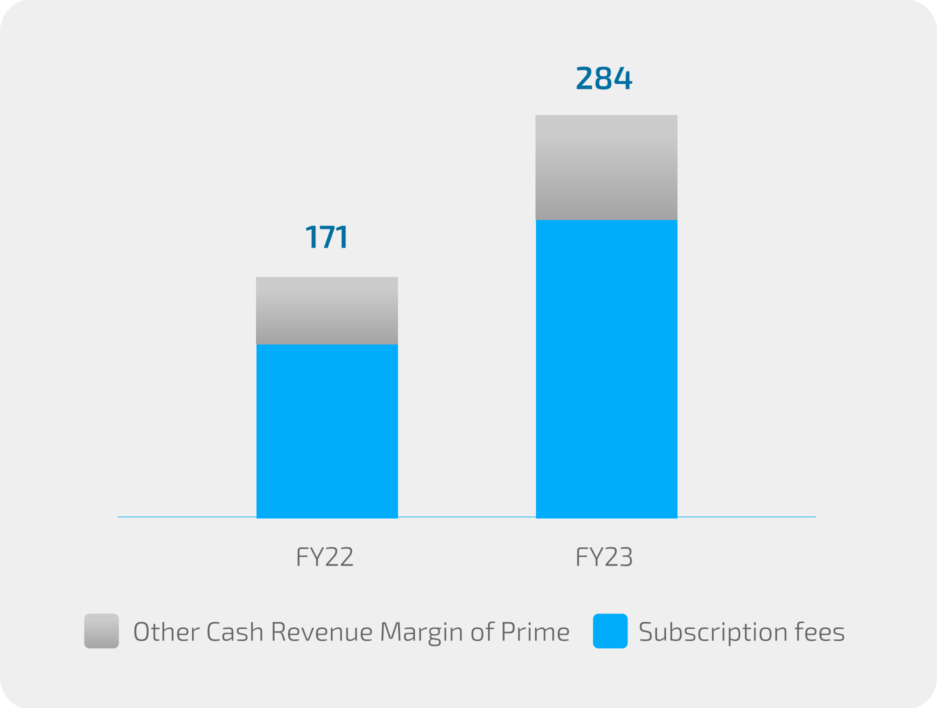
This results in a decrease of the ARPU even if the revenues different from subscription fees stay similar on a per subscriber basis. This is the effect we are seeing on our reported ARPU

Prime ARPU(*) Evolution



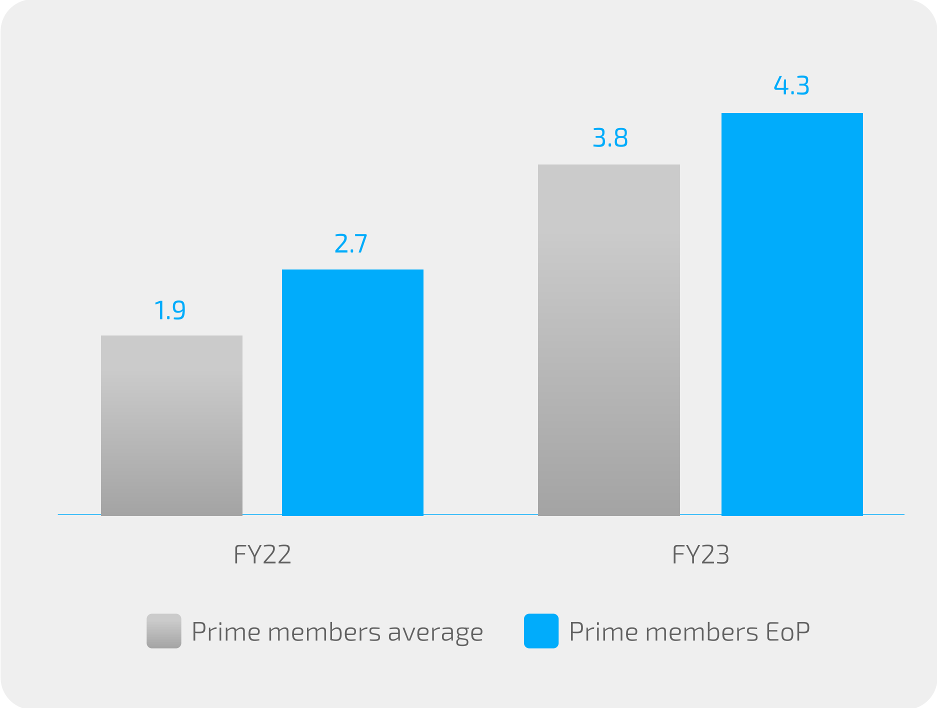
Source: Company data.

Prime Cash Revenue Margin(*)
(million euros)



Source: Company data.

Prime members(*)
(million)



Source: Company data.

(*) See definition and reconciliation of Non GAAP measures in section C4. Alternative Performance Measures.

A.2.5. Subscription model a proven success, strategy overview & investment highlights

Cash EBITDA(*): We are well on track to meet our self-imposed target of over €180 million in FY25

a. Prime delivers significant uplifts in profit margins as the Prime members(*) mature

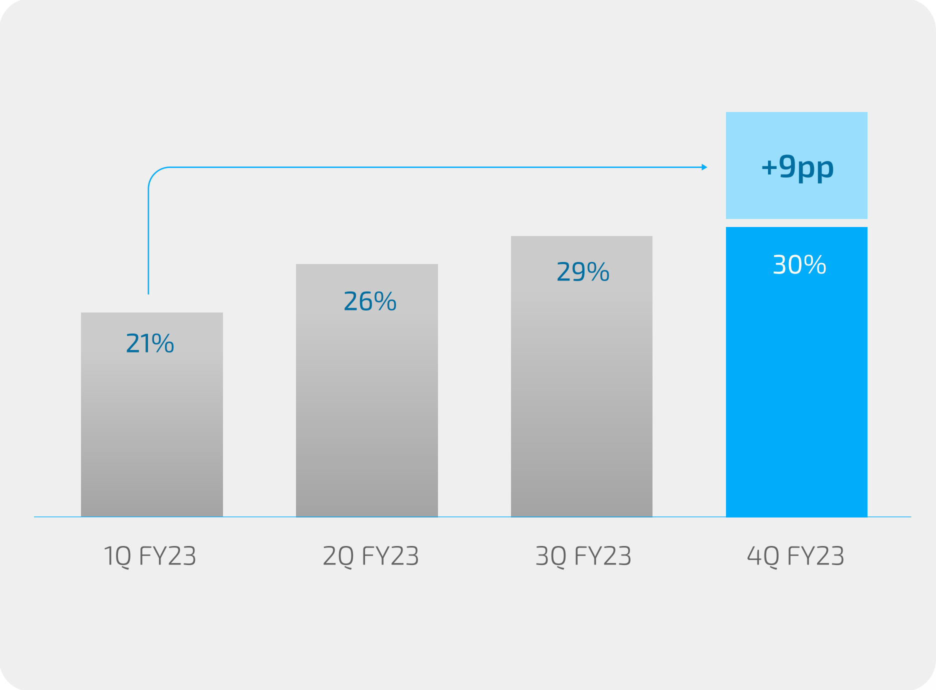
As guided, the maturity of Prime members(*) is the most important driver for profitability. This has resulted in strong improvements in profitability as we have more and more Prime members(*) renewing their memberships.

Consequently, in FY23 Cash Marginal Profit(*) and Cash EBITDA Margin(*) improved significantly.

b. Cash Marginal Profit Margin(*) continued to improve as maturity of Prime members(*) increases

Cash Marginal Profit Margin(*) increased to 30% for 4Q FY23 from 21% in 1Q FY23, an 9ppt improvement vs 1Q FY23.

Evolution of Cash Marginal Profit Margin(*)

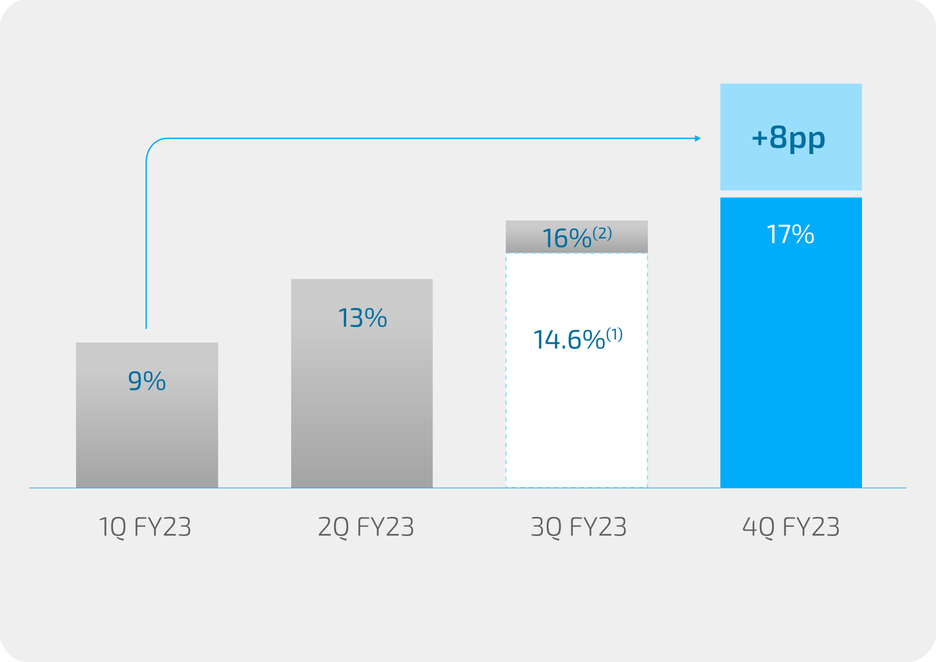


Source: Company data.

c. Cash EBITDA Margin(*) also achieved very substantial improvements

Cash EBITDA Margin(*) in 4Q FY23 stood at 17% vs 9% in 1Q FY23. As guided in 1Q FY23, strong growth in year one Prime members(*) delayed profitability as profitability improves from year 2 onwards for Prime members(*).

Evolution of Cash EBITDA Margin(*)



Source: Company data.

(1) Excluding €2.1 million FX positive impact. (2) 3QFY23 reported.

(*) See definition and reconciliation of Non GAAP measures in section C4. Alternative Performance Measures.

A.2.5. Subscription model a proven success, strategy overview & investment highlights

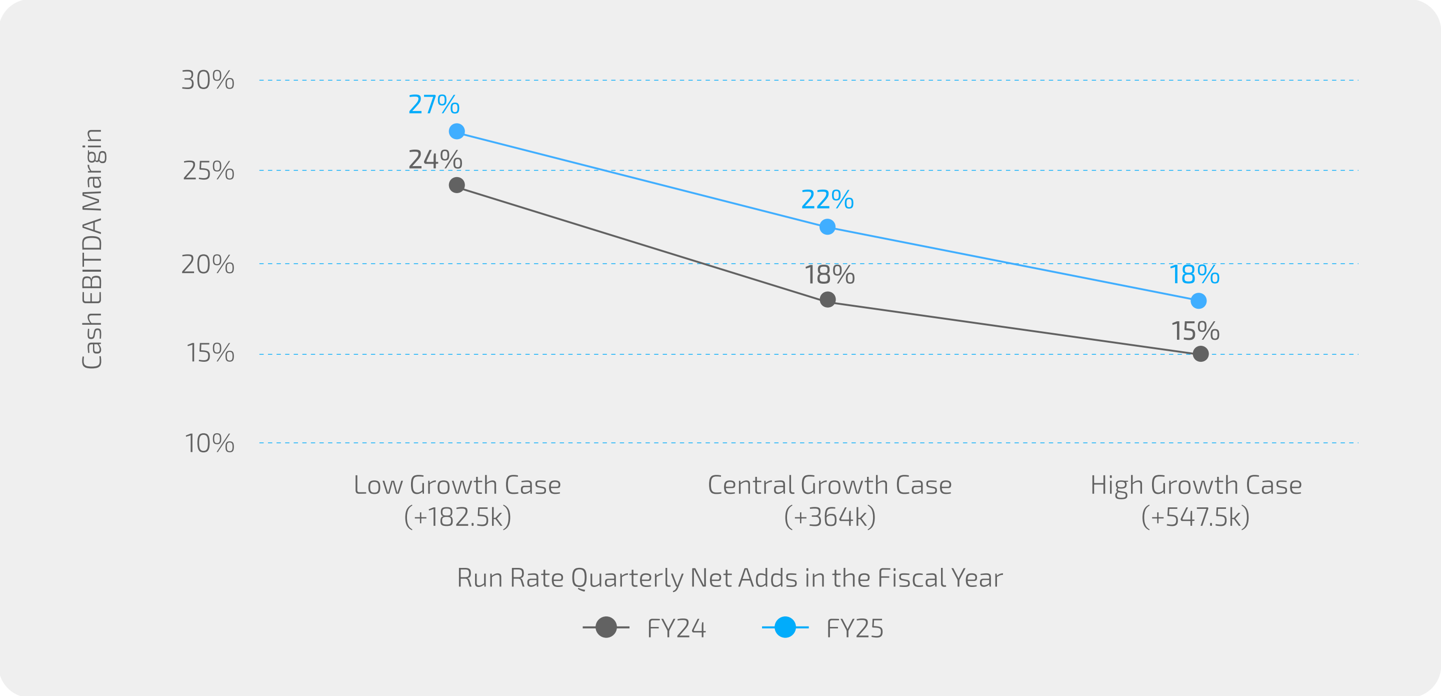
d. Cash EBITDA Margin[1] would vary depending on level of growth of Prime member[1]

Another way to look at this is doing a sensitivity analysis on Prime members[1], using the following assumptions as a base:

- Stable Churn.
- Variation of member growth reached through variation in the investment in paid channels. Thereby acquiring less Prime First and Non-Prime Bookings[1], and
- Prime Repeat Bookings[1] are impacted by a different resulting Prime member[1] base.

If we were to have a run rate net adds[2] of 547.5K Prime members[1] per quarter from 1Q FY24, it would imply that we would end up with almost 9 million Prime members[1] in FY25 and Cash EBITDA Margins[1] of 18%, while if we were to have a 364k run rate we would achieve 7.25 million Prime members[1] and Cash EBITDA Margins[1] of 22% as guided.

Sensitivities Cash EBITDA Margin[1] (Prime + Non Prime)



Source: Company data.

(1) See definition and reconciliation of Non GAAP measures in section C4. Alternative Performance Measures (2) Net Adds: Gross Adds-Churn.

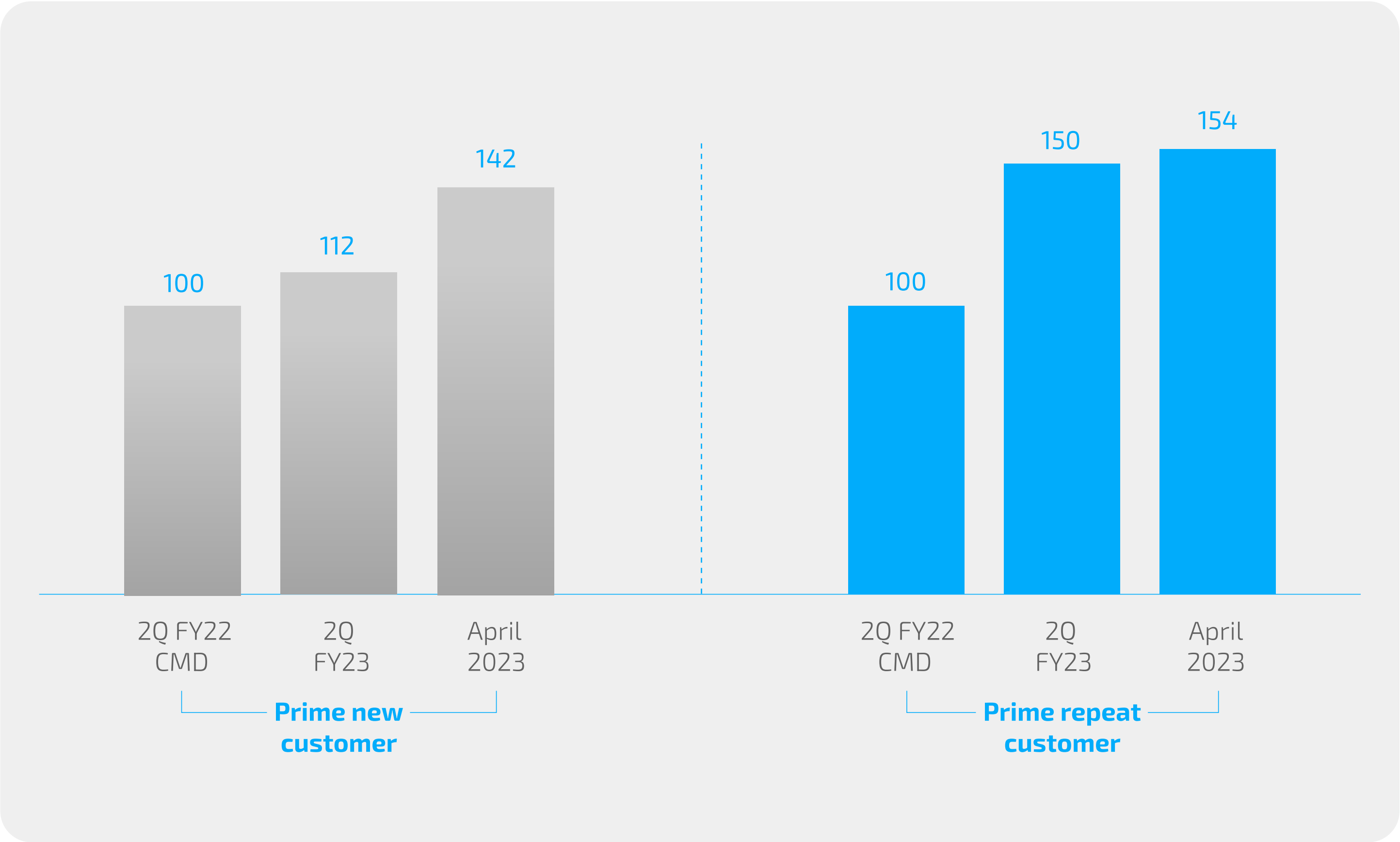
A.2.5. Subscription model a proven success, strategy overview & investment highlights

eDO strongly underpinned by structural long-term fundamentals

Prime is a superior value proposition for customers – Leading to superior customer advocacy and decommoditising the value proposition (NPS)

An important KPI is customer advocacy which leads to sustainability and growth. Prime is growing very rapidly which could not be achieved without strong customer advocacy. We currently do not advertise Prime per se, and we rely largely on word of mouth. Our NPS scores have continued to increase from an already high level presented at our Capital Markets Day, 18 months ago, and 2Q FY23.

Net Promoter Score Indexed using as a base September 2021 (CMD data point) and comparing it with 2Q FY23 and April 2023



Source: Survey performed by Qualtrics.

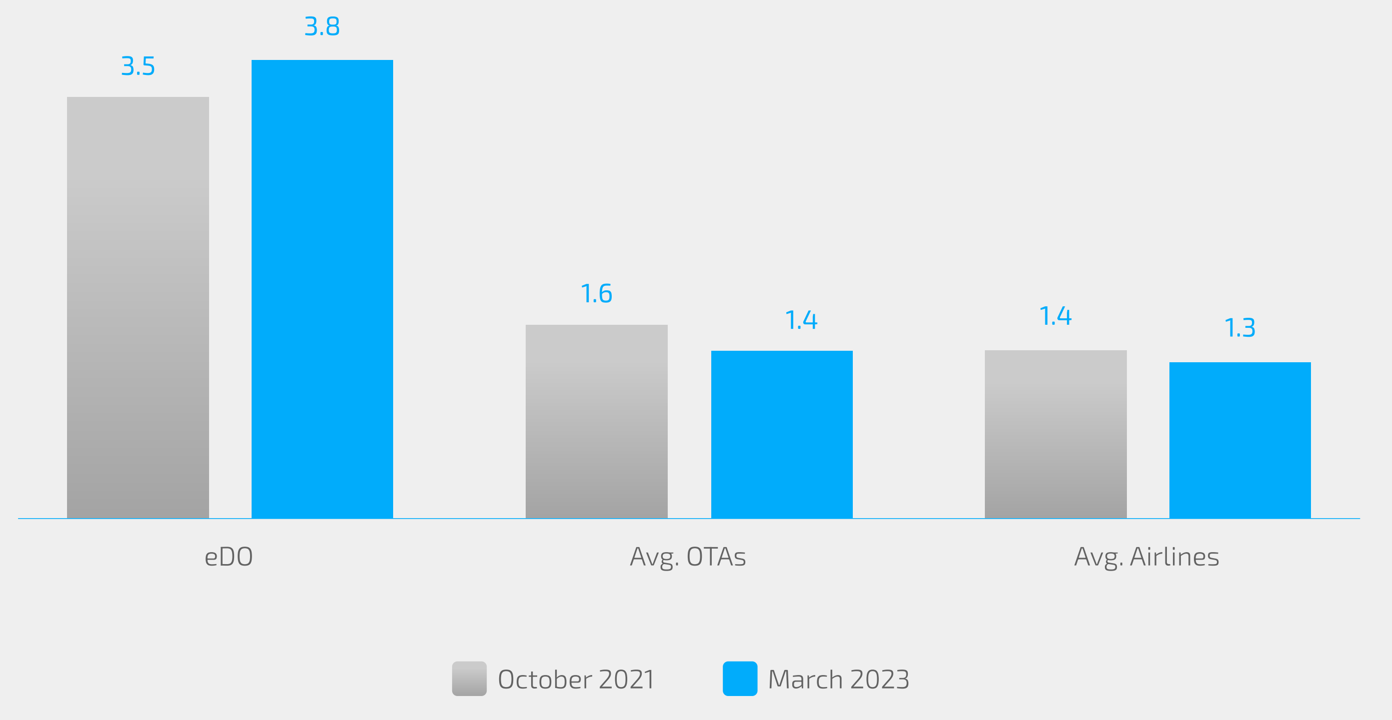
Note: NPS calculated as per Original Bain & Company methodology, % of promoters (9-10 scores) -% of detractors (0-6 scores).

A.2.5. Subscription model a proven success, strategy overview & investment highlights

eDO ahead in customer satisfaction (Trustpilot)

Another way to look at customer advocacy is via third party surveys like Trustpilot. Trustpilot is the review platform where people globally rate their experience in different businesses from 1 to 5. It shows that we rank meaningfully better than any other OTA and/or airline, and that we have further improved over the past 18 months, which proves that with more volumes we are able to increase the quality of our services, while average OTAs and Airlines didn't.

eDO vs Average Peers



Source: Trustpilot.

And achieve significant value creation for eDO through Prime (LTV to CAC)

All in all we have achieved and will continue to achieve significant value creation for eDO through Prime.

The success of our Prime subscription model is demonstrated both by our high growth in the number of members together with the value it creates, and a business with higher LTV and lower CAC over the long run.

We continue to achieve an LTV to CAC range between 2x and 3x.

Prime LTV To CAC range (*) (**)

2x - 3x

(*) Range based on LTV to CAC of Core eDO European markets (France, Spain, Italy, Denmark, United Kingdom).

(**) LTV over a 24 month period.

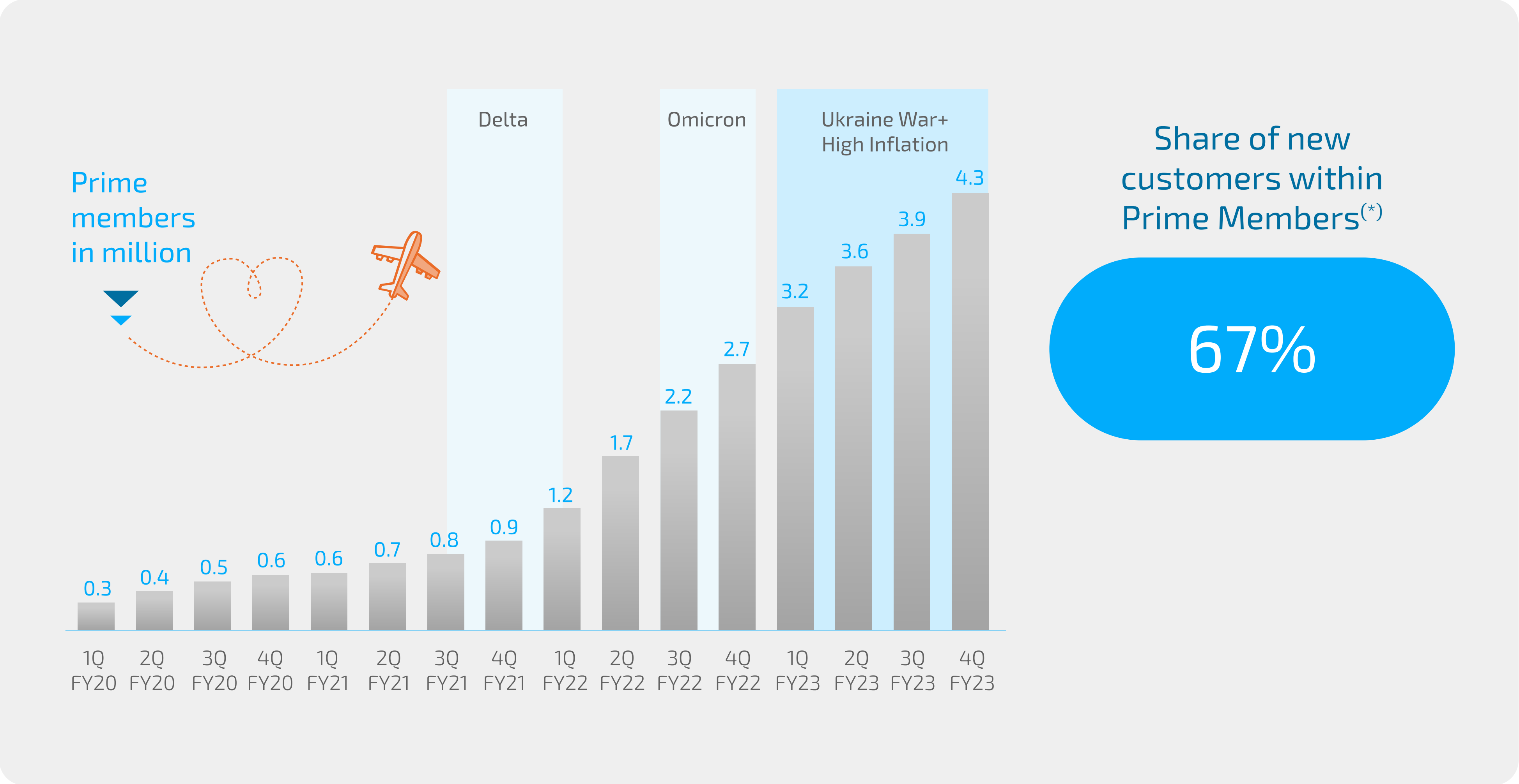
A.2.5. Subscription model a proven success, strategy overview & investment highlights

Investment Highlights eDreams ODIGEO

eDO has demonstrated the ability to capture new customers through Prime programme, despite further COVID-19 waves and recent political and macroeconomic context, more so as market recovers

Prime is the #1 travel subscription programme in the world with over 67% of Prime customers being entirely new customers who have not used an eDreams ODIGEO product since 2019. This is a clear demonstration that the Prime proposition is attractive and appealing not only for existing customers (20 million in FY23), who have booked with us over the past several years but also for first time members too. Endorsing this, Prime has attracted 1.7 million new members just in the last 12 months. Prime is successful, delights customers and it is mutually beneficial for our customers, the company and shareholders.

Evolution of Prime Members(*)



Source: Company data. (*) See definition and reconciliation of Non GAAP measures in section C4. Alternative Performance Measures.

A.2.5. Subscription model a proven success, strategy overview & investment highlights

eDO is in pole position in an attractive market

eDO addressable market is enormous, growing and attractive, and eDO is positioned in the right segments: online and leisure. The travel market is over 2 trillion euros, and is growing. It is still in the recovery phase rising from an all-time low, and is predicted to continue to grow. Moreover, time and time again leisure consumers have proven that they want to travel and will prioritise travel vs other things. Leisure travel is not substitutable. Industry surveys clearly demonstrate that consumers would shun other items of discretionary spending vs travel. The results published over the past 12 months by some retail companies, in comparison with our results and those of other travel companies confirm this. Our Bookings, over the past 2 years, have been substantially above pre COVID-19 levels for 7 consecutive quarters and we are the only major travel company to achieve this.

Sizeable market and one of the largest e-commerce vertical

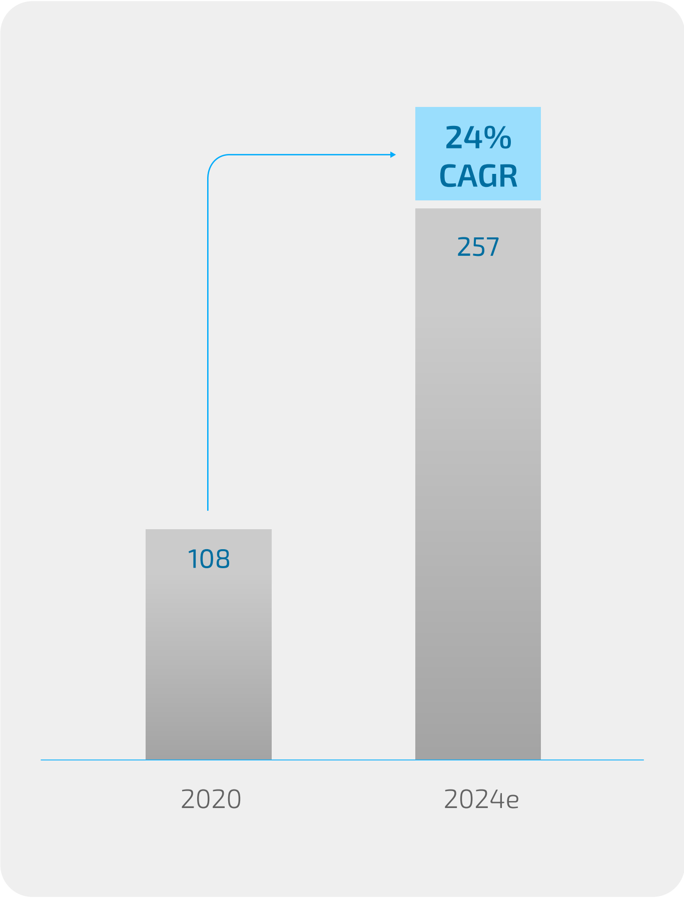
€2.1Tn

Worldwide travel market, 2023e

Source: Statista. Worldwide; IBISWorld; 2013 to 2022.

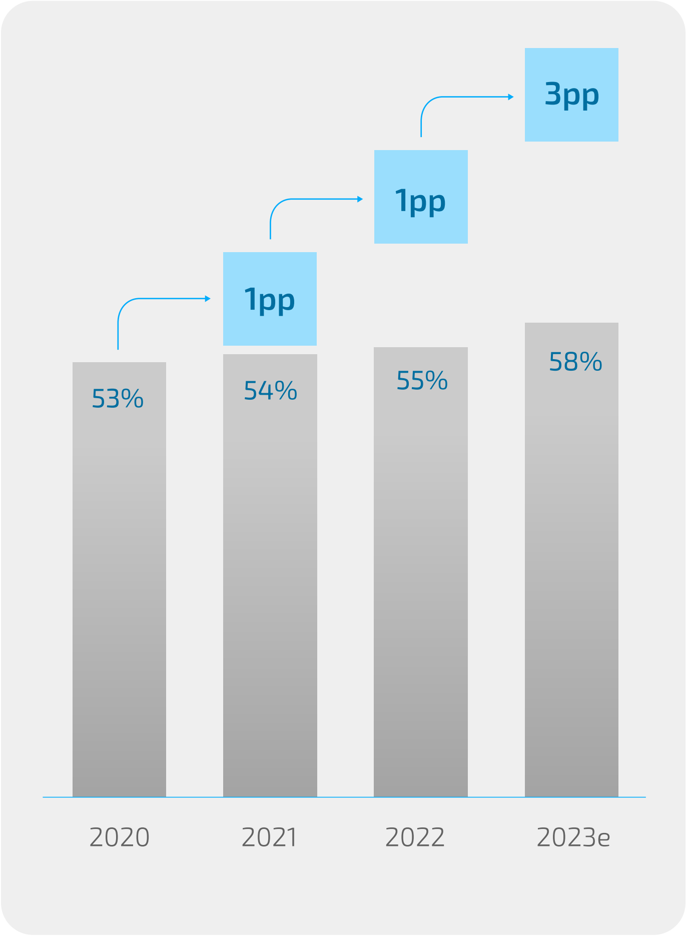
EUROPEAN LEISURE TRAVEL MARKET

Market size
(In Eur Billion)



Source: Phocuswright. Phocal Point.

Online penetration



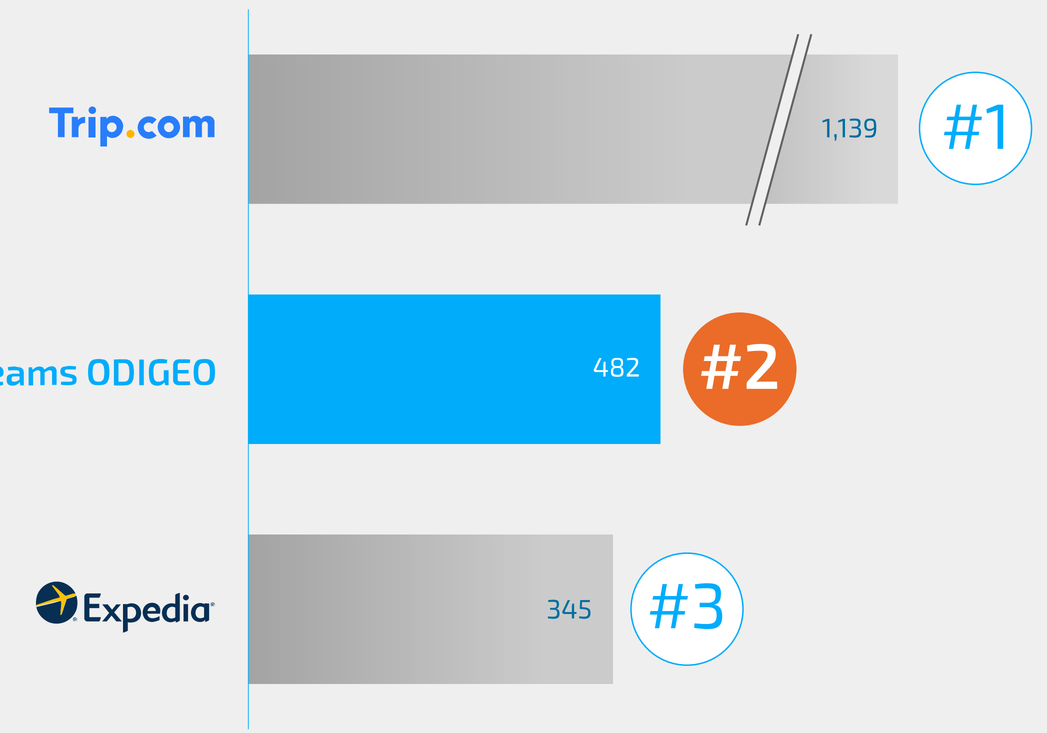
Source: Phocuswright. Phocal Point.

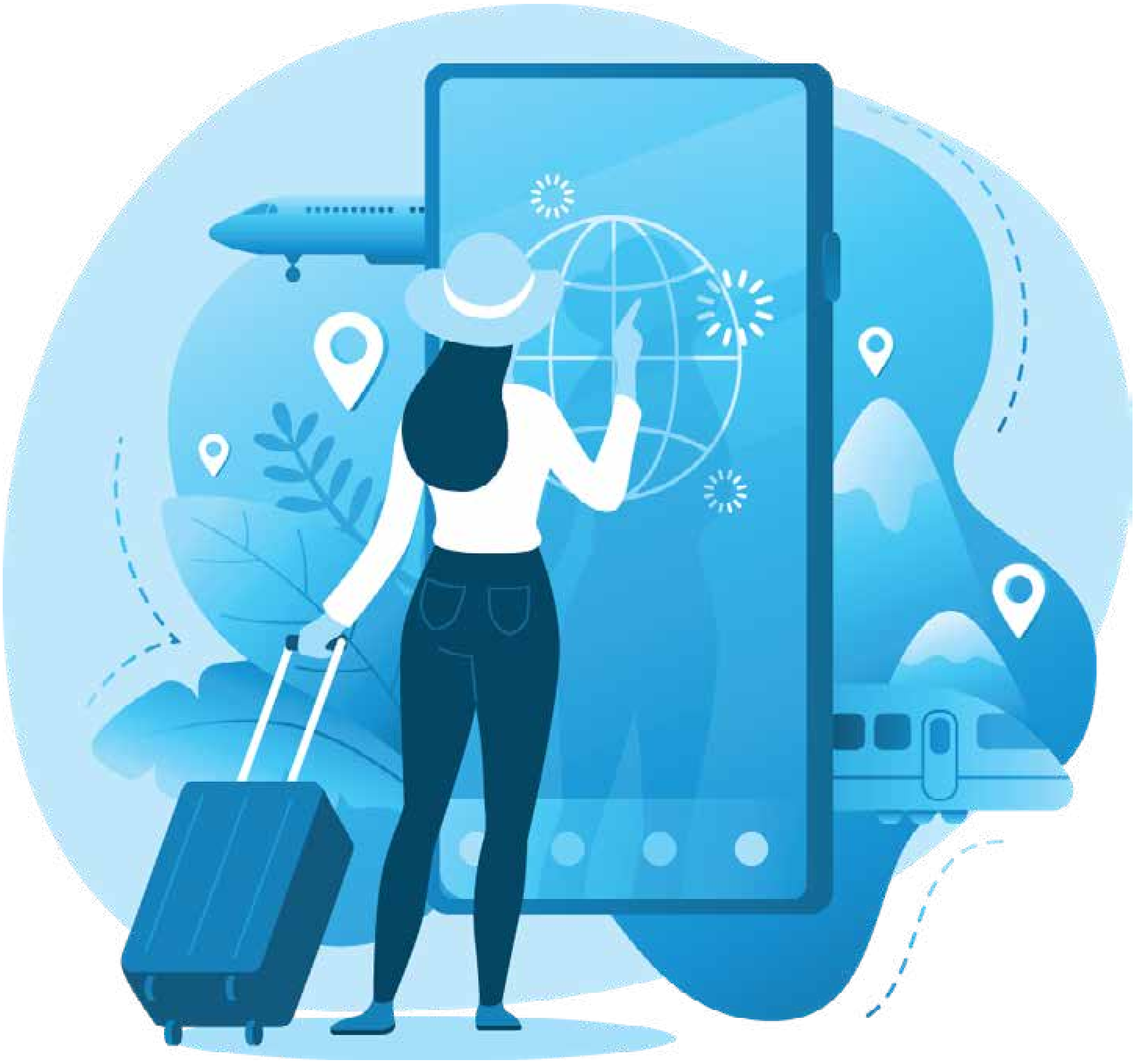
A.2.5. Subscription model a proven success, strategy overview & investment highlights

Within travel, eDO is the Global Flight Leader, Ex China.

#2 PLAYER IN FLIGHTS GLOBALLY

GLOBAL FLIGHT REVENUE CY2022 (€M)





Source: Company data, Cash Revenue Margin for eDO. Annual report published by Trip.com and Expedia.

A.2.5. Subscription model a proven success, strategy overview & investment highlights

eDO is unique in terms of profitability and growth

We strongly believe eDO is unique in terms of profitability and growth. The subscription model has been proven in other industries such as Netflix for video streaming, Costco for groceries and goods, Spotify for music streaming and many others. Yet we are not just copying but innovating, devising some things that no one else has done.

eDO is the fastest growing in top line and EBITDA in the industry. Based on our FY25 self imposed targets of Cash Revenue Margin(1) and Cash EBITDA(1) in excess of €820 and €180 million and for Global OTAs(2) and Subscription companies(3) sell-side analysts consensus estimates(4), eDO top line growth between 2022 and 2025 results in CAGRs 6 ppt above Global OTAs and 17ppt above Global Subscription companies, and at Cash EBITDA CAGRs 21 ppt above Global OTAs and 31ppt above Global B2C Subscription companies, well in excess our peer groups.

	Revenues CAGR 2022-25E	EBITDA CAGR 2022-25E
eDO	28%	58%
Global OTAs(2)	21%	37%
Global B2C Subscription(3)	11%	27%

(1) See definition and reconciliation of Non GAAP measures in section C4. Alternative Performance Measures.
(2) Companies included: Bookings Holdings, Trip.com, Despegar, Expedia, lastminute.com and On The Beach.
(3) Companies included: Amazon, Netflix, Spotify, Bumble, Duolingo, Hello Fresh, Peloton, Dropbox and Wix.
(4) Source: Bloomberg Consensus estimates for peers and Company data and FY25 targets for eDO (Cash metrics).

A.2.5. Subscription model a proven success, strategy overview & investment highlights

eDO, a recognised leader in AI in Europe: Always being a step ahead

We have a proven track record of being a leader in AI in travel since 2014.…

2014

Establishing one of the first in-house AI teams in the travel industry - pioneering one of the first truly AI driven fraud prevention systems.

2015

Adopting an AI first strategy, setting up our own in-house research and development team to build out our bespoke AI platform and making AI available to all teams.

2016

Adopting AI driven personalisation at individual customer level at scale (e.g., sort order of results).

2017

At-scale deployment of a proprietary reinforcement learning algorithm in combination with genetic algorithms and multi-objective optimisations to power pricing.

2019

Early adopter of a proprietary Generative AI platform to generate unique itineraries for our customers. Today Generative AI is an integral part of our AI toolbox and is being leveraged in additional use cases.

2020-22

Deployed Natural Language capabilities in Customer Service to drive the best experience for our customers.

Leveraging proprietary AI frameworks to design, measure, and optimise performance marketing campaigns.

2023

Recognised leader among AI-led companies globally.

AI deployed across the entire company, including even in HR.

Working with Google Cloud to pioneer new developments in generative AI.

… and this is being recognised in the industry

> **"We are thrilled to have eDreams ODIGEO innovate with our generative AI tools. eDreams ODIGEO is a global reference in e-commerce, beyond travel, and knows how to best grow its customers' experience with technology"**
>
> Google Cloud

A.2.5. Subscription model a proven success, strategy overview & investment highlights

Regardless of economic environment, our business model and track record positions us to perform better than the industry

We believe that regardless of the current macroeconomic uncertainties, our business model and track record positions us to outperform the industry.

We have demonstrated that we are the platform where customers prefer to book their travels. This is driven by:

1. **Through Prime we offer best prices, value and customer experience.**

2. Because **we meet customer needs better than competitors**: through depth of choice, to speed of overall experience, after-sales service, and so many other things that have taken years for us to perfect. This results in higher customer satisfaction scores than our competitors.

3. Also, **customers now**, in more challenging economic times, **will focus on price even more** as their discretionary income comes under pressure. This plays to our strength and value proposition.

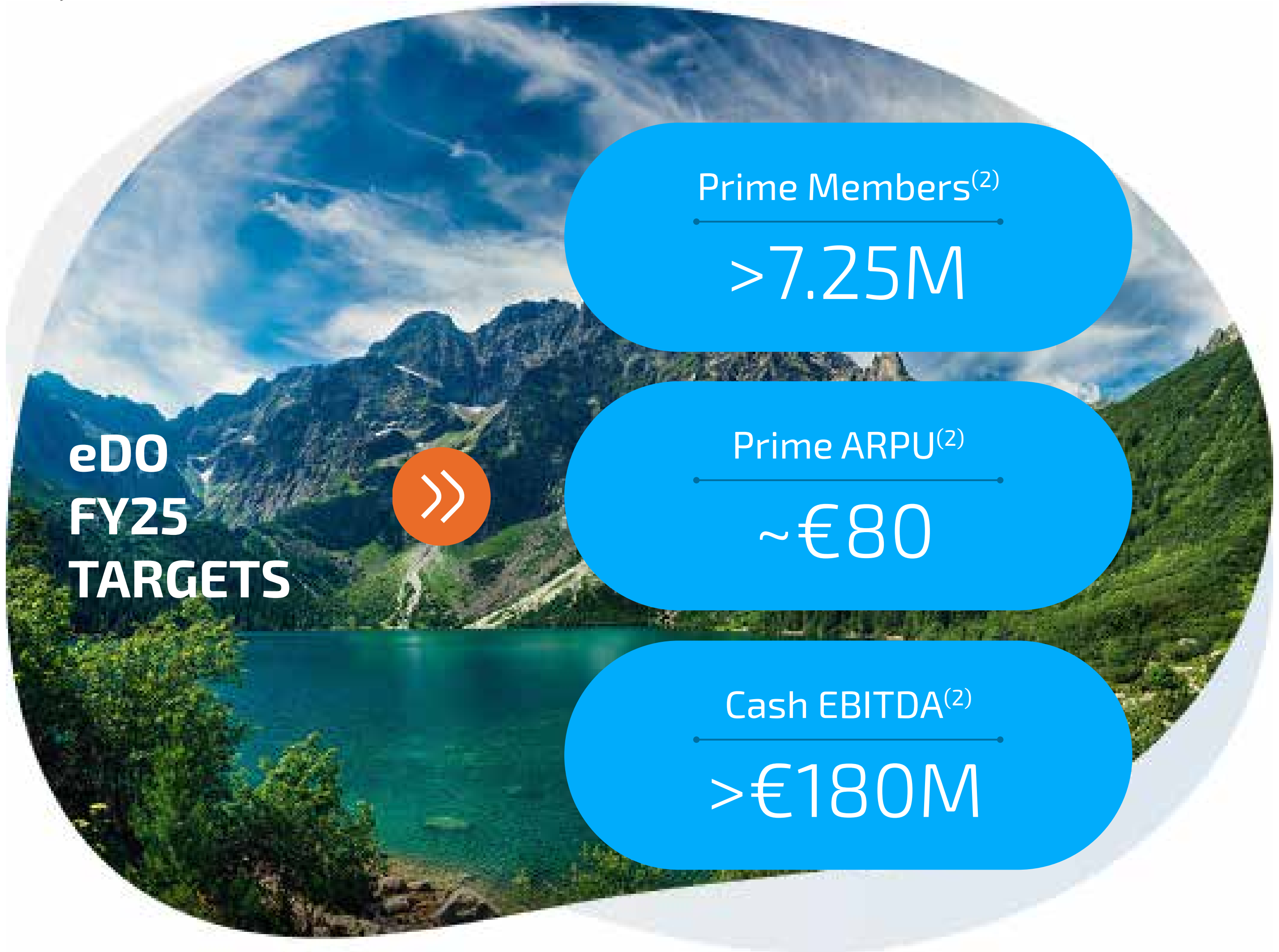
4. eDO has always been **at the forefront of technological innovation including in Artificial intelligence** (AI) where our strategic investments over the past 10 years have positioned us as a recognised leader among AI-led companies globally in both the travel industry as well as the broader e-commerce sector.

5. In addition to all this, **we have scale, predictability and resilience via Prime, with 4.6 million[1] plus subscribers**, which leads to business resilience given the higher loyalty of subscribers, margin expansion after initial acquisition, and giving us a much higher share of wallet of the travel they continue to consume.

Well positioned, well financed, on track to meet self-set FY25 targets

eDO is well positioned, well financed, and on course to meeting self-imposed FY25 targets:

eDO has a large potential: superior returns for shareholders and customers while transforming and revolutionising the industry.



(1) As of 15th of May 2023.

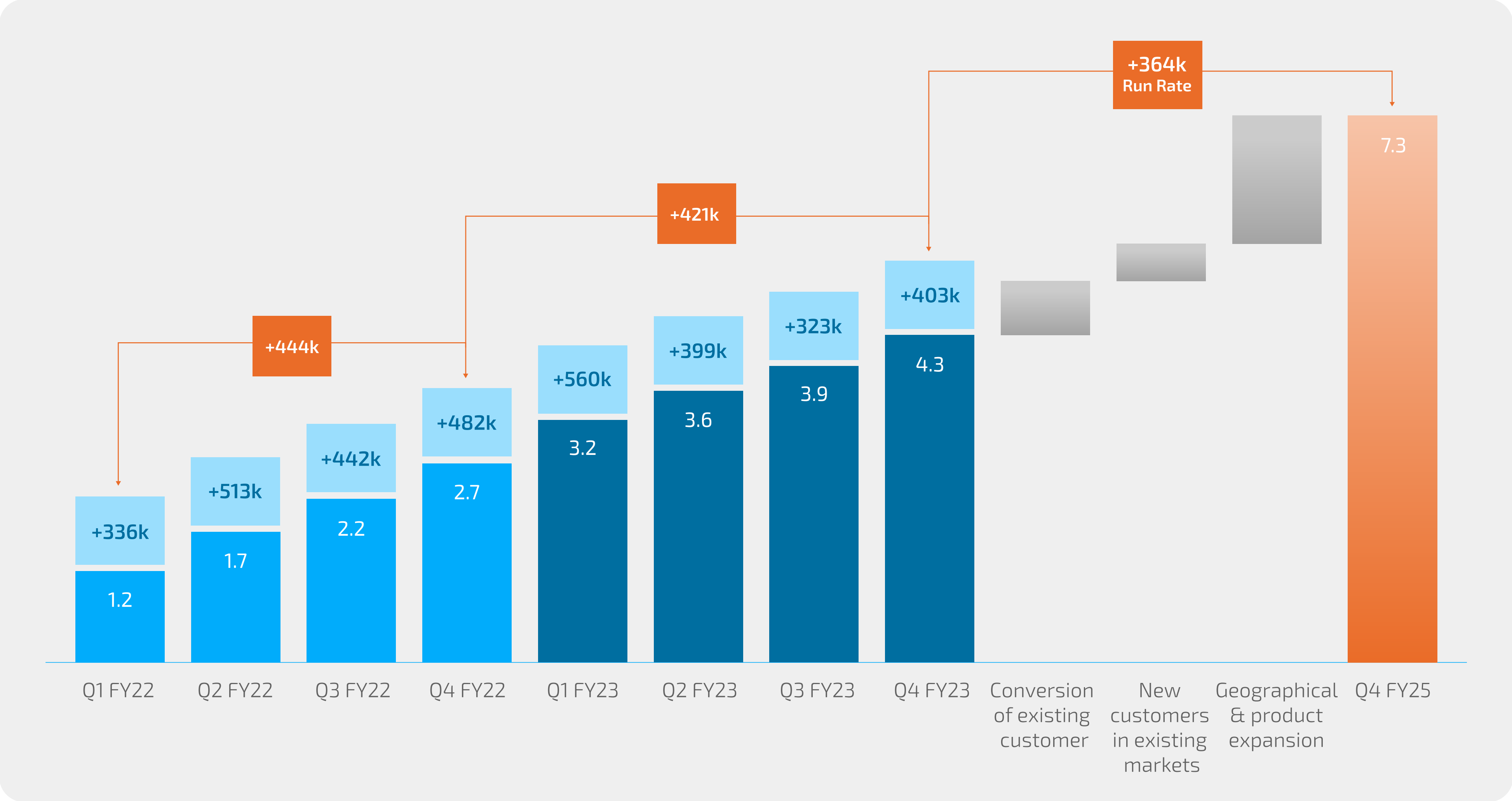
(2) See definition and reconciliation of Non GAAP measures in section C4. Alternative Performance Measures.

A.2.5. Subscription model a proven success, strategy overview & investment highlights

eDO has ample room for valuation to expand

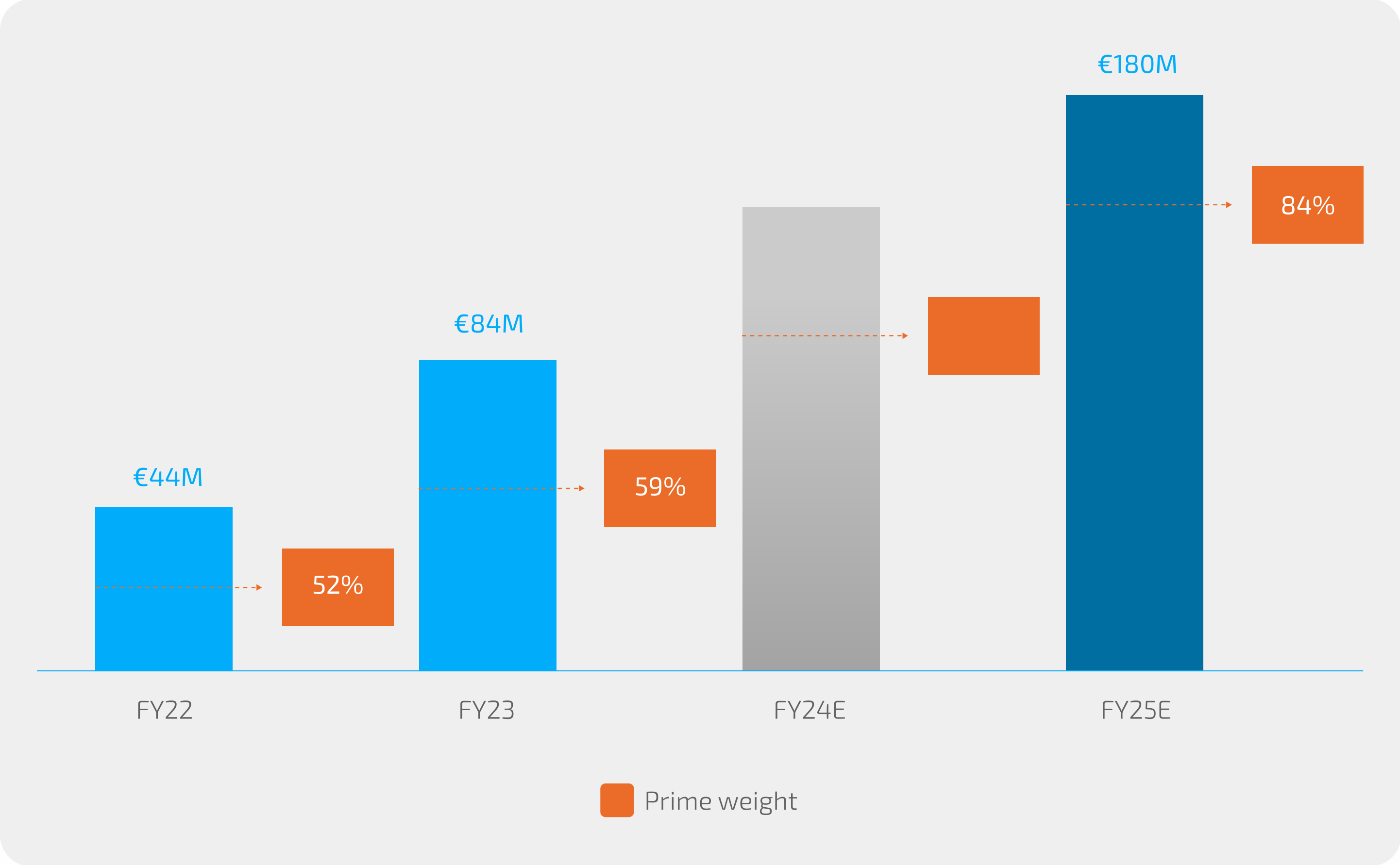
eDO is on track to meet its FY25 targets

a) eDO ahead of the run rate needed to achieve 7.25 million subscribers by FY25



A.2.5. Subscription model a proven success, strategy overview & investment highlights

b) eDO on track to hit the Cash EBITDA(*) FY25 target of 180 million, of which 84% will be derived from the subscription business



Source: Company data.

eDO is unique in terms of profitability and growth

eDO has become a much higher quality business with the pivot to the subscription model. This delivers loyal and repeating customers, resulting in a more profitable and predictable business with sustainable relationships with customers.

We have high underlying profitability and huge growth potential. All of this will drive superior returns for shareholders, excellent service for customers whilst at the same time transforming and revolutionising the industry.

eDO is the fastest growing in top line and EBITDA in the industry, well in excess of our peer groups.

Source: Company data and FY25 targets (Cash metrics). (*) See definition and reconciliation of Non GAAP measures in section C4. Alternative Performance Measures.

A.2.5. Subscription model a proven success, strategy overview & investment highlights

As a result of the above, eDO's strong positioning relative to peers creates significant opportunity for value upside

eDO is trading at a meaningful discount vs consensus average valuations for Global OTAs and Global B2C Subscription companies.

eDO is the fastest growing in top line and EBITDA in the industry.

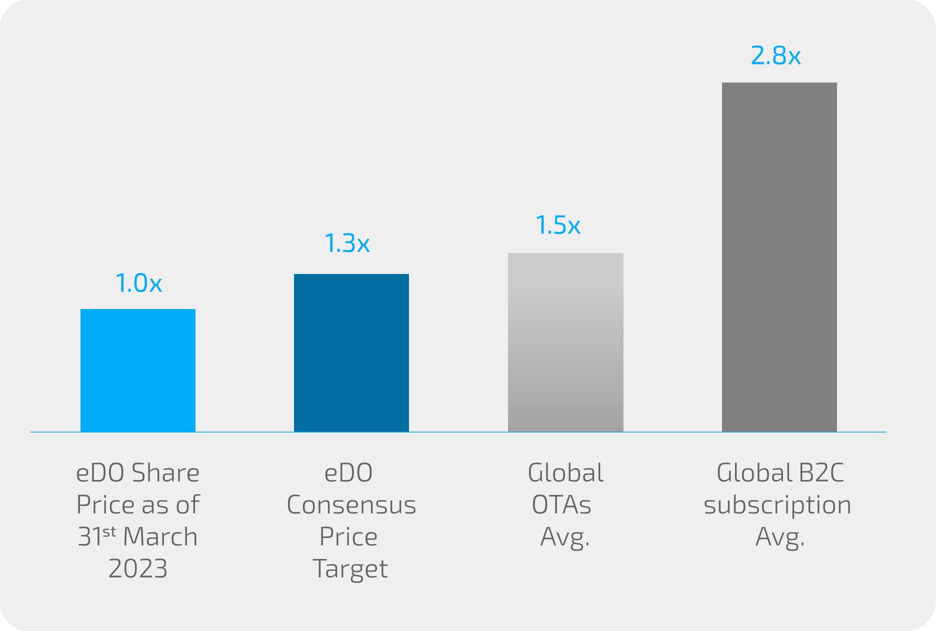
eDO implied Multiple based on Consensus

	eDO Multiple
Price Target (in EUR) (*)	8.4
# Shares (in million)	127.6
(=) Market Cap (in EUR million)	**1,071.9**
(-) Net Debt (in EUR million) (**)	(352.3)
Enterprise Value (EV) (in EUR million)	**1,424.2**
(/) Cash EBITDA FY24E (in EUR million) (*)	122.9
(=) EV/ Cash EBITDA FY24E	**11.6x**

(*) Sell-side analyst consensus estimate, firms contributing to the consensus Banco Santander, Barclays, CaixaBank BPI, Deutsche Bank, Exane BNP, GVC Gaesco and Oddo BHF Securities.

(**) Company data for FY23, audited.

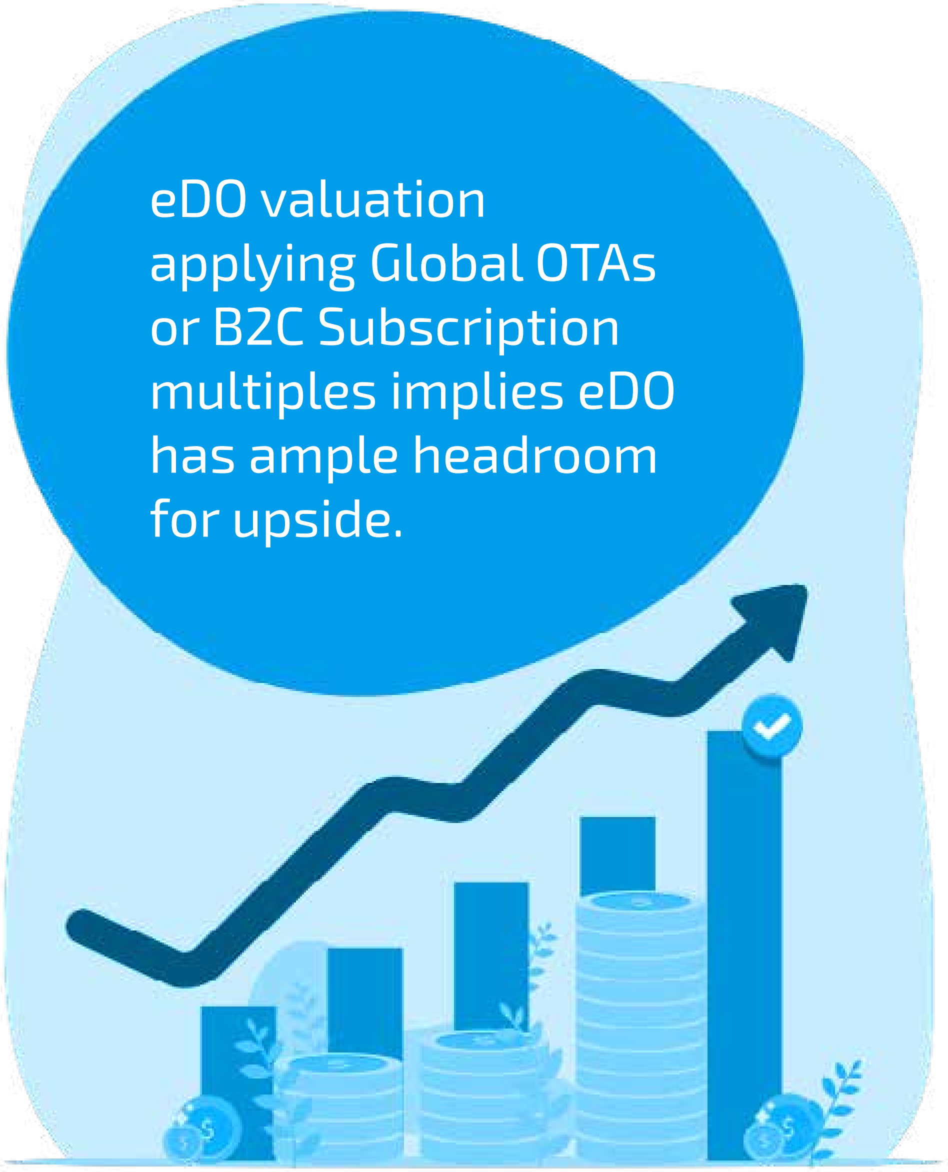
Implied EV/FY24e EBITDA (Rebased 1x)



Source: Implied multiples based on Consensus Price targets, Bloomberg consensus 2024 EBITDA estimates and latest published net debt figure as of 31st March 2023 for each OTA (*) and Subscription (**) companies in our peer group.

(*) Companies included: Bookings Holdings, Expedia, Tripadvisor and On The Beach.

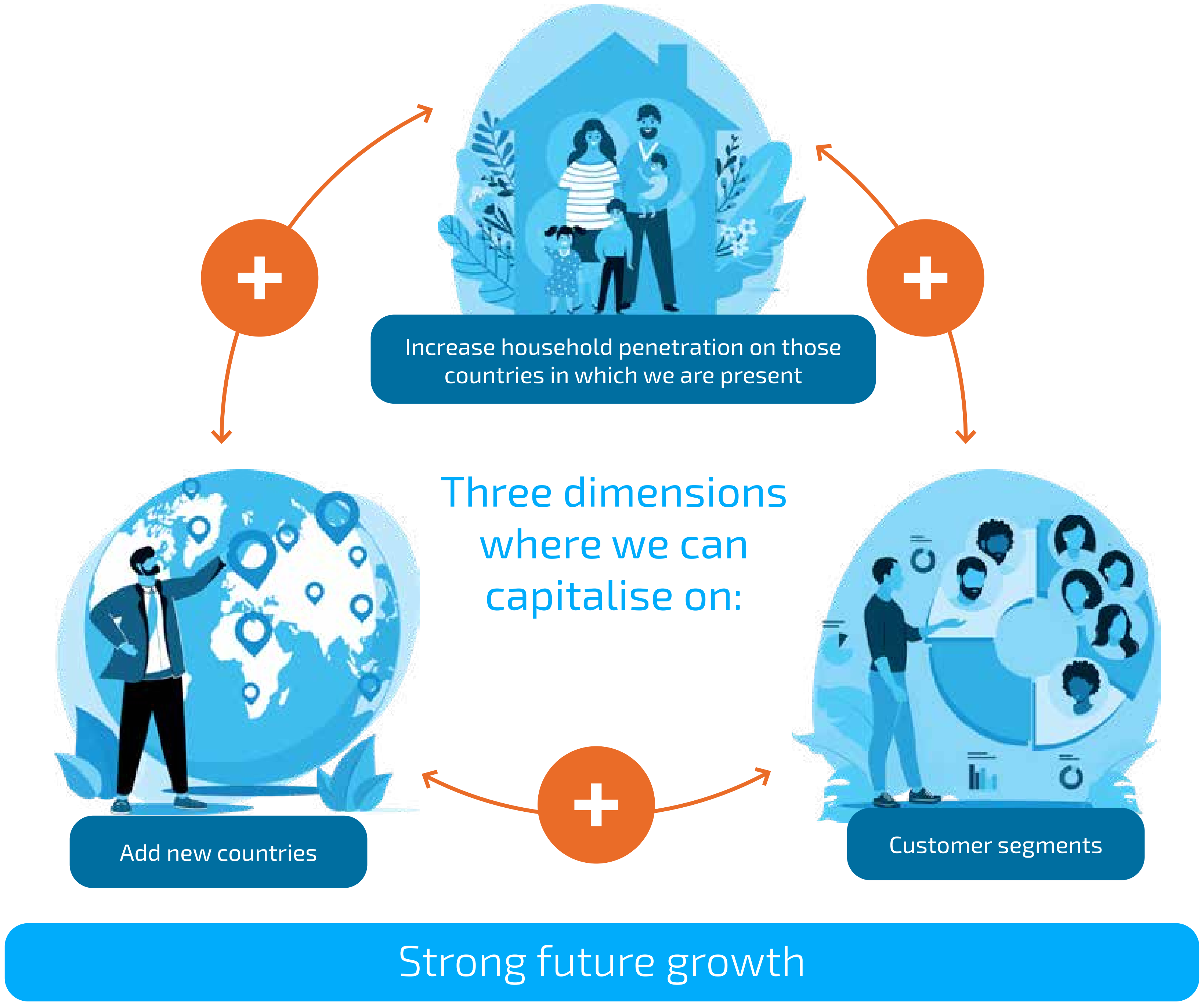
(**) Companies included: Amazon, Teamviewer, Netflix, Bumble, Hello Fresh, Dropbox, and Wix.



A.2.5. Subscription model a proven success, strategy overview & investment highlights

Longer term - eDO has strong fundamental growth potential well beyond FY25

The longer term potential beyond FY25 is huge. While we have announced self-imposed targets for FY25, there is large growth potential way beyond FY25. Today we have Prime in only 10 countries, yet as a transactional model we are in 44 countries. Thus over time we will continue to expand Prime to many more countries. Secondly within each country we are not arriving at anywhere near the normalised household penetration of Prime. In other product categories that have much longer tenure of introduction of subscription, European household penetration can be 20% to 60% depending on the product. Our current average penetration of our top 6 markets in which Prime was launched, is 2.7%, and we are growing more rapidly than some other famous subscription companies at a similar stage. Even in our very first market, France, we are at 4.6% penetration, and achieved record growth this past year. Thus this market is nowhere near reaching long term penetration levels. In other words the longer term penetration potential is large even in existing markets. Third, many successful subscription programmes evolve into more segmented offers by customer and product segments. This provides significant market growth opportunities for us as travel is one of the largest e-commerce market in the world and overall travel market is 2.1 trillion euros.



B

Non-Financial Information

B

Non-Financial Information

B.1.0. ESG & Sustainability Strategy at a glance

Our vision is to....

....continue to reinvent travel and stimulate global tourism, an industry that directly supports one in 10 jobs worldwide.

......facilitate and foster deeper connections between diverse cultures across the globe, taking pride in the contribution of tourism to people's livelihoods.

......help travellers discover the world encouraging sustainable travel, empowering them to make greener choices, through tech innovation in our platforms.

.....work together with our eDOers, customers, partners, suppliers and investors to deliver on our mission to become a more diverse and socially responsible business.

Our ESG Strategy

Environment

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

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

Social

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

"We are a customer centric Company, committed to building a deeper, broader and more lasting relationship with our customers, and enriching our customers' travel experience via digital innovation"

Governance

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

B.1.0. ESG & Sustainability Strategy at a glance

Our focus areas, targets, & progress made during FY23

Environment

Focus

- Reducing emissions & consumption.
- Building sustainability awareness.
- Integrating sustainability into our business and culture.

Target

- Continue our transition to a green supply chain, and identify further opportunities to upgrade to more sustainable suppliers.
  - Complete migration of our IT infrastructure to Cloud based (serviced by net zero emissions suppliers) by 2024.
  - Power our office locations with 100% green energy by 2024.
- Maintain carbon neutrality for our direct operations going forwards.
- Achieve 100% coverage of the "greener choice" CO2 emission information on customer searches across all markets & websites.
- Further develop the eDOGreen brand climate and sustainability awareness programme in 2023.

Progress

We are pleased to report that going into FY24 we have:

- **Switched to 100% green energy suppliers in 100% of the office locations under our direct influence.**
- Substantially **migrated to net zero emission Cloud suppliers** our productive platform (98%), and corporate infrastructure (95%).
- Changed to **electric vehicle courier & messenger** services at our main site in Barcelona, and plan to extend this to all our office locations in FY24.
- Continued to **maintain the carbon neutrality** of our direct operations for a fourth consecutive year.
- Provided **"greener choice" CO2 emission** information on 100% of customer flight searches.
- **Improved our sustainability and ESG messaging both internally and with external stakeholders**, improving our ESG ratings with all three ESG raters (Sustainalytics, ISS, S&P Global).

B.1.0. ESG & Sustainability Strategy at a glance

Social

Focus

- Enrich our customers travel experience via digital innovation.
- Foster an inclusive and diverse working environment.
- Contribute to tech awareness and development among our communities.

Target

- Accelerate further our best in class connectivity platform, and extend our pioneering Prime subscription offer to more markets, to further cement a long lasting relationship with our customers.
- From FY23 specific ESG related bonus objectives have been set for our teams; Net Promoter Score to reinforce commitment to our customers, and employee engagement based targets for our People Managers.

Progress

- **Extended Prime**, the largest travel subscription programme in the world to 10 countries, expanding the content and products available.
- Leveraged our technological expertise to further **automate our customer service experience,** and will continue to invest in providing customers with a seamless travel experience.
- **Welcomed onboard over 550 new eDOers, now representing 59 nationalities**, speaking 36 different languages.
- **Achieved a 52% reduction in our attrition rate.**
- Launched a revamped **OHS Programme** and "**eDOWellness Programme**", designed to improve eDOers physical, mental health and well-being.
- **Zero work related accidents/occupational** related illness.

B.1.0. ESG & Sustainability Strategy at a glance

Governance

Focus

- Maintain high governance standards.
- Foster a culture of compliance throughout our teams.

Target

- For regulatory areas material to our business, attain certifications from best in class organizations.
- Provide our eDOers with an online compliance training programme up to date with the latest regulatory developments.

Progress

- **ISO 27001 Information Security** standard and PCI DSS certified.
- **No significant cyber-incidents** impacting customer data.
- **Zero customer legal claims** relating to customer privacy violations from third parties.
- **Zero concerns raised relating to Human Rights violations** during this year or any year in the past.
- Obtained **certifications from our major outsourced suppliers confirming adherence to internationally recognised human and employee rights,** the prohibition of child labour and forced labour, observing and promoting ethical business conduct, adherence to legal standards and environmental rules, as well as preventive environmental protection. (Based on the UN Global Compact's Ten Principles).

B.1.1. About this report

eDreams ODIGEO's annual report for fiscal year 2023 has been reviewed by the Audit Committee and approved by the Board of Directors at its meeting on 23rd May 2023.

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

eDreams ODIGEO incorporates the non-financial and diversity information for fiscal year 2023 in this Annual Report following the requirements established in Spanish Law 11/2018 approved on 28th December 2018. The scope and location in this report of the different indicators that make up the non-financial information statement, using the Global Reporting Initiative (GRI) reporting framework, is shown in section B6 of the report.

According to the Spanish Law 11/2018 requirements, this non-financial report has been externally reviewed by Ernst & Young, SL (EY). The external assurance of this document by an independent organization (EY) ensures that the quantitative and qualitative material issues are reported accurately. The corresponding Limited Assurance Report is attached to this report (Section B.7 Auditor verification report).

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

The financial information included, has been extracted from the consolidated annual accounts for the year ending **31st March 2023.**

Note: The following additional reports, subject to the same filing and approval requirements as the Integrated Annual Report, and also included in chapter B8, are available at www.edreamsodigeo.com and in the following CNMV address:

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

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

B.1.2. Materiality

At eDreams ODIGEO we are continuously adapting our strategy to respond to the challenges of the complex and uncertain environment the world is facing. The success of this strategy is borne out by the fact that **although the global air travel market remains below pre-COVID-19 levels, our bookings performance continues to be above pre-COVID-19 levels and materially better than our competitors,** as we have navigated several waves of the COVID-19 pandemic, the geopolitical instability triggered by the Russian invasion of Ukraine, and inflationary pressures on Western economies

The Company is reinventing travel through Prime, the travel sector's first and largest subscription programme, now available to customers in 10 markets worldwide. eDreams ODIGEO's growth and development is supported by a strong balance sheet and state of the art proprietary platform and systems infrastructure.

With the pandemic behind us, we have updated the materiality analysis prepared in the previous fiscal year to reflect actual circumstances. This materiality analysis helps us understand where eDreams ODIGEO most relevantly impacts ESG, and target initiatives to address material areas of ESG.

We have applied the double materiality methodology taking into consideration the ESG impact of eDreams ODIGEO's activities on external stakeholders, and the impact on our internal operations and risk management.

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

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

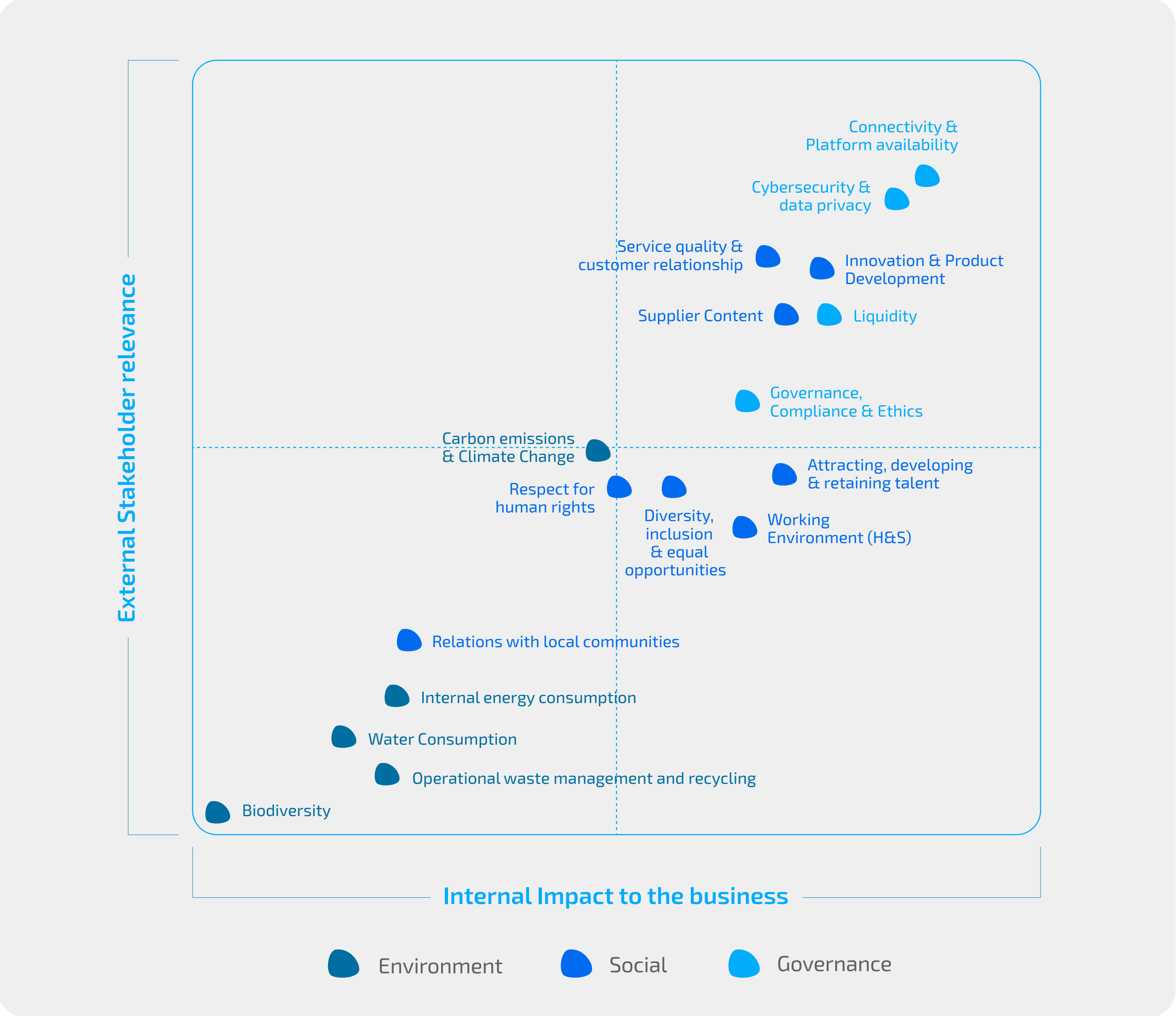
The material ESG areas have not changed significantly from the previous fiscal year.

B.1.2. Materiality

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

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

ESG Materiality Matrix



B.1.2. Materiality

ESG Material Areas

Environment

Carbon emissions & climate change

Internal energy consumption

Although our direct operations do not have a significant impact on the environment and we fully offset the carbon emissions generated by our operations, we are committed to the implementation of initiatives that organically reduce our direct environmental footprint (electricity & water saving. reduced business travel, hardware recycling, transition to paperless offices...). We recognise the indirect impact generated by the products that we intermediate, and its importance to our stakeholders, and the need for initiatives to address it.

Social

Service quality & customer relationship

Supplier content

As a customer centric one-stop travel shop, the combination of;

- An extensive offering of content, sourced from reliable and ethically responsible suppliers.
- And providing outstanding customer experience, with speed, transparency, reliability, sensitivity, and honesty are fundamental in building and retaining a larger loyal customer base.

Attracting & developing talent

Working environment

Diversity, inclusion, & equality

The creativity & inspiration of our diverse team of eDOers fuels the innovation that maintains eDreams ODIGEO at the vanguard of the travel industry. Providing our eDOers with a secure, diverse & inclusive working environment, a healthy work-life balance, and the tools and guidance with which to grow and develop professionally, is fundamental to nurturing and retaining them, and attracting new talent in the future.

Governance

Cybersecurity & data privacy

Connectivity & platform availability

As an e-commerce customer focused business, ensuring there are robust mechanisms in place to guarantee the operational availability of our platform and protect our customer data.

Innovation & product development

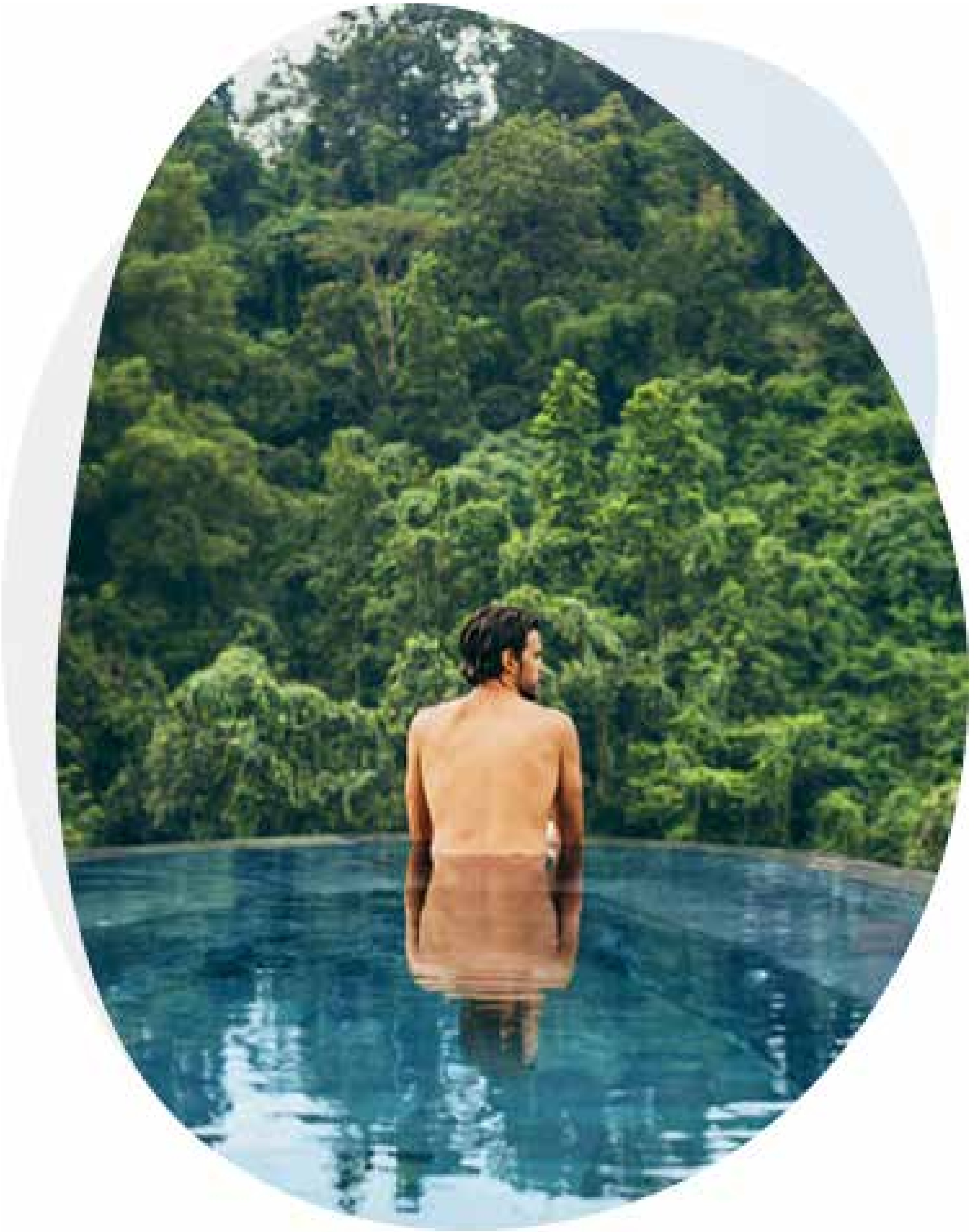
Ensuring we stay ahead of the curve in the rapidly evolving technological environment in which we operate, applying continuous product innovation to anticipate and satisfy our customers needs.

Governance, compliance & ethics

Strict compliance with all legal & regulatory obligations expected from us by bodies such as the CNMV, IATA, or Data Protection Agencies, and meeting the high standards of ethical behaviour demanded of us by our stakeholders.

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

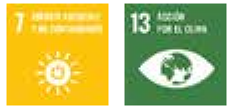
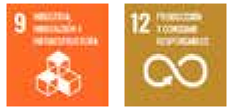
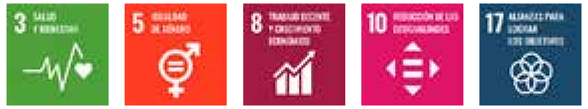
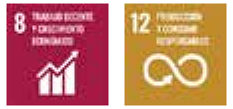
B.1.2. Materiality



eDreams ODIGEO's contribution to the Sustainable Development Goals

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

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

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

B.1.2. Materiality

eDreams ODIGEO alignment with UN Sustainable Goals

GOAL 3: Good Health & Well-being

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

GOAL 5: Gender Equality

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

GOAL 7: Affordable & Clean Energy

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

GOAL 8: Decent Work & Economic Growth

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

GOAL 9: Industry, Innovation & Infrastructure

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

GOAL 10: Reduced inequalities

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

GOAL 12: Responsible Consumption & Production

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

GOAL 13: Climate Action

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

GOAL 17: Partnerships to achieve the Goal

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

B

Non-Financial Information

B.2. Governance

B.2.1. eDreams ODIGEO Corporate Governance Structure

Corporate governance

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

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

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

B.2.1. eDreams ODIGEO Corporate Governance Structure

Shareholder meetings

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

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

Board of Directors

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

In this regard, the Board of Directors is the body ultimately responsible for: Remuneration and Hiring, Business Conduct on Security Markets, Risk Management and Control, CyberSecurity & Data Protection, and Environmental, Social, & Corporate Governance (ESG).

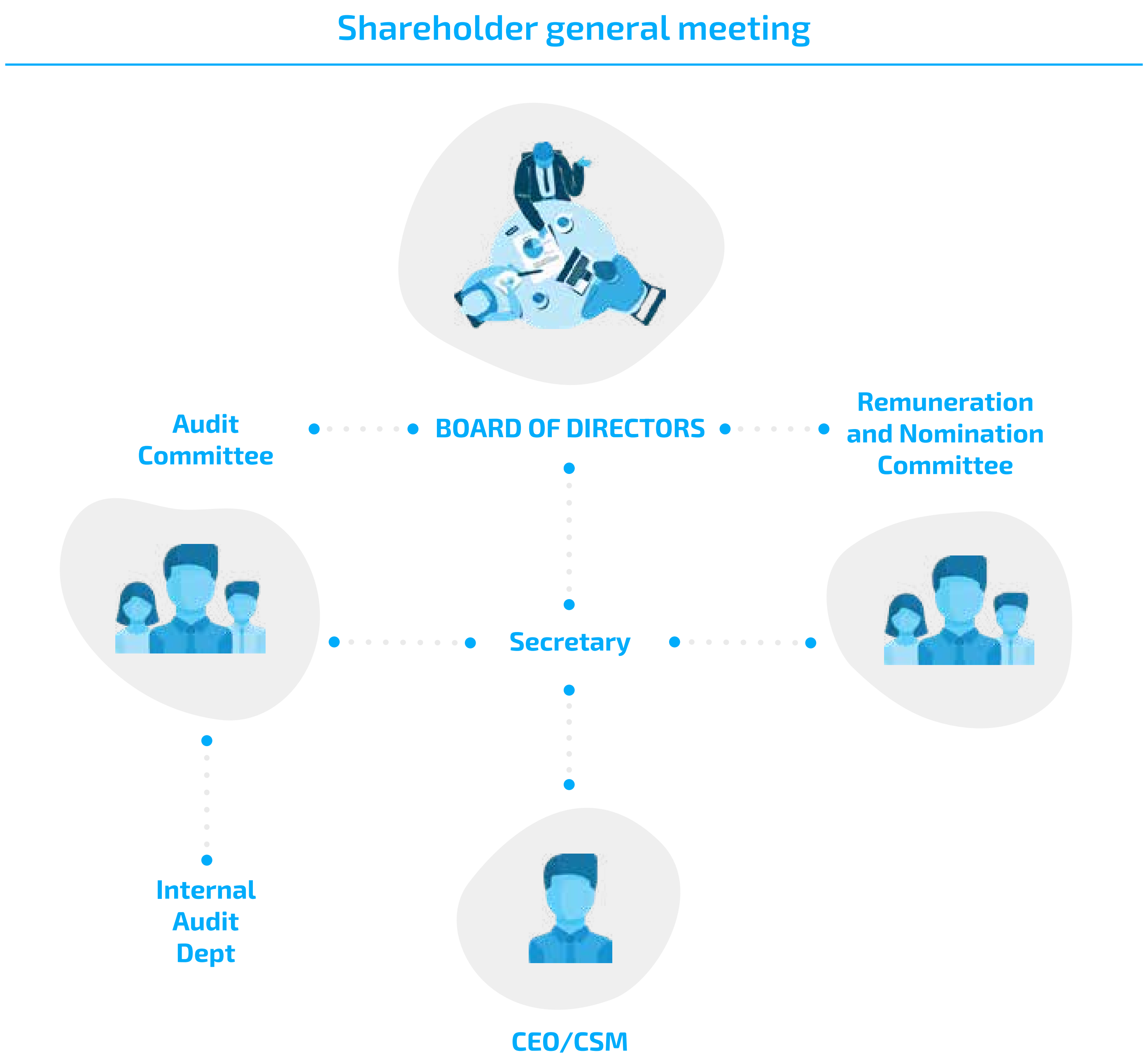
Structure of the Board of Directors

The profile of the current Board members, men and women, responds to the needs of the Company, bringing a diverse range of experience in finance, e-commerce, the travel sector, risk management, and cybersecurity, and is soundly based on the principles of meritocracy and diversity.

For the fiscal year ending on 31st March 2023, the Board consisted of seven members: 3 Independent Directors (the Chair and the two Committee Chairs), 2 Proprietary Directors (affiliated with the Permira funds), and 2 Executive Directors. In December 2022, the proprietary fund Ardian sold its 15.6% stake to institutional investors, and their 2 Proprietary Directors subsequently resigned as Board members.

Two of our seven Board members are women (29%).

Should the Company decide to expand the Board in the future, it is committed to increased representation of Independent Directors, and maintaining a balanced and diverse mix of gender and experience.



B.2.1. eDreams ODIGEO Corporate Governance Structure

Bios Board Members

Thomas Vollmoeller

Chair (Independent Director)

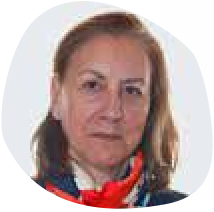
Born in Tübingen, Germany. Thomas was Chief Executive Officer at New Work SE, a leading professional business network with over 20 million users, in the DACH region (Germany, Austria and Switzerland).

He is currently a Board Member at both Ravensburger AG (Chair) and Conrad Electronic SE and member of the advisory board of Stiftung Mercator Deutschland GmbH. From May 2022, he joined the Board of Haniel.

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

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

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



Carmen Allo

(Independent Director)

Born in Logroño, Spain, Carmen has a wealth of experience in corporate and investment banking in large European and American banks, as well as in Risk Management and as Audit Committee Chair of publicly traded companies on the Spanish stock market. She is currently Chair of the Audit Committee at CAF, a Non Executive Director on the Audit & Remuneration & Nomination Committees at Sareb, and Chair of the Investment Committee for Crisae Private Debt SLU. She is also currently a Professor at the Instituto de Empresa.

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

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

Amanda Wills

(Independent Director)

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

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

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

B.2.1. eDreams ODIGEO Corporate Governance Structure

Bios Board Members

Dana Philip Dunne

CEO (Executive Director)

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

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

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

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

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

As at 31st March 2023, he held 2,600,081 eDreams ODIGEO shares.

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

David Elizaga

CFO (Executive Director)

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

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

As at 31st March 2023, he held 743,844 eDreams ODIGEO shares.

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

B.2.1. eDreams ODIGEO Corporate Governance Structure

Bios Board Members*

Benoît Vauchy

(Proprietary Director)

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

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

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

Pedro López

(Proprietary Director)

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

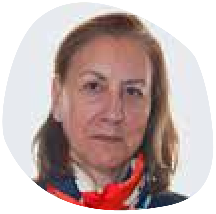
Prior to joining Permira, Pedro spent four years at J.P. Morgan in London, where he worked in the M&A department and in debt capital markets and leveraged finance.

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

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

**Changes in the Board during the year: During FY23, Daniel Setton and Lise Fauconnier resigned as Non-Executive Proprietary Directors (representing Ardian) after Ardian sold all of its ordinary shares (representing 15.6% of the Company at the close of business on 8th December 2023), to institutional investors. Ardian's decision to exit was driven by legal obligations linked to the relevant fund coming to the end of its term.*

B.2.1. eDreams ODIGEO Corporate Governance Structure



Carmen Allo

Independent Director
(Chair and member since April 2020)

Benoît Vauchy

Proprietary Director
(Member since March 2014)

Thomas Vollmoeller

Independent Director
(Member since January 2020)

Audit Committee

As of 31st March 2023, the Audit Committee is formed by three Non-Executive Directors, all selected for the knowledge and experience they can contribute to the role. Each member is appointed for a 3 year mandate, and can serve up to a maximum of 12 years. The Chair of the Committee is a Non-Executive Independent Director.

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

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

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

During fiscal year 2023 (1st April 2022 to 31st March 2023), the Audit Committee met on four occasions.

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

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

The Audit Committee prepares an annual report on its activities. The report for the fiscal year 2023 is publicly available on our Corporate Website.

Audit Committee Activity Report FY23 (https://www.edreamsodigeo.com/category/investors/other-annual-reports/)

B.2.1. eDreams ODIGEO Corporate Governance Structure

Amanda Wills

Independent Director
(Chair and Member since July 2015)

Thomas Vollmoeller

Independent Director
(Member since January 2020)

Pedro López

Proprietary Director
(Member since December 2022)

Remuneration and Nomination Committee

As of 31st March 2023, the Remuneration and Nomination Committee is formed by three Non-Executive Directors the Chair of the Committee is a Non-Executive Independent Director.

The primary responsibilities of the Remuneration and Nomination Committee include advising on and reviewing; proposals for the appointment and removal of Directors, the application of the Director Remuneration Policy, Director and Executive Management team compensation, Group variable compensation plans and long-term incentive schemes, recruitment of top talent in critical areas, attrition rates, motivation and productivity, and diversity and equality initiatives.

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

During the fiscal year 2023 (1st April 2022 to 31st March 2023), the Remuneration and Nomination Committee met on three occasions.

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

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

The Remuneration and Nomination Committee prepares an annual report detailing its activities. The report for the fiscal year 2023, is publicly available on our Corporate Website.

Remuneration and Nomination Activity Report FY23 (https://www.edreamsodigeo.com/category/investors/other-annual-reports/)

B.2.1. eDreams ODIGEO Corporate Governance Structure

Director selection policy

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

Director remuneration policy

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

The DRP was approved at the 20th September 2022 Annual General Meeting of Shareholders of the Company remaining valid for the current fiscal year and three subsequent fiscal years (2023-24, 2024-25, 2025-26), unless an agreement amending or replacing it is passed by an General Meeting during the period in which it is applicable, in accordance with article 529 of the Spanish Corporate Companies Act.

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

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

Remuneration structure

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

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

The maximum amount to be paid to the Non-Executive Directors, as a fixed amount, for their duties as Board members,is capped at a maximum annual amount of €550K for each of the years 2023, 2024 and 2025. This takes into account potential increases required in the future as Proprietary Directors are replaced with Independent Directors (for FY23 Non Executive Director remuneration totalled €315K).

Independent Directors

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

B.2.1. eDreams ODIGEO Corporate Governance Structure

Proprietary and Executive Directors

Proprietary and Executive Directors are not remunerated for sitting on the Board of Directors or any other Committee of the Board of Directors.

Executive Directors for their executive duties

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

The aggregate annual fixed remuneration of the Executive Directors approved in the DRP amounts to €1,146K per year. The Board may decide to increase the total annual remuneration of Executive Directors, increasing up to a maximum of 20% of that total aggregate amount. For FY23 Executive Director fixed remuneration for their executive duties totalled €1,146K).

Note: full detail of Board Members Remuneration is detailed in the Annual Remuneration Report FY23 (https://www.edreamsodigeo.com/category/investors/remmuneration-of-directors-reports/).

eDreams ODIGEO Senior Management Team (CSM)

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

B.2.2. Ethical framework and main policies applied by the Group

A. Compliance Committee

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

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

The Compliance Committee is responsible for the following:

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

B. Group Compliance Programme

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

B.2.2. Ethical framework and main policies applied by the group

C. Relevant policies

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

- **ETHICS AND INTEGRITY: we are fully committed to acting with the highest standards of ethics and integrity in our relationships with all our stakeholders.** The following Company policies provide guidance to reinforce our culture of ethical behaviour, respect for human rights, and rejection of active or passive bribery, corruption and money laundering.
    - **Our Group Business Code of Conduct & Business Ethics Principles:** set out the basic principles to ensure all of our eDOers, contractors, and suppliers act ethically, honestly, with integrity, avoiding any form of corruption, and with respect for applicable laws, and for human rights.
    - **The Speak up Policy**: aligned with EU Whistleblowing Directive requirements, describes the channels and processes for reporting concerns relating to violations of law, regulations, or Group policies relating to business practices or ethical conduct.
    - **Our Anti-Bribery & Anti-Corruption Policy**: extends the guidance provided in our Business Code of Conduct, on anti-bribery and anti-corruption, providing concrete examples and advising on appropriate ethical conduct.
    - **Our Gifts and Hospitality Policy:** prepared as a complement to the eDreams ODIGEO Business Code of Conduct to provide procedural information and guidance to all of our eDOers when giving or receiving gifts or hospitality.
    - **Our Group Anti-Money Laundering Policy:** sets out general guidelines to help identify, prevent, and provide early detection of any situation that may generate cause for concern or represent a risk in relation to money laundering and terrorist financing.
    - **Internal Regulations for Conduct in the Securities Markets:** set out the rules by which, as a publicly traded company, we commit to behaving at all times with the utmost diligence and transparency, keeping to a minimum any risk of conflict of interest or insider trading, ensuring that investors receive proper and timely information, for the benefit and integrity of the market.
    - **Our Group Procurement and Significant Outsourced Suppliers Policy** contains specific sections detailing the due diligence steps to be followed during the supplier selection process.
    - **Powers of attorney:** delineate those empowered to make commitments on behalf of the Company, and within the Company's sphere of operating activities.
    - **Travel and Expense Policy:** sets the rules governing business travel for eDreams ODIGEO team members.
- **ENVIRONMENT, SOCIAL AND GOVERNANCE** policies supporting our ESG agenda, and the initiatives via which we are committed to putting it into practice.
    - **ESG/ Corporate Social Responsibility ('CSR') policy:** designed to promote a culture of social responsibility across the Group, and serves as the foundation stone of our focused Environmental, Social and Governance (ESG) agenda.
    - **Occupational Health and Safety (OHS) Policy:** sets out how eDreams ODIGEO plans to meet OHS obligations, the coverage, the organizations, committees, and individuals involved, and the responsibilities assigned to them, and the expectations of all eDO employees and stakeholders with respect to health and safety.
    - **Flexible Working Policy:** sets out how our eDOers can work remotely in an effective and efficient manner, and facilitate a healthy work-life balance and individual wellbeing.
    - **Plan for Equal Opportunities:** sets out a plan and initiatives designed to help us continue building on our strengths of diversity and inclusion throughout the eDreams ODIGEO Group.
- **IT SECURITY & DATA PRIVACY:** how we protect our systems, sensitive information, and the data privacy rights of our customers, against cyber-attack, negligence, or fraud. The following Group policies provide robust guidance to ensure secure protection and appropriate handling of information and systems:
    - **IT Security Policy.**
    - **Business Continuity & Disaster Recovery Policy.**
    - **Back-Up & Recovery Policy.**
    - **Acceptable Use of Corporate Hardware & Software Policy.**
    - **Internal Privacy Policy.**
- **CONFIDENTIAL INFORMATION & COMMUNICATION:** each of us has a duty to protect confidential Company information, and ensure it is disseminated through the appropriate channels, at the right moment, and transparently and consistently. To help with this we have following policies:
    - **Handling Confidential Information Policy.**
    - **External Communication and Media Policy.**
    - **Appropriate Use of Social Media Guidelines.**

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

> **“Commitment to act with integrity”**

B.2.2. Ethical framework and main policies applied by the Group

Our Group Business Code of Conduct

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

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

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

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

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

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

B.2.2. Ethical framework and main policies applied by the Group

D. Our commitment to prevent bribery, fraud, corruption, and money laundering

eDreams ODIGEO is committed t**o winning business through fair and honest competition in the marketplace.** We are committed to the highest standards of ethics, to complying with obligations under international anti-corruption and anti-money laundering (AML) laws, and discourage bribery and corrupt practices. We will actively pursue the prevention of money laundering and any activity that facilitates money laundering or the funding of terrorism or other criminal activities.

To help us meet this commitment we use a combination of internal control systems, policies, training, and stringent disciplinary procedures.

Our **Group Anti-Bribery & Anti-Corruption Policy** complemented by practical online training courses, and periodic awareness campaigns, are key tools in helping keep this at the forefront of our eDOers minds.

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

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

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

E. How do we spread this message throughout the Company

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

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

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

All courses are delivered with the relevant Group Corporate policy**, which must be read and signed in acknowledgement. A compliance training roadmap is defined and shared with the Audit Committee** at the beginning of each fiscal year.

For critical areas such as CyberSecurity and Data Privacy organization-wide training courses are delivered at minimum on an annual basis. Key policies such as IT & Cybersecurity, Data Privacy, Business Code of Conduct, Anti-Money Laundering, and Gifts are also shared on an annual basis.

During FY23 online training courses in **CyberSecurity, Remote Working, Data Privacy, and Diversity, Inclusion, & Equality** were delivered to all our eDOers. As a complement to this eDOers have at their disposal an extensive range of additional compliance related training courses within the suite of training courses offered via the online professional development platform.

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

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

Our Board are periodically kept up to date with the latest developments in cybersecurity, data privacy, ESG and tax developments in detailed monographic sessions provided to them during the year by the relevant subject matter experts from the business.

B.2.2. Ethical framework and main policies applied by the Group

F. Reporting channels

We have made available a series of **reporting channels and procedures** to enable eDOers and stakeholders to raise any **concerns relating to infringements**, or non-compliance with the Business Code of Conduct or any other Group Policy, as well as any suspected misconduct that could affect eDreams ODIGEO. The reporting channels available, guarantee confidentiality and respect for all the phases the procedure involves, as well as the absence of reprisals. eDreams ODIGEO has an open-door policy that allows anyone the freedom to approach any member of management without fear of retaliation.

Currently eDreams ODIGEO has made available 2 channels for reporting concerns confidentially:

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

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

The Compliance Committee is responsible for investigating and following up – **in strict confidentiality** – all communications received via these reporting channels. The Compliance Committee is responsible for managing the concerns received in compliance with the internal procedure which guarantees confidentiality, anonymity and respect throughout all the phases of the procedure, as well as the absence of reprisals.

Following the coming into force on December 17th, 2021, of the new European Directive on the protection of persons who report breaches of Union law (EU Whistleblower Protection Directive), eDreams ODIGEO started to revise its internal reporting protocol and handling of reports by considering the implementation of a new external platform, aligned with the national transpositions of the EU Whistleblower Protection Directive in each of the countries where we have offices and eDOers.

To complement this, eDreams ODIGEO has defined a "Speak up policy" which sets out the process for reporting and dealing with possible misconduct that could affect eDreams ODIGEO. The policy sets out the principles that govern the reporting channel, describes the parties involved in the reporting, as well as clarifies all steps of reporting procedure, indicating the proper rules and timings to be respected.

There are currently no ongoing external investigations against eDreams ODIGEO related to the Code of Conduct or matters relating to corruption. No human rights related concerns were received during this year or any year in the past.

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

B.2.3. Risk management

Risk management

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

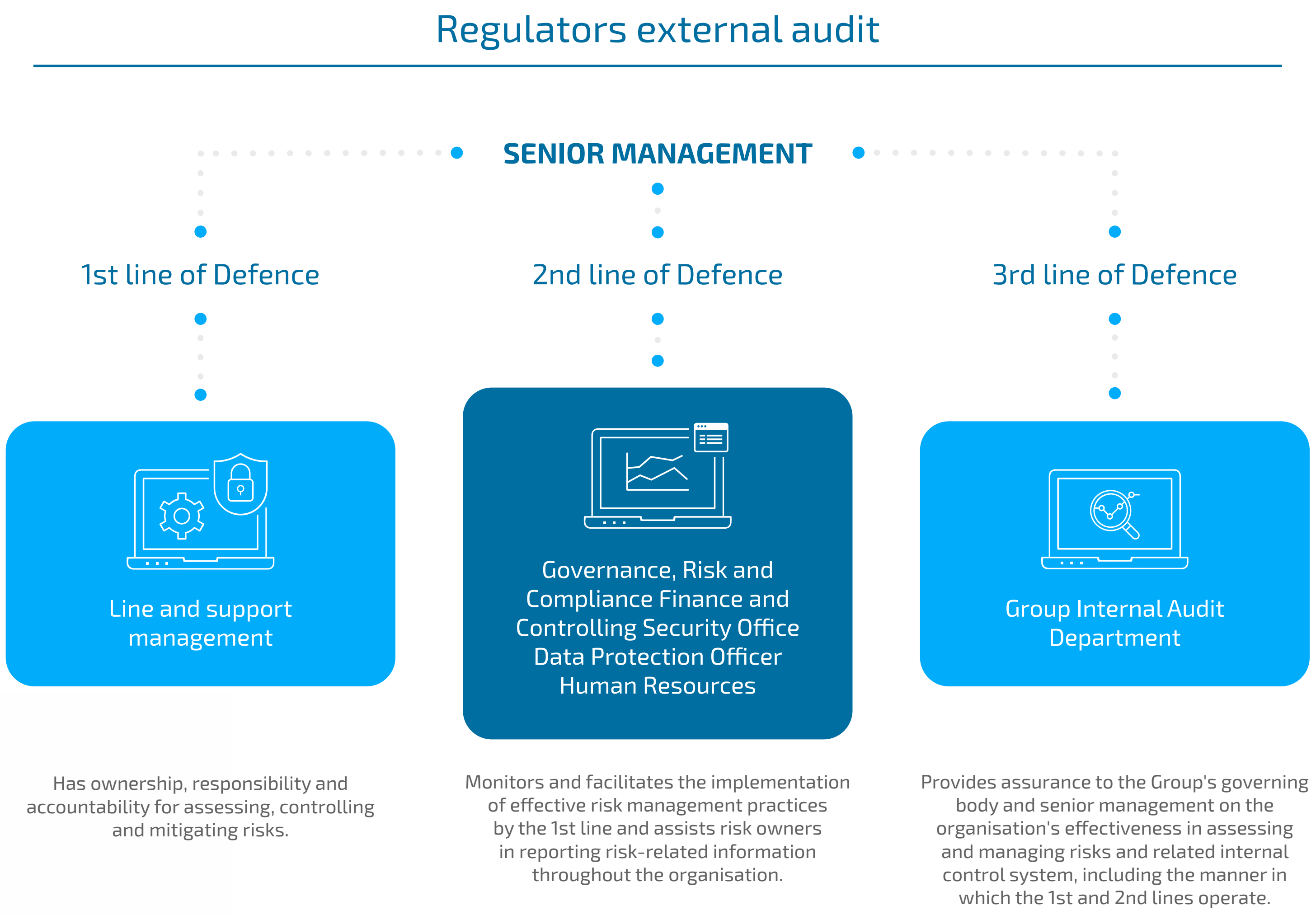
The Corporate Risk Map aggregates all critical strategic, compliance (legal, regulatory, and tax), **financial reporting, environmental, social, and market risks with a potential impact on Group Strategic Objectives**. It takes into consideration all brands across all geographies and markets, and is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

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

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

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

Three lines of defence and combined assurance



B.2.3. Risk management

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

Board of Directors

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

Audit Committee

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

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

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

3rd Line of Defence

Group Internal Audit

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

2nd Line of Defence

Governance, Risk, & Compliance

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

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

Finance & Controlling Function

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

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

Data Protection Officer

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

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

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

IT Security Office

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

B.2.3. Risk management

First Line of Defence

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

Management of Group Risk

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

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

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

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

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

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

B.2.3. Risk management

Cybersecurity (Governance and IT Security)

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

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

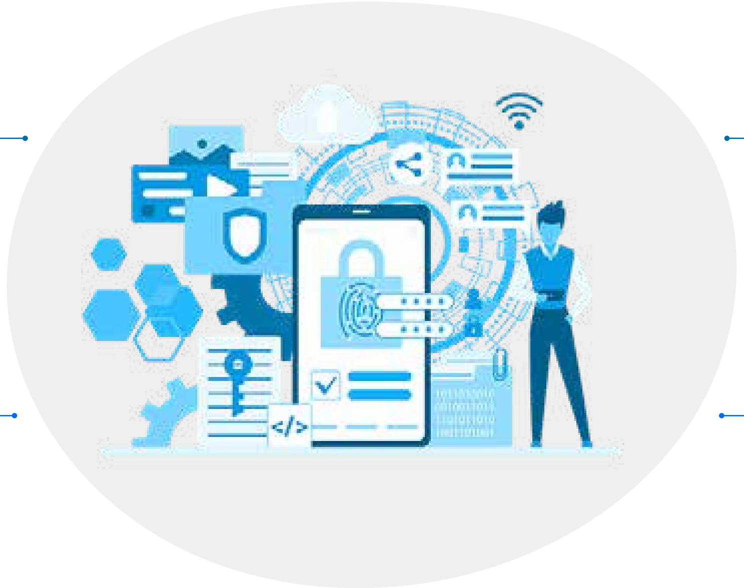
Management of cybersecurity risk, ensuring operational continuity of our platform, and protecting our customer data, are paramount concerns for our business. In this regard, our cybersecurity governance system is based on an IT Security strategy founded on the following 6 key domains:

Security Strategy

Security Governance
Security Dashboard (indicators)
Security Governance Model

Security by Desgin
Security Architecture
Security Development

Security Compliance
Security Auditing and assessment
Security Policy Framework



Security Monitoring
Security Operations Center
Security Incidents Response

Security Analysis
Security Testing
Vulnerability Analisis

Internal Security
Security Awareness
Digital Identity Security

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

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

Measures

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

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

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

These measures are complemented by a cyber-risk insurance policy, and clean annual certifications that we are required to obtain in relation to PCI DSS and SWIFT environments, under which IT Security controls are stringently tested by external parties. **During FY23 the Group formally achieved the ISO 27001 information security management certification covering 100% of our core trading platform in sites located in Barcelona, Madrid, Alicante, Palma, Porto, Milan, London, Paris, and Hamburg**, and will continue to annually certify going forwards.

B.2.3. Risk management

On the people side, training and awareness is a critical factor in embedding a deep culture of cybersecurity in the organisation. **During FY23 we have continued to provide our teams with a constant flow of cyber-security campaigns, delivered via: online training courses, video shorts and security tips guides on the Company Intranet, complemented by organisation wide webinars from subject matter experts.** Our Security Office periodically launches simulated phishing campaigns to assess the level of employee cyber-awareness, and target additional training where required.

Cybersecurity due diligence and scrutiny extends to eDreams ODIGEO's supply chain, and forms an integral part of the Vendor Risk Management criteria requested during the processes of procurement or contracting third party services.

Cybersecurity incident response procedure

As an online business we are very sensitive to identifying and responding quickly to any incidents affecting the availability of our platform and security of the customer data within it.

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

Data Governance Risk Management

The aforementioned Cyber & IT Security measures, are complemented by a robust data governance framework to protect the significant volumes of customer sensitive data we process. eDreams ODIGEO and all of our stakeholders are bound by all applicable laws and regulations related to but not limited to privacy and data protection (e.g. General Data Protection Regulation -GDPR-, ePrivacy Directive as well as the proposed ePrivacy Regulation, national data protection laws such as Spanish Data Protection and Digital Rights Law - LOPDGDD).

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

Data governance is supervised by the Board of Directors. The Audit Committee and Board are kept apprised of Data Privacy matters on a regular basis, by the General Counsel & DPO in detailed presentations, and the Head of Internal Audit who reports quarterly on the status of the data privacy control environment.

Data governance risk is managed transversally throughout the organisation, led by the Group DPO supported by the Security Office & IT Operations teams, against a robust set of prevent, detect, and respond controls framework mapped to the GDPR regulatory requirements.

Privacy and Security Policies & Procedures

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

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

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

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

We also extend GDPR compliance to third parties involved in the processing of personal data, unifying our privacy and security policies and procedures through the implementation of data processing agreements, specific technical and organisational measures and, whenever necessary due to the existence of international transfers of personal data not covered by any adequacy decision, standard contractual clauses approved by the European Commission.

Under the direction of our Data Protection Office and Security Office in close cooperation and alignment, we are continuously monitoring data protection and IT Security requirements and creating and implementing the corresponding measures and processes and provide advice, expertise, and training. The Data Protection Office is also the cornerstone in any interaction we may have with any Supervisory Authority from any part of the globe, and consistently provides assistance and mediation to any issue brought to us related to data protection.

B.2.3. Risk Management

Security measures (also called "Technical & Operational Measures", or "TOMs")

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

eDreams ODIGEO has a cyber-insurance policy which in addition to the standard policy coverage, includes advice and support when dealing with potential data breaches.

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

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

TOM's in outsourced data processing

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

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

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

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

B.2.3. Risk Management

Climate Change Risk Management

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

The methodology considers:

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

These risks together with ongoing and planned mitigatory initiatives are described in full in Section B4 The Environment.

Business Continuity and Crisis Management Planning

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

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

We were able to successfully execute our business continuity plans, efficiently transferring to a 100% remote working environment, without any business disruption or loss in productivity, and effectively take care of our main priorities: our eDOers, our customers, and our liquidity. Once these immediate priorities were addressed we were able to focus on developing our business, continuing to develop product features for our customers and preparing the business to emerge even stronger in the post COVID-19 environment.

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

B.2.3. Risk Management

Risk that may adversely affect our Business, Financial Condition and Results of Operations

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

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

Risks Related to Our Business:

- Innovation, product diversification, the ability to keep up with rapid technological advances such as the recent emergence of Artificial Intelligence based solutions, and industry trends, in particular with changing consumer travel preferences and additional health & safety requirements in the post COVID-19 environment, and the success of execution of these changes.
- As the travel sector's first and largest subscription programme PRIME, we are customer centric company and focused on a long term relationship with our customers, reflected in repeat purchases and annual subscription renewals. Failure to establish and maintain this relationship and offer our customers the best possible value and experience could put this long standing relationship with our customers at risk.
- Changes in search engine algorithms and search engine relationships.
- Intense competition for advertising and metasearch revenue.
- Dependence on significant third party supplier relationships for: content, commissions, incentive payments, advertising and metasearch revenue, systems, processing, and fees.
- Competitive landscape of the travel industry, rapidly changing market, with many players.
- Retention of our highly skilled teams and the ability to attract additional qualified talent in the current environment of global tech talent shortage.
- Adverse tax events.
- Evolving customer demand, self-sufficiency, fee sensitivity, and increased awareness due to the evolution of social media.
- Reliance on the value and strength of our brands, and increased costs of maintaining and enhancing brand awareness.
- The ability to successfully grow the business via merger or acquisition, and the optimization of cost and the efficiency of integration of new businesses.
- Exposure to risks associated with booking and payment fraud.
- Protection of our Intellectual Property and against infringement of third party intellectual property rights.
- International operations involving additional risks and our exposure to these risks will increase as we further expand our international operations.

Risks Related to Our Financial Profile:

- Impairment of goodwill and other intangible assets.
- Significant leverage and financial products subject to restrictive debt covenants.
- Risks associated with currency fluctuations.
- Liquidity contingency management should another event such as COVID-19 materialize.

B.2.3. Risk Management

Risks related to CyberSecurity and Data Governance:

- Cybersecurity risk is continually evolving, with more sophisticated rogue state cyber capabilities, widespread bot-peddled misinformation, and AI-supported scamming attacks. The scale and the possible repercussions of poor oversight of cybersecurity can be significantly damaging, economically, operationally, and reputationally. Robust preventive measures and efficient response plans are essential.
- AI technologies, such as ChatGPT or Bard, and their potentially game changing gains in efficiency, and innovation will play a fundamental role in our present and future. Well managed AI deployment will be essential. Robust management of risks such as: AI implementation traceability, programme bias in decision making, data sourcing and violation of personal privacy, black box algorithms and lack of transparency, and grey areas in legal responsibility, should be factored into the design stage of AI models, and involve legal and risk-management teams alongside the development and data-science teams.
- Failures in technology due to system interruption, and the effectiveness of response plans and backup and recovery procedures.
- Processing, storage, use and disclosure of personal data, and prevention of data breach, and potential liabilities arising as a result of governmental and/or industry regulation. Failure to comply with European General Data Protection Regulation (GDPR) can result not only in enormous fines but also significant reputational damage and loss of stakeholder confidence.
- Management of any incremental cyber and data protection risks associated with remote working post COVID-19.

Risks related to Climate Change & Energy Transition:

- Transition risks as the world economy moves to a more sustainable scenario, that could directly impact our business include:
  - Increases in airline fuel prices resulting from carbon fee/tax mechanisms, and increased costs associated with the transition to more renewable sources of energy.
  - Substitution of existing products and services (flights) for those with lower emissions (rail travel).
  - Climate related regulatory & reporting changes such as the more stringent reporting obligations from the European Union Green Deal and bans on certain domestic flight routes. (i.e. France & Austria bans on domestic flight routes impacting our existing portfolio of services).
  - Growth in momentum of the flight shaming movement and adverse consumer perception of flight travel.
- Physical risks caused by increased frequency of extreme climate related natural events as carbon emissions increase, that could directly impact our business:
  - Inaccessibility of climate disaster affected regions to travellers, or loss of customer appetite for travel to these regions for safety reasons (earthquakes, wildfires, tsunamis, hurricanes…).
  - Supply chain issues resulting from damaged infrastructure.
  - Decreases in productivity, and impact on employee health in extreme weather conditions.

B.2.3. Risk Management

Risk that have materialised during the fiscal year

Global Economic Conditions

- The COVID-19 pandemic and the Russian invasion of Ukraine have contributed to a deterioration in global economic conditions. Supply chain interruptions and energy supply disruptions have fuelled growing worldwide inflation, with rising oil & energy prices impacting carriers as they try to recover pre-COVID-19 levels of activity, and general food and commodity price increases leaving consumers with less disposable income.
- The effects of other localised events affecting travel safety and customer choice of destination, such as continued political and social instability across the globe including: increased tensions between the US and China, and increased terrorist activity in the Middle East, Afghanistan, and Pakistan.

Russian invasion of Ukraine

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

CyberSecurity and Data Governance

- Although we are pleased to report that we have not experienced any significant cyberattack, information security or data breaches in the last three years, cyberattacks such as the data breaches suffered in recent years by BA, Marriott, EasyJet and Prestige Software are a constant reminder of the need for robust Cybersecurity controls and awareness and remaining vigilant.
- From a data governance perspective the Google Analytics International Data Transfer debate impacting all European companies that rely on this functionality, is an example of how differences in regional data protection regulation can materially affect companies with a global online reach.

Climate Change & Adverse Meteorological Phenomena:

- Traveller appetite or opportunity to visit determined locations was impacted by the increased intensity and frequency of adverse meteorological events and natural disasters around the world, including: catastrophic flooding in Australia, the US, Bangladesh, and Pakistan, wildfires in Australia, the US, and the Mediterranean, Hurricane Ian impacting the US & Caribbean, and super typhoon Hinnamnor & Nanmadol in the Far East, and the devastating earthquake in Turkey & Syria.

Regulatory & Other Travel Industry Risks

- Significant increases in regulatory environment and consumer regulation in some of the geographic locations, in particular in the UK and France.
- Continued commercial and intellectual property disputes with Ryanair.
- Bankruptcies that have materialised during the year of airlines such as; FlyBe UK and Viva Air, or OTAs such as Otravo, have had negligible impact on our business thanks to close tracking of airline solvency and the adoption of early preventative measures.
- No material tax risks materialised during the fiscal year.

B.2.4. Sustainability and ESG Management

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

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

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

- **Strong Governance** – Operating responsibly, respecting laws and regulations in the countries and territories where we do business, basing our relations with the competent public authorities in each jurisdiction on fidelity, reliability, professionalism, collaboration, reciprocity, and good faith.
- **Stakeholder Engagemen**t- Engaging responsibly with the world around us, fostering a culture of ethical behaviour, trust and integrity with all of our Stakeholders. Applying these principles to the areas of human rights, equal opportunities, labour practices, working conditions, customer relationships, impact on local communities, and making eDreams ODIGEO an attractive employment proposition, and go-to business partner.
- **Sustainability** - Respect for the Environment, acknowledging our responsibility to implement sustainable practices, and playing our part in reducing/reversing climate change. Facilitating and empowering our customers in assessing the environmental impact of their journey and helping them make more sustainable choices.

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

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

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

WWW The current Policy was updated and approved by the Board of Directors in May 2023 (https://www.edreamsodigeo.com/corporate-policies/)

B

Non-Financial Information

B.3.1. Value Creation

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

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

Our Suppliers & Partners

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

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

Our Customers

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

Our Shareholders

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

Our Employees "eDOers" & Society

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

Our Environment

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

One Stop Travel Shop

B.3.2. eDOers: Our Employees

Over 1,440 eDOers	59 Nationalities	Speak 36 Languages	99% Permanent contracts
35.8 Average age	80% Millenials or younger	3.95 Years Average tenure	45,977 Hours of training

B.3.2. eDOers: Our Employees

FY23 was a year of great accomplishments as we made significant strides to develop and expand our great team, reflected in the following highlights:

- **593 new eDOers** onboarded.
- A significant **52% reduction in our attrition rate.**
- Engagement continued to rise with **90% of eDOers recommending eDO as a great place to work.**
- Our **internal mobility programme enabling eDOers to change career path within the organization continues successfully, positively reflected in over 25% of FY23 open opportunities being filled internally.**
- Success of our **hybrid work environment,** offering eDOers the right level of flexibility to maintain a healthy work-life balance, continues to be rewarded with increased productivity.
- Enhanced **social cohesion of eDOers across the organization** built on regular virtual team events, in person team gatherings and fun and social activities.
- **Revisiting and redesigning the employee journey** to ensure a positive experience both for new hires and current employees.
- Continuing to **tailor our learning offerings** to match the evolving needs of our talented people, providing new learning platforms and additional development options to support effective performance and growth.

During FY23, **to support our Moonshot strategy, our People Strategy focused on the following pillars:**

Grow & Connect

Build a team of connected eDOers

Scale & Culture

Be the best

Equip eDO teams to perform at their best

High Performance

Proud to be eDO

Make eDO a place eDOers are proud to be part of

High Engagement

> **“One of the things that eDOers value the most is the flexibility that a hybrid work environment provides them to find the right balance between work and personal priorities”**

B.3.2. eDOers: Our Employees

Commitment to human rights, anti-slavery, ethical principles & employee freedom of association

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

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

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

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

B.3.2. eDOers: Our Employees

Diversity, equality, inclusion, & belonging

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

In FY23, **eDreams ODIGEO's workforce of over 1,440 people, with an average age of 35.8, is driven by one clear mission: making travel easier, more accessible, and better value for our 20 million customers worldwide.** We strive to ensure that our knowledge, expertise and leadership translate into value for our customers and contribute to the success of our stakeholders.

The complexity of our industry calls for the most qualified and accomplished team members, equipped with the talent and skills to support our aspirations as a global technology leader transforming the travel sector, with our subscription model built on strong, lasting customer relationships. We have the privilege of attracting such talent; and we also work hard to ensure that eDreams ODIGEO retains that talent and continues to be a strong employer and recruiter. Th**e variety and flexibility of our culture, and our team representing 59 different nationalities, and speaking 36 languages**, naturally embrace diversity and inclusion while fostering collaboration and innovation.

At eDreams ODIGEO, we welcome and celebrate differences, and work hard to ensure that our corporate environment is based on equality of opportunity, fairness, respect and dignity for all our eDOers. We view differences based on gender, age, race, culture, ethnicity, religion, family status, sexual orientation and disabilities, as strong assets not only to enrich our corporate culture and values, but more importantly as a business imperative in today's complex, global and interconnected world. Through our Business Code of Conduct, we formalise our commitment to promote these aspects. The policies and actions relating to selection, hiring, training and internal promotion of employees are based on criteria of capacity, competence and professional merit.

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

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

At eDreams ODIGEO, we strive to be as inclusive as possible. The Company has elected to professionally integrate people with disabilities, in compliance with the Spanish Law on General Disability (LGD), in two ways; via outsourcing to Special Employment Centres as providers of cleaning services, and via direct hire. As at 31st March 2023, 9 employees were sourced via special employment centres, and 5 employees hired directly (in FY22, 5 and 3 respectively).

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

B.3.2. eDOers: Our Employees

Gender equality is extremely important at eDreams ODIGEO.

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

At the end of FY23 we have a global workforce of 36.1% female and 63.9% male across our different locations vs 39.2% female and 60.8% male in FY22. The main factor contributing to the FY23 female/male ratio continues to be that the global talent pool from which we recruit IT related positions (accounting for 45% of our workforce) remains predominantly male.

We have implemented a number of initiatives to continue fostering a diverse and inclusive workplace, which include:

- **Internal talks** for all eDOers on topics such as unconscious bias, the power of using a diverse language, impostor syndrome, etc.
- **External meet-ups** for tech audiences delivered by tech eDO women speakers in partnership with other companies. Ex. Tech Talks by eDreams ODIGEO @ Barcelona.
- **Women's week events**, publishing a book with the career journey of women at eDO, roundtable discussions around women in leadership and brainstorming sessions open to all eDOers for suggesting ideas to improve diversity and inclusion at eDO.
- **Action plan** to increase the number of women in our pipelines such as improving the language to attract women or specifically sourcing more women particularly for tech positions.

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

Our Equality Plan, updated in 2023, (in adherence with Spanish Organic Law 3/2007 for effective equality between women and men), is integrated into the Collective Agreement in Spain. The Plan aims to guarantee a quality working environment, advance equal treatment and opportunities, guarantee fair pay, prevent and eliminate any possibility of discrimination,and ensure that the objective of a healthy family and work-life balance is met.

The Equality Plan **commitment** is to continue to enhance equal treatment and opportunities to all, never directly or indirectly discriminating against anyone on any grounds; to continue encouraging measures to intensify equality within the Company and to continue promoting equal opportunities for all as a strategic principle of our Company and our People approach

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

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

As a complement to the Plan, to facilitate implementation and raise eDOer awareness we have **a Protocol for the prevention of all forms of harassment, as well as online training courses on zero tolerance and inclusive language.** These are available for all eDOers to consult on our intranet.

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

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

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

B.3.2. eDOers: Our Employees

Fair Wages and Compensation

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

We are committed to attracting and retaining the smartest talent in the industry, in all areas of expertise, and in rewarding that talent accordingly. In FY23 **a formal analysis was made across all the geographical locations where we have eDOers based, comparing average pay for "individual contributors'** (excluding Executive & Senior Management & People Managers), against local country official data relating to minimum wage rates. **The study confirmed that 100% of eDOers are compensated comfortably in excess of the minimum wage levels**. Our People team will update this analysis on an annual basis.

Equal pay is an area that we monitor closely, working to ensure that our salary ranges are designed to avoid discrimination based on gender. eDreams ODIGEO managers are fully aware of their responsibilities in this regard, and we have continued to provide our People Managers with gender pay gap data for their teams to help them make well balanced decisions during the compensation review and proposal process for FY24.

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

In addition to a competitive market salary, we offer our eDOers different forms of variable bonus compensation based on individual, team, and Company performance. The Company also offers benefits such as a flexible compensation plan to eDOers, allowing them to redistribute up to 30% of their gross annual salary on the following products: medical insurance, kindergarten, restaurant and transport tickets. Over 40% of eDOers made use of the flexible plan in FY23 and FY22.

Quality Job Creation

We are firmly committed to job stability and quality of employment, with nearly 100% of our eDOers on permanent contracts, 99% of which are full time. As a policy we do not use non-regular employment as this does not align with our philosophy of stimulating, developing, and retaining our talent, within a quality and secure work environment.

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

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

B.3.2. eDOers: Our Employees

Work-Life Balance

At eDreams ODIGEO we pride ourselves on having built **a culture of flexibility and transparency**, where eDOers can find the **right work-personal life balance** that suits them best. Our eDOers are empowered at all levels, to take ownership of how they manage their working time, and have the autonomy to decide what's best for them and for eDO, striking an optimal balance between eDOer well-being and productivity. **Our Flexible Working Policy and family oriented measures support this philosophy:**

Flexible Working Policy

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

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

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

The key principles of the eDO Flexible Working Policy are:

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

B.3.2. eDOers: Our Employees

We provide our eDOers with **a remote workplace that meets the same stringent health & safety standards, and technical and connectivity requirements as in our offices,** and include the following measures that support healthy remote work practices:

- **Ergonomic equipment** - Ergonomic chairs, latest technology, laptops & monitors, and keyboards (upgraded and replaced during FY23), delivered to our eDOers doors.
- **Secure VPN connection**s, complemented with Security Tips for Remote Work - Guidelines & Online CyberSecurity training courses to ensure their home environment is as robustly protected as the office environment.
- **Learning resources** such as online learning and checklists to ensure eDOers set boundaries and have the proper setting to work effectively.
- **A monthly allowance** to cover remote work additional costs

This hybrid and flexible working model successfully contributes to make our Company an attractive employer in the industry and has a positive impact on employee engagement.

We strongly believe that it fits perfectly well with our ambition to promote a culture of flexibility, openness, accountability and trust within the Company, and increase eDOers engagement, motivation, and loyalty.

Family oriented measures:

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

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

B.3.2. eDOers: Our Employees

eDOers Health & Safety

Our eDOers **safety and well-being comes first and is of paramount importance to ensure that our teams can work in the safest conditions at the office and remotely.** We set levels of occupational safety beyond the minimum required to comply with regulations, aligning programmes and procedures to all local standards, and implementing them at local levels following the approval of the Health and Safety Committee.

Our Organizational Health & Safety (OHS) policy provides clear guidelines on how to achieve this, taking local country specific needs and particularities into consideration. The main commitments include;

- **Appointing a competent and trained individual** to manage health and safety responsibilities.
- **Full compliance with all legal requirements** and other subscribed requirements applicable to our activities.
- **Identification and evaluation of the occupational risks of our activities,** and those arising from changes and modifications to our activities, performing when necessary risk assessments for: disabled workers, expectant/pregnant workers, volunteers, trainees and apprentices.
- **Ensuring robust emergency procedures**, first aid, and health monitoring processes are in place
- **Defining on an annual basis an Occupational Health & Safety Programme of activities, and tracking progress throughout the year to ensure timely execution**
- Ensuring **adequate resources** are made available for implementation of the OHS programme.
- Providing frequent **OHS related communications,** awareness campaigns, and training to eDO Stakeholders, to reinforce the importance of their collaboration in preventive work.
- **Prompt investigation of all accidents and incidents** that could lead to personal injury or material damage, and implementation of measures to avoid reoccurrence.
- **Regular audits and evaluations** of our Occupational Risk Prevention Management System to ensure its effectiveness.

Our Health and Safety Team is dedicated to continuous improvement, ensuring all OHS risks are addressed timely and satisfactorily, and to fostering a culture of H&S and well-being throughout the whole organisation.

We have put in place **measures to create a healthy work environment for eDOers, contractors, authorised visitors, and anyone else who may be affected by our operations, to optimise physical, psychological and social conditions,** and collaborate with a number of organizations specialising in health, safety and risk prevention.

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

We have maintained the additional health & safety and sanitation measures implemented across our office locations as a result of COVID-19, to ensure cleanliness and adequate social distancing, and certified by accredited Health & Safety experts, and our eDOers continue to welcome them.

B.3.2. eDOers: Our Employees

eDO Wellness

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

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

Other Mental Well-being Activities

Other activities dedicated to eDOers mental well-being include:

- **Emotional support**: we offer a number of touchpoints our eDOers can reach out to for external counselling and psychological support.
- **eDO Support Network**: a peer support network. We truly believe that connecting & talking to each other is a healthy practice. The goal of these sessions is to share with fellow eDOers anything that is causing us stress and together come up with tips to feel better.
- **GO!Thursday**s are a monthly social event to meet new eDOers and connect with each other. Each month is based on a different theme. The event takes place the first Thursday of the month and includes varied fun activities aimed at diverse social experiences, including, clothes swaps, paddle tournaments, quizzes, music, drinks and snacks.
- **Stronger sense of togetherness and community**: thanks to the SLACK channels, we have created a stronger sense of community across all areas, including channel forums, how-to guides and videos, and a number of virtual social events.

During FY23**, under the eDO Wellness strategy,** the following activities (eDO Talks, virtual workshops, onsite activities, awareness campaigns, dedicated Slack communities…) have been carried out to improve the eDOers well-being:

- eDO Talks:
  - Stress management
  - Postural hygiene and ergonomics
  - Digital health and what can we do to improve it.
  - How to take care of your skin during summer
  - The importance of social interaction
  - Family conciliation & work-life balance tips & advice
  - Emotional wellness and what can we do to achieve it
  - The importance of sleeping enough
  - Financial health and what can we do to achieve it
- Laugh Therapy sessions
- Fruit provided for all eDOers at our offices twice a week.

Health & Safety Training

We constantly update our H&S learning offering to ensure eDOers have clear guidance to prevent potential occupational risk (ergonomics, psycho-social, and safety risks) when working from home and also at the office.

The success and effectiveness of all of the aforementioned eDOers well-being measures has been reflected in zero work related accidents and no significant health & safety incidents during FY23, at any of our offices or subcontracted call centres.

B.3.2. eDOers: Our Employees

Union Representation and Collective Bargaining

We are committed to ensuring freedom of association. The right to associate freely and bargain collectively is explicitly included in our Business Code of Conduct Article 12 "Working Environment & Well-being", and proactively and regularly communicated at a local level via emails, notification boards, and a dedicated page on the HUB intranet.

The continuous dialogue between the Company and the eDOers representatives is articulated through the Works Council and Trade Unions with whom the Company maintains fluid communication, with periodic meetings addressing issues relating to working conditions, equality, prevention of occupational hazards, career path, etc., and the existence of committees designed to address specific topics such as Health and Safety or Equality Plans. Collective bargaining agreements pertinent to industry sector and country, (where applicable) are always respected.

eDOers Privacy and Data Protection

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

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

Developing our Talent

We have continued to improve our talent management offering, investing significantly during FY23 in our Career Paths Programme for the different teams, giving eDOers full clarity and transparency of the growth opportunities available within the organisation. This is positively reflected in over 25% of FY23 open opportunities being filled internally:

- 16% of our eDOers were promoted to a new position.
- 3% changed roles.
- 6% moved to another team, completely changing their career path.

At eDO People Managers proactively encourage their team members to explore career development opportunities, which creates a positive impact on engagement and, in turn, helps us increase retention rates.

> **"By helping our team members move within eDO, we offer them interesting career opportunities and we encourage them to pursue their ambitions to progress towards more challenging roles. We Explore & Grow & Discover is one of our core eDO values"**

B.3.2. eDOers: Our Employees

Learning and Development

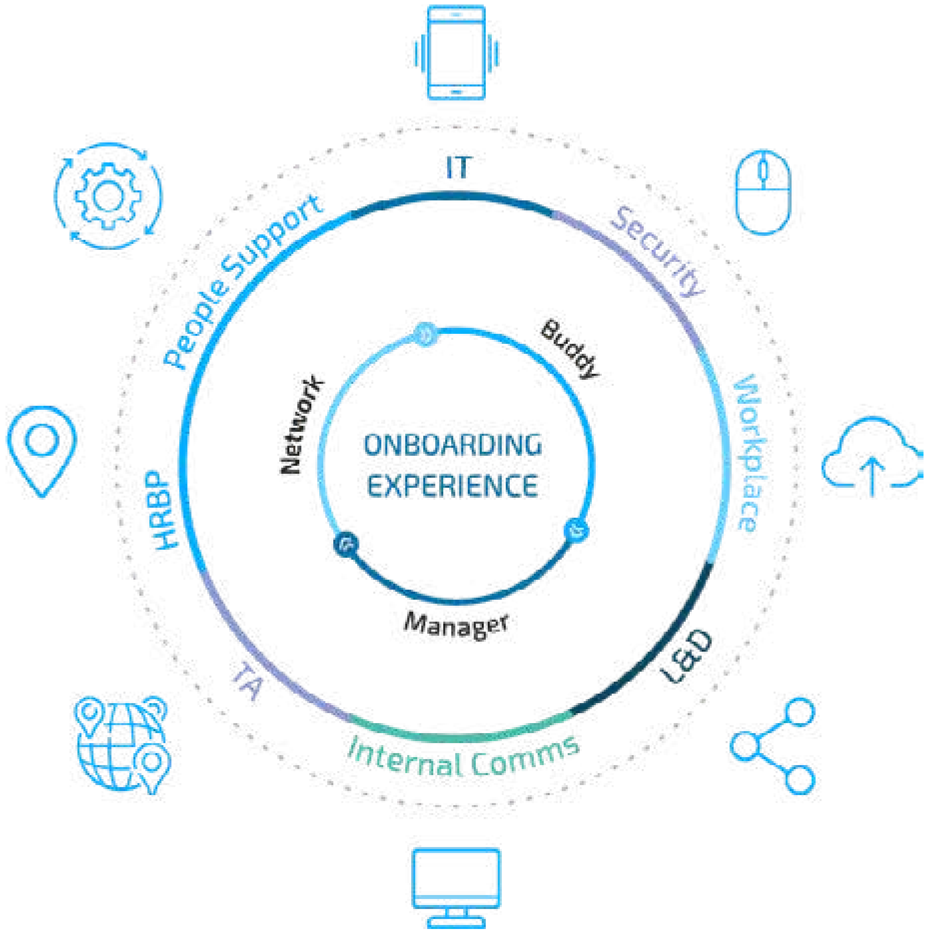
Our extensive Learning & Development offer is key to ensure that our eDOers leverage the relevant growth options to best support their current performance and their future development. We design training plans to close the knowledge and skills gaps for diverse target audiences. All eDOers have full access to the learning offer provided via our Learning Page, where they can either focus on improving current skills or acquire new skills and prepare for the future, in line with career aspirations.

Our Learning Management System allows us to track each eDOer Training Record and gives the opportunity to freely sign up to anything that could be interesting and useful for their development.

During FY23 we revisited our learning offer, asking eDOers what they valued the most, what they needed, and adjusted our learning solutions to stay relevant. In response new online learning content platforms were added to incorporate the needs of the different target audiences. The current offer includes;

- **Onboarding experience:** which includes a full plan spanning 3 months, that kicks off even before the eDOer joins eDO. With our new revamped onboarding plan we ensure that new hires have a smooth integration in the Company and that they have the right knowledge to do a great job. Our hiring managers are assisted by an onboarding pod formed by eDOers from different teams, tasked with improving and making the onboarding experience for new eDOers as welcoming and seamless as possible.
- **Extensive learning offer:** we are proud of our extensive and customised learning offer that allows our eDOers to choose amongst diverse learning methods such as virtual webinars, on demand in person tailored workshops, online courses, guidelines, etc. This ongoing learning offer is focused on:
  - Cross functional business knowledge.
  - Role-specific skills by area of specialization.
  - Soft skills.
  - Language classes.
  - Health & Safety.
  - Compliance training.
  - During FY23 we incorporated a new online learning content platform to address the changing needs of our different teams.
- **Tech learning**: includes a series of initiatives for tech teams that includes:
  - Tech training plan: including well-known speakers from the industry and access to specific workshops to stay up to date on key technology trends.
  - Graduate programme for recently graduated developers who want to have a first work experience at eDO, while learning a lot on the job and through peer learning. The Graduate Programme will not only allow us to accelerate our hiring to achieve our business goals but it will also help us create a pipeline of future technical experts and leaders.
  - Specialised online learning platforms for specific roles.
  - Tech certification programmes for developers.

> **“eDreams ODIGEO 's Learning & Development offer is one of our distinctive features, often highlighted by our eDOers, which contributes to making eDO an employer of choice”**



B.3.2. eDOers: Our Employees

Performance Management

Our performance management framework provides a structured approach to effectively manage eDOers' performance. At the start of every financial year, once the strategic priorities have been announced, the leaders cascade these priorities into individual and team objectives and ensure full alignment across the organization to ensure business results.

We manage performance focusing both on setting and assessing objective achievement and identifying behavioural expectations in line with our company values.

People Managers hold mid-year performance review conversations to revisit the objectives set at the beginning of the year, assess progress against targets, and define additional development actions required to support effective performance. Over the past years we have put a lot of focus on the need for People Managers to provide ongoing feedback to their team members, to hold development conversations and to periodically review individual and team objectives to ensure alignment towards target achievement. We do this by offering peer feedback workshops to foster ongoing feedback, we train People Managers to hold impactful development conversations with all their team members, and we encourage teams to hold at least quarterly objective review discussions to assess how they are doing against KPI's.

At the end of the fiscal year, People Managers hold performance appraisal and development conversations with their team members to not only assess results but also to discuss career options and development plans that will allow eDOers to fulfill their potential.

At eDO we pride ourselves on having a well established and powerful recognition programme called the eDO Global Awards to recognise and reward exceptional individual performance in a number of different categories (leadership, team player, performance & results, innovation, customer focus, values). The stories of our winners are shared throughout the organisation to illustrate examples of the values and behaviours that we want to reinforce across eDO.

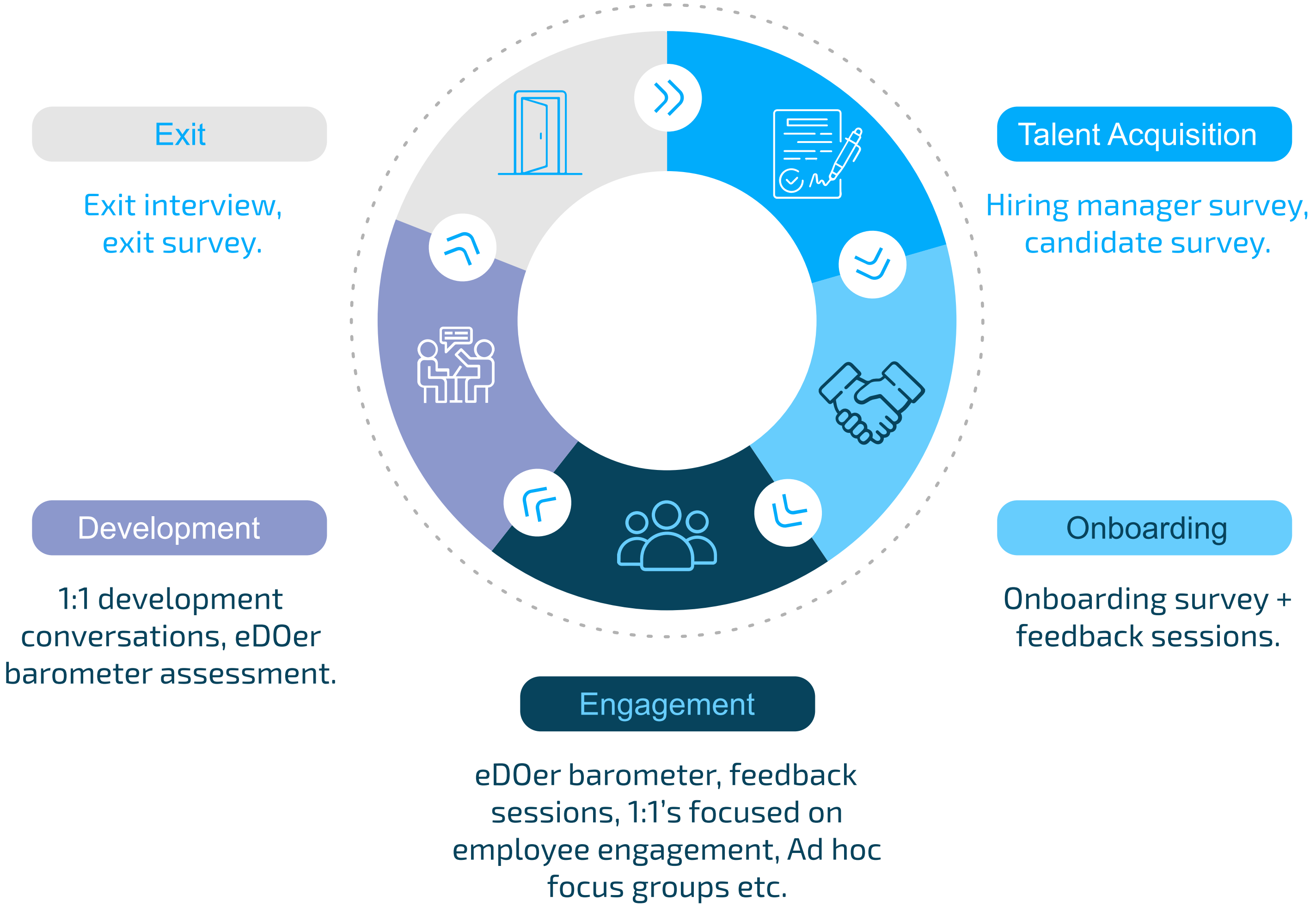
Employee Engagement Improving eDOers Experience

Over the past few years, the People Team has focused on providing People Managers with the data, feedback, and tools to help them make the best decisions. During FY23, we have expanded our People Analytics Team, which enables us to make more People decisions using data. A clear example is our people dashboard, which includes key indicators of each function, to proactively identify potential areas for investigation and action.

During FY23 we created the new role of - Employee Experience Specialist, a clear indication of eDO's commitment to its people and the ongoing improvement of the end to end experience.

To help our People Managers impact team members' experience even more positively, sessions were provided, detailing the main levers of employee engagement and reinforcing the key role that they play in creating a positive work environment. These were complemented with a dedicated People Managers page with all the key information needed to create this positive experience for their team members.

With the additional focus on employee experience, we ensure that we continuously listen to our eDOers across the key touch points during their employee journey at eDO. This way we ensure that we hear their feedback in a timely manner and that we have a positive impact on their whole experience, as illustrated in the below framework:



B.3.2. eDOers: Our Employees

Internal Communication

Internal communications have been a crucial tool in enabling us to maintain our culture and embed eDO Values during FY23, in the flexible working conditions environment, as we have on boarded 593 new eDOers across our locations. Internal communication is a key factor in generating and maintaining eDOers' engagement with the Company, as well as a powerful lever of change management.

Leveraging versatile digital tools and techniques the Internal Communications team ensured our eDOers have been kept well informed, supported and engaged, maintaining the sense of belonging to eDO and our vibrant community.

Engagement at eDO

During FY23 we further developed our internal tool, the eDOer Barometer, to assess engagement on a regular basis. Bi-weekly surveys enable us to pulse check eDOers with questions on different topics to identify what is working well and where we can improve.

The eDOer Barometer measures various engagement areas such as Company direction, purpose and ownership, development opportunities, people manager behaviours and work environment & culture, mood, as well as providing an open comments section.

People Managers have access to a live report where they can see the results for their team and take action. We offer training sessions to help managers share the results with their teams, brainstorm the root cause of the main challenges and identify together actions they can take to improve team mood and engagement, supported by the People Business Partners.

Talent Retention

The success and effectiveness of the measures with which eDreams ODIGEO prioritises eDOers well-being, development, loyalty, and engagement is reflected in a 52% improvement in our voluntary attrition rate in FY23, and we strive to further reduce this rate in the future with continued focus on our eDOers.

Our average length of service of 3.95 years reflects the technology sector in which we operate which has typically high demand for and mobility of its skilled technicians.

Engagement and retention are so key to our continued success that for the first time in FY23, we set an ESG specific objective for the leadership team, relating to eDOer experience. We are proud to share that we have surpassed our target for FY23.

> **"In order to continue creating an engaging work environment, we constantly look to understand what matters most to our people and we take action based on their input"**

B.3.2. eDOers: Our Employees

The increase in headcount during FY23 reflects solid progress in our strategic initiative to grow our global workforce by 50% by fiscal year 2025 to support the Company's consolidation as a subscription-based business.

Distribution of employees by gender and job category

Job Category			FY23			FY22
	Female	Male	Total	Female	Male	Total
0. Executive Board Member	0	2	**2**	0	2	**2**
1. Senior Management	12	41	**53**	13	39	**52**
2. People Managers	71	117	**188**	59	90	**149**
3. Individual contributor	438	761	**1,199**	331	493	**824**
Grand Total	**521**	**921**	**1,442**	**403**	**624**	**1,027**

Distribution of employees by gender and country

			FY23			FY22
Country	Female	Male	Total	Female	Male	Total
Spain	461	775	**1,236**	361	546	**907**
Italy	10	59	**69**	6	17	**23**
Portugal	14	45	**59**	5	21	**26**
Hungary	8	27	**35**	6	24	**30**
France	16	4	**20**	15	6	**21**
Germany	9	4	**13**	8	5	**13**
UK	2	5	**7**	1	4	**5**
Australia	0	1	**1**	0	1	**1**
USA	1	0	**1**	1	0	**1**
Belgium	0	1	**1**	0	0	**0**
Grand Total	**521**	**921**	**1,442**	**403**	**624**	**1,027**

Distribution of employees by gender and age

			FY23			FY22
Age	Female	Male	Total	Female	Male	Total
1. <30	116	152	**268**	78	81	**159**
2. 30<50	391	731	**1,122**	314	521	**835**
3. 50+	14	38	**52**	11	22	**33**
Grand Total	**521**	**921**	**1,442**	**403**	**624**	**1,027**

Distribution of employees by gender and contract type

				FY23			FY22
Gender	Contract Type	Full Time	Part Time	Total	Full Time	Part Time	Total
Female	Permanent	499	12	**511**	385	12	**397**
	Temporary	3	0	**3**	4	0	**4**
	Intern	7	0	**7**	2	0	**2**
Male	Permanent	910	5	**915**	614	5	**619**
	Temporary	3	0	**3**	1	0	**1**
	Intern	1	2	**3**	4	0	**4**
Grand Total		**1,423**	**19**	**1,442**	**1,010**	**17**	**1,027**

B.3.2. eDOers: Our Employees

Average distribution of employees by job category and contract type

	FY23						FY22					
Job Category	Permanent		Temporary		Interns		Permanent		Temporary		Interns	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
0. Executive Board Member	2	0	0	0	0	0	2	0	0	0	0	0
1. Senior Management	53	0	0	0	0	0	53	0	0	0	0	0
2. People Manager	179	4	0	0	0	0	143	4	1	0	0	0
3. Individual contributor	973	15	3	0	5	1	738	12	2	0	3	1

Average distribution of employees by gender, contract type and age

		FY23						FY22					
		Permanent		Temporary		Interns		Permanent		Temporary		Interns	
		Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
Female	1. <30	78	3	1	0	2	0	63	1	0	0	1	1
	2. 30<50	361	7	0	0	0	0	300	8	2	0	0	0
	3. 50+	11	3	0	0	0	0	8	2	0	0	0	0
Male	1. <30	102	1	2	0	3	1	57	3	1	0	2	0
	2. 30<50	621	3	0	0	0	0	487	1	0	0	0	0
	3. 50+	35	2	0	0	0	0	21	1	0	0	0	0

B.3.2. eDOers: Our Employees

Involuntary leavers by gender and job category

	FY23			FY22		
Job Category	Female	Male	Total	Female	Male	Total
0. Executive Board Member	0	0	**0**	0	0	**0**
1. Senior Management	0	0	**0**	0	1	**1**
2. People Managers	2	2	**4**	1	1	**2**
3. Individual contributor	5	20	**25**	10	11	**21**
Grand Total	**7**	**22**	**29**	**11**	**13**	**24**

Involuntary leavers by age

	FY23	FY22
Age	Total	Total
1. <30	**3**	**3**
2. 30<50	**23**	**21**
3. 50+	**3**	**0**
Grand Total	**29**	**24**

Training hours by gender

	Female	Male	Total
Training Hours FY23	15,384	30,593	45,977
Training Hours FY22	8,296	15,030	23,326

Total number of training hours per job category

		1. Senior Management	2. People Manager	3. Individual contributor	Total
FY23	Total hours of training	428	3,728	41,821	45,977
	Employees per category	56	187	1,199	1,442
	Average hours of training per employee/ job category	**8**	**20**	**35**	**32**
FY22	Total hours of training	622	3,231	19,473	23,326
	Employees per category	54	149	824	1,027
	Average hours of training per employee/ job category	**12**	**22**	**24**	**23**

Note: Senior Management figures include the two Executive Directors.

B.3.2. eDOers: Our Employees

Average remuneration

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

During FY23 there was a general decrease in average remuneration due primarily to the valuation of the LTI rights based compensation. (In FY23 ave. price at time of delivery of €5.20 and compared to an ave. price in FY22 of €7.35)

Average remuneration by job category (€)

Job Category	FY23	FY22
0. Executive Board Member	2,302,457	3,720,965
1. Senior Management	287,743	384,665
2. People Managers	82,234	86,637
3. Individual contributor	48,440	50,950

Average remuneration by age (€)

Age	FY23	FY22
1. <30	39,509	40,827
2. 30<50	64,578	77,011
3. 50+	199,041	349,480

Average and Median Remuneration

	FY23	FY22
Average	64,768	80,172
Median	50,600	51,920

Average remuneration by gender (€)

Gender	FY23	FY22
Female	51,758	55,354
Male	72,128	96,199

Median remuneration by gender (€)

Gender	FY23	FY22
Female	43,700	43,120
Male	52,800	55,000

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

	FY23		FY22	
	Female	Male	Female	Male
Executive Board Member (for executive duties)	N.A	2,302,457	N.A	3,720,965
Board of Directors (Independent)	€70,000	€175,000	€70,000	€175,000
Board of Directors (Proprietary)	0	0	0	0

Note:

Executive are only paid for their executive duties; Remuneration paid to Independent Directors consists of an annual fixed fee for membership of the Board, plus an additional annual fixed fee for position of Chair / membership of the Board's Committees. Hence, total remuneration received by Independent Directors only depends on the time they serve on the Board during the year, and whether they are also members of one or more of the Board's Committees during part or the full year; Proprietary Directors are not paid for their service on the Board or any Committee. More disclosure is provided in the Annual Director Remuneration Report.

B.3.2. eDOers: Our Employees

Pay Gap of Average Compensation by job category

Job Category	FY23	FY22
0. Executive Board Member*	N.A	N.A
1. Senior Management	30%	40%
2. People Managers	6%	18%
3. Individual contributor	17%	22%
Total Average Pay Gap	28%	42%

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

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

Pay Gap of Median Compensation by job category

Job Category	FY23	FY22
0. Executive Board Member*	N.A	N.A
1. Senior Management	20%	36%
2. People Managers	3%	26%
3. Individual contributor	20%	25%
Total Median Pay Gap	17%	22%

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

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

Average remuneration for similar work positions*

Department	Job Position/Role	FY23 Salary Gap** Average Remuneration Female/Male	FY22 Salary Gap** Average Remuneration Female/Male
IT Department	Agile Coach	8%	16%
IT Department	Front End Software Engineer	3%	(3)%
IT Department	Java Developer	3%	(5)%
IT Department	Java Senior Software Engineer	1%	(1)%
IT Department	Java Software Engineer	1%	2%
IT Department	Lead Engineer	(14)%	2%
IT Department	Senior System Engineer	3%	(21)%
IT Department	System Engineer	7%	8%
Retail & Product	Product Designer	3%	2%
Retail & Product	Product Manager	3%	2%
Retail & Product	Senior Product Designer	1%	(5)%
Revenue Management	Data Scientist	9%	9%

** Analysis includes all departments with job positions/roles with 5 or more incumbents, having more than one person for each gender.*

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

B.3.2. eDOers: Our Employees

Percentage of employees covered by collective bargaining agreements

Country	% of Employees covered	
	FY23	FY22
Spain	100%	100%
France	100%	100%
Italy	100%	100%
Portugal	100%	100%
Belgium	100%	100%
Rest of Countries	0 %	0 %
Total employees covered	**96%**	**95%**

Hours lost due to absenteeism

	Female	Male	FY23 Total	Female	Male	FY22 Total	Var %
Sick Leave	45,840	25,416	71,256	39,272	18,336	57,608	24%
Maternity Leave	34,504	27,184	61,688	25,960	23,024	48,984	26%

*Note *: The significant increase in hours lost to sick leave during FY23 was a direct consequence of the increase in headcount.*

Accidents in the workplace or commuting to work

	FY23		FY22	
	Female	Male	Female	Male
Accidents in the workplace with leave	0	0	0	0
Accidents commuting to work with leave	0	0	0	0
Accidents in the workplace without leave	0	0	0	0
Accidents commuting to work without leave	0	0	0	0

*Note *: No work related accidents/occupational related illness resulting in lost working days occurred in FY23 nor FY22.*

Accident rates

	FY23	FY22
Lost work days due to accidents; (#accidents/#employees) *100,000	0	0
Lost work days due to accidents on the way to/from work; (#accidents/#employees) *100,000	0	0
Accident rate - during working hours;(#accidents during working hours /(#employees * hours worked in the period)) *1,000,000	0	0
Serious injury rate - during working hours; (#days of accidents during the period/(#employees * hours worked in the period)) *1,000	0	0

Lost work days by type of injury

	FY23		FY22	
	Female	Male	Female	Male
Neck/Back/Shoulders	0	0	0	0
Multiple parts of the body	0	0	0	0
Lower extremities (Wrist/Ankle/Feet)	0	0	0	0
Upper extremities	0	0	0	0

B.3.3. Customers

Customers at the Centre – We Stand by Our Customers

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

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

Our leading technology capabilities have been key in allowing us to create a world leading customer self service platform that allows customers to **easily manage their bookings and autonomously perform relevant actions**, such as managing trip disruptions, make booking changes or cancellation requests, from anywhere and anytime, without having to contact us. These improvements facilitated the agility of our response during the pandemic, and have helped us emerge stronger as the market returns with ~90% of customer servicing requests now coming in on digital channels.

During FY23 we further expanded our digital service offering for our customers, with the launch of a new "Single Entry Point" into our digital help centre, adding automated functionality and digital flows for customers to change and/or cancel flights, driving digital adoption and customer satisfaction.

1 **Innovative travel subscription model**

2 **Unique end to end journey management**

3 **Leading mobile & AI**

4 **Diversify & Grow**

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

B.3.3. Customers

Prime – Our Commitment to a Long Lasting Relationship with Our Customers

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

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

With the average consumer holding memberships of seven subscription services* incorporating everything from food delivery to video streaming, subscriptions are becoming the world's preferred method of commerce because of how effectively these models fulfill customer preferences for more convenient, personalised and cost-effective retail experiences. The global market for subscription services across all retail sectors is growing rapidly.

During FY23 we have continued to focus on expanding Prime in new regions and pivoting our business model to one that primarily engages with travellers through subscriptions. This focus is a huge part of our ambition to revolutionise the experience of researching and booking travel through technology and innovation.

**Source: Deutsche Bank Research - Online subscription survey #2 - October 2022, covering three of our core markets (UK, USA, and Germany)*

> **“Our Prime subscription model is breaking the mould and revolutionising the way people book travel. Since the launch of Prime, eDO has become a higher quality business with a loyal customer base and a recurring revenue stream that delivers predictable and sustainable customer relationships”**

B.3.3. Customers

Customer Service and Attention

Our offer is underpinned by high customer service standards, managed by best-in-class partner companies. Unlike many airlines, we have leveraged our technological expertise, and invested heavily in technology and cutting edge capabilities to provide our customers with **24-hour customer service and digital service channels meaning we are always there to support our customers whenever they need it.**

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

Customer contact touchpoints

Informational	Self-Service	Assisted
Help Center & Chatbot	My Trips	Phone & Chat

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

Informational

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

Self-Service: MyTrips

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

Assisted: Phone & Chat

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

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

To date we have **successfully assisted over 6 million customers hit by airline and airport flight disruptions since the start of the pandemic**. Whilst flights slowly began to resume throughout 2020, operational complications derived from the pandemic – including airline and airport shortages of staff, amongst others – have meant many travellers have continued to experience flight disruptions in the present day.

Post-pandemic, the travel sector has continued to experience turbulence with staff shortages impacting airlines and airports across Europe, resulting in tens of thousands of additional flight cancellations. In addition, the adoption and extension of a slot waiver policy across Europe has also made it easier for airlines to not fully deliver on their announced operational schedules, ultimately leading to continuous cancellations affecting travellers.

B.3.3. Customers

In the first eight months of 2022 alone, eDreams ODIGEO processed airline schedule changes that amounted to almost half (49%) of the total disruptions registered in the first three months of the pandemic, when travel was most restricted by national lockdowns.

During this time, the business put in place the **largest operational effort in the company's 22+ year history, to work unabatedly on behalf of its customers** to re-book cancelled flights, retrieve refunds from airlines and re-organise travel plans.

This additional investment from the business has **reduced the average wait time for customers since the pandemic** with **8 in 10 assisted support calls being answered within just 60 seconds**, which has contributed to **nine out of ten customers (89%) now stating they were satisfied or very satisfied with the service they received.**

Customers Refunds

This momentous effort has resulted in 98.5% of customer refunds reaching a resolution, with airline refunds needed to ensure 100% of all cases are resolved. The Company's role is as an intermediary between travel suppliers and travellers, and as a travel agent, it supports customers with all their travel needs, including submitting refund requests to airlines on behalf of the customer.

According to EC Regulation (nº 261/04) airlines must refund cancelled flights within 7 days. While many airlines have notably improved their refund processing times, the average time that airlines have taken to process refunds that the Company has placed on behalf of its customers has stood at 89 days since the beginning of the pandemic. In a move to further support our customers hit by airline disruptions, for a set of trusted airline partners the Company has been advancing refunds to customers even before receiving the funds from the carriers.

We remain determined to continue to support our customers, ensuring those affected by airline and airport disruptions continue to receive the necessary assistance, and will provide customers with a seamless travel experience as the leading one-stop-shop for travel in Europe.

Customers complaints

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

In FY23, we received 0.58 complaints* per 100 passengers who had a departure with us, the ratio staying constant v. FY22 , despite the significant number of disruptions in FY23 coming from airlines and continued delays in airlines refunding. 99% of customer complaints we received were managed and closed.

**Note: We look at unique customer complaints submitted on our Help Center as a ratio of the total number of customers who had departure in FY23.*

> **"We have listened to our customers, strengthening our customer care with additional front-line agents, and in keeping with our mission as a travel tech company, to make travel easier and more convenient for customers, will continue to invest in cutting-edge technology solutions, such as our self-servicing technology, that empower our customers to manage their bookings at any point from anywhere, all without needing to contact us"**

B.3.3. Customers

Customer Engagement

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

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

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

During FY23, we added a second customer satisfaction framework (CSAT), to the existing Net Promoter Score (NPS) methodology to obtain even more detailed and actionable feedback on a set of distinct elements that impact our customers' satisfaction and overall experience with our brands.

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

B.3.3. Customers

Accessibility and User Friendliness of our Products

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

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

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

We comply with the following accessibility requirements stipulated in the Spanish standards UNE-EN 301-549:2019.

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

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

User-Generated Content and User Conduct

Responsible oversight of user-generated content and user conduct

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

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

Measures to ensure the protection of minors

As with user generated content, our websites are purely transactional, offering the option to search and book flight tickets, hotel rooms and other travel-related services.

Although access to our websites is not age restricted, as the nature of the information we are displaying is not sensitive (dates, price and slots for travelling services), and can be safely read by any person, our services are provided to legal age customers and users, and we will process minors' data only when necessary for managing a booking purchased by a parent or guardian; this is indicated in our Terms and Conditions which state that *"minors may only use the service with the involvement, and approval of a parent or legal guardian. The limited cases where we might need to collect data would be as part of a booking, the purchase of other travel-related services, or in other exceptional circumstances (such as features addressed to families). In the event that data of a minor has been processed without the valid consent of a parent or guardian, it will be deleted."*

Responsible Marketing

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

One of our key sustainability objectives is **"leveraging our scale, tech innovation in our platforms, and extensive network of travel provider partners, to create travel itineraries that enable our customers to clearly assess the environmental impact of their journey empowering them to make greener and more sustainable choices"**. During FY23, as a complement to the "greener choice", CO2 emissions information on our flight search results page, we have added a **dedicated page to promote customer awareness of sustainable destinations offered by our partners.**

B.3.3. Customers

Customer Data Protection

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

> “We are fully committed to maintaining the privacy and the appropriate security of the personal data provided by our customers, and all other data subjects such as eDOers, contractors, etc.”

Privacy Notices and Data Subject Rights

Our corporate website (https://www.edreamsodigeo.com/privacy-notice/) and all our commercial websites (e.g. https://www.edreams.com/privacy-policy/) and apps, provide our Privacy Notices to our customers and other third parties the relevant data protection and privacy information in one click.

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

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

Our services are provided to legal age customers and users, and we will only process minors' data only when necessary for managing a booking purchased by a parent or guardian (as indicated in our Terms and Conditions).

eDreams ODIGEO commits to implementing appropriate technical and organisational measures to prevent unauthorised or unlawful processing of personal data and against accidental loss or destruction of, or damage to, personal data. We will retain personal data no longer than is necessary for the purpose it was obtained for, and for as long as strictly needed in order to comply with the applicable laws.

To simplify this for our data subjects (e.g. customers, eDOers), we have created a user friendly Privacy Form linked to our Privacy Notices where the data subject can contact the Data Protection Office to exercise their data subject rights (e.g. access, restrict processing, object, rectification,portability, erasure, etc.), in a simple and easy to understand way. A specific team is dedicated to carefully reviewing and managing the data subject rights. Through this Privacy Form and the unsubscribe option contained in our communications, any data subject is also able to opt-out from any processing of personal data based on our legitimate interest, and they are also entitled to withdraw their consent at any time.

During the fiscal year ended March 2023 the Company had:

- Not suffered any relevant cyber-incident impacting customer data.
- Managed 100% of data requests received from the competent Data Protection Authorities on time and satisfactorily.
- Not been fined by any competent Data Protection Authority.

B.3.4. Suppliers and Partners

Our Supply Chains

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

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

Travel Content Related Suppliers & Partners

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

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

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

To offer our customers the most suitable products, we work closely with aggregators, airlines, tour operators, hotels, car rental companies and destination services supply partners. By the end of FY23 we had aggregated nearly 700 airlines, and entered into a number of significant Prime airline partnerships offering unique content to Prime members.

Added value to partners and suppliers

Access to our extensive pool of more than 20 million customers served across 44 different markets around and significant booking volumes, allow our partners to increase profitability through higher occupancy rates as many of our partners, such as airlines and hoteliers, are fixed asset owners. **The economics of these assets in which there is perishability, dictates that, aircraft seats and hotel rooms occupancy increases fall directly to the bottom line. Equally important is yield maximization, and as the largest in Europe for flights and second largest in the world, we bring the most people to the auction for aircraft seats and hotel rooms, increasing the likelihood of a higher price, which in turn helps our partners better manage their yield curve.**

We are the first in our sector to offer a subscription programme to our customers, and with our Prime Membership we are able to offer our customers better offers, a key value proposition for consumers, especially in the current macroeconomic context. Prime enables us to build a smoother, more personalised, and lasting relationship with our customers with the leading AI technology, that underpins Prime, learning about members' travel preferences and creating bespoke, hyper-personalised recommendations to improve the travel booking experience for customers whilst delivering a steady flow of bookings to travel partners.

Our airline partners benefit from the fact that Prime Members are not competing in bookings and acquisition vs their own direct sales channel, as Prime represents a closed-, opaque- and subscribed member group and thus opening new targeting opportunities instead of competing. Prime members are high value customers, with increased repeat booking rate.

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

B.3.4. Suppliers and Partners

> **eDO operates in a vast market and in the largest e-commerce vertical, strategically positioned in the leisure segment, and with significant potential and attractive growth prospects. eDO's superior value proposition, following the success of Prime, has resulted in outperformance versus its industry peers. Throughout the pandemic, eDO consistently outperformed Global OTAs and the airline industry, highlighting the strength and adaptability of our business model**

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

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

Customers' health & safety, and peace of mind is a top priority for us. Our teams constantly monitor the list of airlines banned within the EU (https://transport.ec.europa.eu/transport-themes/eu-air-safety-list_en), for failure to adhere to the applicable international safety standards, and will remove content worldwide when necessary.

eDreams ODIGEO showcases the airlines that have successfully adapted to offer outstanding service to their customers in the face of a global crisis, using a unique 360° analysis of information from over 61,000 customer reviews, and data from nearly 700 airlines.

During this year of continued travel friction and uncertainties, we have closely monitored the risk of airline bankruptcy, enabling us to take preventative measures in anticipation of any failures, and minimise operational disruption and impact on our customers. Our dedicated team ensures that whenever an airline bankruptcy happens all customers affected are promptly informed and duly assisted.

B.3.4. Suppliers and Partners

Cloud and Technology Service Providers

By the end of FY23 **we had migrated substantially all of our infrastructure to Cloud suppliers giving us improved agility & scalability to develop and roll-out features that further enhance the product offering and travel experience for our customers**. This transition to a Cloud based infrastructure also helps address two of our material ESG risks; reinforcing cybersecurity, compliance, and data protection under the umbrella of Cloud suppliers' advanced security tools, as well as contributing to a more sustainable business model, using carbon neutral suppliers powered by renewable energy.

Outsourced Contact Centres & Other Suppliers

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

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

Relevant Policies & Training

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

We closely monitor suppliers that work at our facilities, checking that they comply with their ethical, tax and employment obligations. Prior to starting an engagement we require that our main partners provide outsourcers/contractors with the following Group Policies (see fuller detail in Section B.2.2. Ethical framework):

- Group Business Code of Conduct.
- Group Privacy Policy
- Group Confidential Information Policy.

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

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

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

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

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

B.3.4. Suppliers and Partners

Vendor Selection/Due Diligence

Our Procurement department ensures transparency and fairness for our vendors/suppliers, acting with integrity within our purchasing process by:

- using best in class systems,
- structured and robust purchasing process,
- effective contract lifecycle management,
- business partnering (across all level in the organisation and our suppliers),
- acting as a 1st line of defence .

We have built on the strategy implemented in FY22 and continue to strengthen the process to manage our supplier/vendor relationships. We have enhanced our systems to get a more efficient interaction during the vendor lifecycle allowing us to know our vendors better.

We have evolved our vendor risk assessment to include a more robust unique questionnaire that helps us to risk assess the goods/services we are looking to purchase, and apply clear materiality criteria to classify all our vendors according to the inherent risk of the service, to identify specific conditions/risks, and ensure mitigatory measures are implemented during all the vendor lifecycle stages.

Vendor Risk Management

Our Vendor Risk Management (VRM) questionnaire covers the following areas:

- Policies and track record in key compliance areas such as anti-bribery, anti-corruption, anti-fraud, anti-money laundering, business ethics, human rights, child labour, labour standards, sustainability & environment, data protection, IT security, and EU, US and UK trade sanctions.
- Licenses & permits required.
- Commercial Conditions.
- Financial information (via consultation of worldwide databases such as D&B).
- Security related information & processes relating to; disaster recovery, incidence management, vulnerability detection, intrusion resolution, cyber-security & third party insurance cover.
- If handling, processing, or storage of personal data is involved, the supplier will be required to sign a Data Protection Agreement (DPA), and answer a number of detailed data privacy related questions that include the following:
  - Compliance with data protection regulations, information security policies, ability to restore the availability and access to personal data, information classification policy, registry of personal data processing activities, data protection notices, Data Protection Impact Assessments (DPIAs), employees' training sessions, Privacy by Design and by Default, data minimization, appropriate security measures (TOMs), ISO/IEC 27000 series or any other standard, details of any DPA fines in the last 36 months, evidence of audit in the last 36 months by a third-party.
  - PCI compliance (when customer credit card information is involved).
  - DPO or similar role contact appointment and contact data.
  - Security Officer or similar role contact appointment and contact data.
  - Procedures to handle and respond to individual's exercising their data protection rights (e.g. right to access, right to be forgotten, right to object, etc.).
  - Description of the nature of the data processing (including processing location with legal representative designated in the EU in case of processing outside EEA), storage, retention, sub-processors & location, and data relationship between the parties.
  - Possibility of data encryption and/or pseudonymisation on eDreams ODIGEO's side.
  - For International Data Transfers; Jurisdiction with a European-sufficient level of protection, implementation of supplementary and appropriate security measures (TOMs) in order to comply with Schrems II CJEU Decision.

The VRM questionnaire process provides a clear risk rating based on the Escalation Risk Matrix, and based on this appropriate mitigation measures are applied.

eDreams ODIGEO will also require potential suppliers to:

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

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

Evaluation of suppliers

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

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

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

B.3.4. Suppliers and Partners

Supplier Certifications

On an annual basis, the Company publishes a Responsible Business Conduct (UK MSA) statement (based on the definitions set out in the UK Modern Slavery Act 2015 guided by the UN Universal Declaration of Human Rights - Articles 23 and 24 - relating to labour conditions) which details the steps that the Group and its subsidiaries have taken **to ensure that slavery and human trafficking are not taking place in any of our supply chains or any part of our business.**

As part of this process significant suppliers or partners on whom we rely for outsourced labour, in countries that could be potentially more susceptible to human rights risk, are sent on an annual basis a certification to attest that they are in compliance with the UN Global Compact's Ten Principles and are committed to:

- Supporting and respecting the protection of internationally proclaimed human rights.
- Ensuring that we are not complicit in human rights abuses.
- Upholding the freedom of association and the effective recognition of the right to collective bargaining.
- Respecting local country minimum wage limits.
- Rejecting all forms of forced and compulsory labour.
- Supporting the effective abolition of child labour.
- Eliminating discrimination in respect of employment and occupation.
- Supporting a precautionary approach to environmental challenges.
- Undertake initiatives to promote greater environmental responsibility.
- Encourage the development and diffusion of environmentally friendly technologies.
- Work against corruption in all its forms, including extortion and bribery.

During FY23, our existing contact centre suppliers, and outsourced back office support functions partners provided certificates confirming their commitment to compliance with the UK Modern Slavery Act, adherence to internationally recognised human and employee rights, the prohibition of child labour and forced labour, observing and promoting ethical business conduct, adherence to legal standards and environmental rules (based on the Ten Principles of the UN Global Compact). The Responsible Business Conduct Statement FY23 is publicly available (https://www.edreamsodigeo.com/category/investors/other-annual-reports/).

B.3.5. Society

As our purpose states we want "**to help people discover their world through travel**". "**We are enablers, we help people explore their world and we connect them through travel, making it easier for them to broaden their horizon**".

As one of the leading employers in Barcelona, eDreams ODIGEO is committed to the local communities where it operates, and where possible will collaborate to preserve the quality of the local environment.

We understand and value that society and the environment are important issues for our eDOers and where possible endeavour to facilitate and promote channels for them to proactively manage these areas in the following ways:

- **GO!Teams** is an initiative launched by and for our eDOers to foster and stimulate an open and connected culture, via a series of social events.
- **ESG at eDO**: as a Company, we recognise that we have a responsibility towards the environment and communities where we operate. ESG actions are focused around three pillars:
    - #Solidarity: initiatives to support local communities and help people in need.
    - #Sustainability (under the logo eDOGreen): actions, solutions, and tips to produce less waste, recycle, and preserve our planet. (See B4.The environment)
    - #Well-being (under the logo eDOWellness): tips and actions to maintain optimal levels of physical and mental health and make us happy at work (see B3.2 Our eDOers).

B.3.5. Society

Our Key Achievements

During FY23 we are proud of a number of community initiatives carried out by eDO volunteers:

#Sustainability

- Improvement of waste management and energy efficiency in our office locations.
- Switch to electric vehicle based couriers for messenger services & internal post.
- Promoting environmentally friendly behaviour and habits across the Company.
- Sustainable welcome packs for new joiners and green stationary.
- eDOers from our Porto tech Lab participation in a tree-planting project in a protected area with the help of locals.

#Solidarity

- A number of initiatives to support the refugee crisis in Ukraine.
- Donation of reconditioned computers to charity.
- Contribution to the Banc Aliments food bank (Gran Recapte).
- An initiative at our Spanish offices in collaboration with the SEUR Foundation called "Bottle tops for a new life", where eDOers recycle bottle tops with the objective of helping children with serious health problems.
- Collecting food, toys, warm blankets and clothes, etc. for people in need.
- Blood donation initiative in Barcelona offices.

Associations

eDreams ODIGEO is committed to fair competition and trade practices in the sector in which it operates and is currently a proactive member of the following trade associations across Europe, with a combined membership cost in FY23 of €145.4K (FY22 €134.4K), in fees spread across the following organisations:

EU:

- **EU Travel Tech (EUTT):** an organisation that represents and promotes the interests of global distribution systems (GDSs) and travel distributors towards all relevant European stakeholders from industry to policymakers;
- **EU Tech Alliance (EUTA):** an organisation that represents home-grown European tech companies.

Spain

- **Emisores Españoles:** an organisation that represents listed companies;
- **Confederación Española de Agencias de Viajes (CEAV):** representing Spanish tour agents; We are members of the Compensation Fund;
- **Asociación Corporativa de Agencias de Viajes Especializadas (ACAV):** representing Spanish travel agencies;
- **ADigital:** Spanish Association of the Digital Economy with the objective of creating in Spain and in Europe an optimal environment for the development and growth of the digital economy.

France

- **Les Entreprises du Voyage (EDV) representing Travel Agents in France;**
- **Syndicat des Entreprises du Tour Operating (SETO):** an association representing French tour operators.

Germany

- **DRV:** German Travel Association, the leading special interest group of the German tourism industry.

Italy

- **Netcomm:** Italy's leading e-Commerce trade association.

B.3.5. Society

Awards and Recognition

At eDreams ODIGEO we strive for excellence and feel driven by our purpose to help people discover the world through travel. We are very proud of our achievements – be they at a Company, team or individual level – and each milestone motivates us to innovate even more with our customer in mind and make eDO the most successful online travel one-stop-shop.

We are proud to have received prestigious awards for our consumer and corporate brands. During FY23 we were recognised for:

- **Forbes:** Best Company to Work For 2022.
- **Die Welt:** "Price Champion 2022" (April 2022).
- **World Travel Awards**: Spain's Leading Online Travel Agency 2022.
- **Newsweek:** America's Best Customer Service Brands 2023.
- **Handelsblatt:** "High Customer Loyalty" certification.

These recognitions are a proof of our continuous dedication to putting our expert customers first, by providing them with the tools to search further and faster than anywhere else online, comparing millions of travel options in a matter of seconds to provide a personalised service.

Relations with Governments

The Company manages its business in accordance with its corporate values and its ethical and conduct framework. It also ensures strict compliance with the ruling legislation in each country.

Zero tolerance

eDreams ODIGEO has a strict policy of absolute political neutrality, of not making economic or any other type of contribution to political parties or candidates in elections.

In relation to local governments, eDreams ODIGEO always acts independently of any political power, maintaining transparency in its dealings with public and administrative institutions.

We strive to minimise the occurrence of any potential conflicts of interest, and our Group Anti-Fraud and Corruption, and Anti-Money Laundering, and Gifts policies help guide our eDOers with expected behaviours, and clearly set out that funds, assets or other resources of the Group may not be used to make contributions or offer items of value to political candidates, political parties or party members.

During FY23 and FY22, eDreams ODIGEO and it subsidiaries did not receive any government subsidies, but did receive assistance in the form of social security rebates for research and development activities (RD 475/2014). (See Consolidated Financial Statements Note 10)

During FY21, eDreams ODIGEO received 2 subsidies/assistance from the Spanish government to alleviate the effects of the restrictive measures taken to mitigate the effects of COVID-19.

- A subsidy to compensate for the temporary reduction of working hours (staff furlough) or "ERTE", the Spanish acronym for an Expediente de Regulación Temporal de Empleo.
- A syndicated loan guaranteed by the Spanish Official Credit Institute (ICO).

B.3.5. Society

Tax Contribution

The Tax Strategy is based on one of the pillars underpinning the Group's business strategy; avoiding or minimizing risks, including tax risk. The strategy is based on complying with tax legislation in all the jurisdictions in which eDreams ODIGEO is present, applying an interpretation of such legislation that fundamentally has due regard for the spirit and purpose of the laws.

Guiding Principles of the Tax Strategy

- Compliance with tax legislation in all locations where we are present.
- Prevention and reduction of significant tax risks.
- Promotion of a reciprocal cooperative relationships with the various tax administrations, based on the principles of transparency, mutual trust, good faith and loyalty.

The Board is informed timely of the main tax implications of transactions and of any tax inspection processes in which Group companies are involved.

The Group is in compliance with its taxation obligations, in relation to taxes paid directly by the Group as well as taxes collected by it from third parties but derived from the Group´'s activities. We recognise our responsibility as a core contributor to the sustainability of public finances and the development of the jurisdictions in which we operate.

The Group is BEPS compliant. This is inspired by the results of the Base Erosion and Profit Shifting (BEPS) Project reports promoted by the G20 and the OECD, which aim to align value generation with appropriate taxation where said value is generated. They also reflect the commitment to comply with and respect both the letter and the spirit of tax regulation in the jurisdictions in which the Group operates, in accordance with Chapter XI of the OECD Guidelines for Multinational Enterprises.

The Group complies with local laws and regulations in all jurisdictions in which it operates. Where there could be doubt about the correct treatment applied by the Company, the Company ensures that it has proper arguments to support its tax treatment. The Company is not active in any non-cooperative jurisdiction.

Monitoring and Control

The Board, via the CEO and CSM, monitors the Group's application of tax principles and good practice, with the support of the Audit Committee, which oversees the effectiveness of the tax risk management and control systems, and provides the pertinent information to the Board periodically. The Chief Tax Officer continually monitors compliance with the mechanisms established by law, and the control framework approved by the Board, and provides regular updates.

	Profit Before Tax		Income Tax Paid	
Tax Jurisdiction	March 23	March 22	March 23	March 22
Australia	120	63	(29)	2
France	(2,411)	(4,125)	(5)	201
Germany	508	335	(96)	(95)
Gibraltar	0	47	0	0
Hungary	(28)	(112)	0	0
Italy	535	326	(1,938)	0
Luxembourg	0	0	0	0
Portugal	0	1	(1)	13
Spain	(42,280)	(73,669)	0	1,802
Sweden	362	27	0	0
UK	6,053	7,106	(8)	(6)
USA	153	(137)	395	(73)
Total	**(36,988)**	**(70,138)**	**(1,682)**	**1,844**

B.3.6. Shareholders and Investors

The Investor Relations Department

It is of vital importance for eDreams ODIGEO to maintain effective and straightforward communication with all stakeholders in the capital markets, ensuring transparency with regard to Company performance.

The Investor Relations department maintains an open dialogue with the financial community, including current and potential investors (whether institutional or retail), research analysts, debt holders, credit rating agencies and regulatory bodies such as the CNMV (Spanish National Securities Market Commission), and strives to build long-term relationships based on credibility and trust.

The Group uses various communication channels to guarantee the quality and frequency of its relationship with the institutional investors and shareholders. Our Investor Relations department acts as a permanently open and transparent channel through which we can communicate with shareholders and institutional investors and attend to their queries and requests for information. We aim to communicate effectively and proactively, delivering relevant information in a consistent and timely manner.

The Investor Relations department is part of the Group Finance department, with its Head of Investor Relations reporting to the Chief Financial Officer.

During FY23, the Investor Relations team met with 159 institutional investors. Special emphasis was placed on investor targeting, around 60% of the institutions we met in FY23 were new introductions generated through this source and made through IR targeting. In FY23, most of the meetings were held in person, but we also continued holding Virtual Global Roadshows. Between the Senior Management and the IR team the company dedicated 73 days to investor meetings held via a combination of virtual roadshows and conferences with investors located in cities including; Singapore, New York, Boston, Dallas, Chicago, San Francisco, Salt Lake City, Los Angeles, Miami, Toronto, London, Katowize (Poland), Stockholm, Copenhagen, Edinburgh, Frankfurt, Paris, Barcelona, and Madrid.

In November 2021, we hosted a very successful Capital Markets Day, with over 188 institutional investors attending, of which 88 were equity investors, and 32 attended in person (over 70% travelling from outside of Spain, mostly coming from the US and United Kingdom). As a result of it, in June 2022 our Investor Relations team was recognised at the highly esteemed European IR Magazine Awards with the award for Best Investor Event of the year in the Small Caps category.

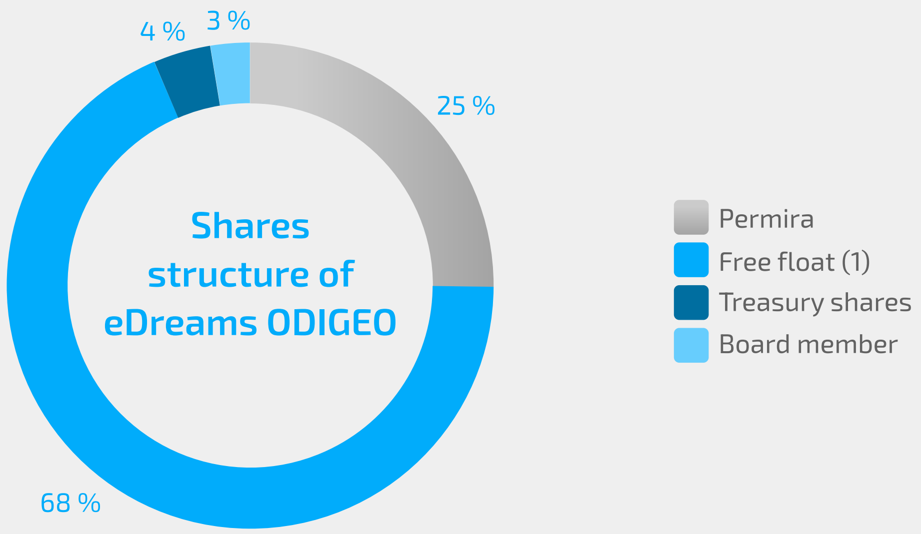
Our corporate website www.edreamsodigeo.com is the main official channel of communication between eDreams ODIGEO and shareholders, institutional investors and the general public. In the section "Investors", they can find all the information required by the laws and regulations of the securities markets. This is updated on a continual basis.

B.3.6. Shareholders and Investors

As of 31st March 2023 the shareholders structure of eDreams ODIGEO was as follows:

Shareholder	Number of Shares	% Share Capital
Permira	32,011,388	25.09%
Board Members	3,343,925	2.62%
Treasury shares	4,877,565	3.82%
Free Float (1)	87,372,181	68.47%
Total	**127,605,059**	**100%**

(1) The free float has been calculated on the basis of shareholder notifications of voting rights communicated to the Company as of 31st March 2023 in accordance with the Royal Decree 1362/2007 and other information made available to the Company by shareholders by taking the total number of shares issued less the Strategic Shareholders Shares, the shares held by Directors, and Treasury Shares.



Free Float Composition	Number of Shares	% Share Capital
Astaris	1,304,375	1.02%
Bank of America Corporation	3,272,302	2.56%
Barclays PLC	8,090,230	6.34%
JP Morgan Chase & CO	5,975,363	4.68%
Morgan Stanley	9,467,330	7.42%
Sunderland Capital	6,371,316	4.99%
UBS Group AG	11,137,037	8.73%
Others less than 3%	41,754,228	32.72%
Total	**87,372,181**	**68.47%**

The information provided regarding the free float composition is based in significant interests from the reports sent by the holders thereof to the National Securities Market Commission ("CNMV") and to the Company itself considering the total number of voting rights of the Company as of 31st March 2023. The information above includes direct and indirect holdings of shares and is, therefore, not a true representation of the Company's shareholding structure. The Company also notes that the voting rights attached to shares reported by financial institutions in this section may be the counterpart to the voting rights through financial instruments reported by other investors.

B.3.6. Shareholders and Investors

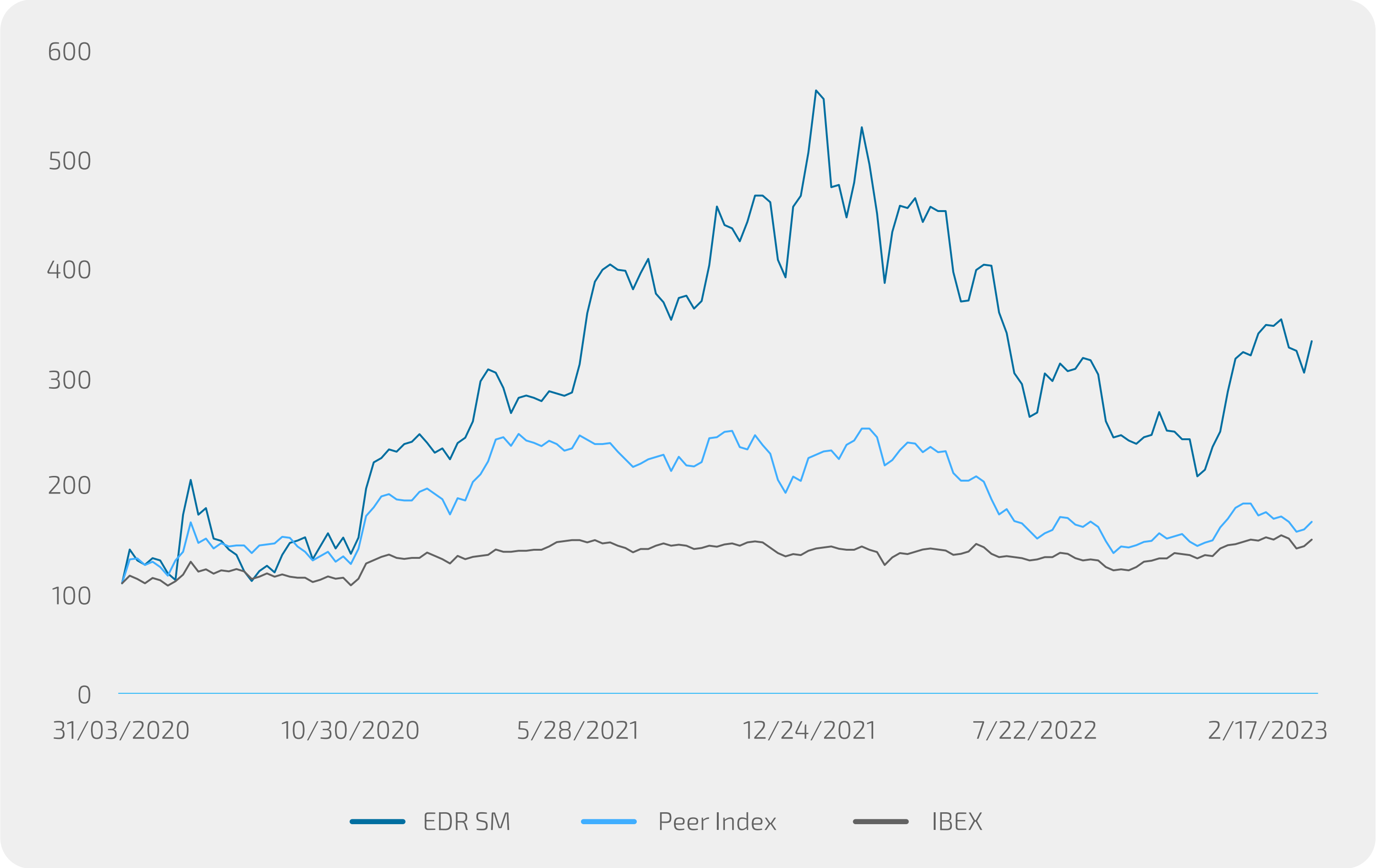
The Stock Market

In FY23 despite COVID-19 waves, geopolitical and macro context, which adversely impacted global equity and bond markets, the level of interest in the Company continues to be very high and this translates also into a high number of investor meetings and the strong share price performance we have since COVID-19 and Year-to-Date (from January 1st to March 31st 2023).

Within this context in 2023 we were the number one performing stock up 41%, well ahead of the Global Subscription companies (up 23% Year-to-Date), OTAs (up 11% Year-to-Date) and the the IBEX 35 (up 12% Year-to-Date). This was due to investor faith thanks to the success of our subscription programme (Prime), the Company's overall strategy and business model as well as a high level of IR activity before and post results and some of those potential investors building positions on the back of our strong results, outlook prospects, and meetings with management.

If we look at our equity performance since COVID-19, as of March 31st 2023, eDO is also the best performing stock (up 206% since COVID-19), well ahead of the Global Subscription companies (down 16% since COVID-19), OTAs (up 32% since COVID-19) and the the IBEX 35 (up 24% Year-to-Date).

eDreams ODIGEO | Open: 1.84 | High: 9.88 | Low: 1.72 | Close: 5.66
31/03/2020 – 31/03/2023



Note: Global Online Travel index (Peer Index) includes Booking Holdings Inc, Despegar, Expedia, lastminute.com, On the Beach and Trip.com

eDreams ODIGEO continues to be the best equity performer over a long period. Our share price between the 25th of October 2014 (our low point) and the 31st of March 2023 increased by 453%, outperforming 338pp, 445pp, and 462p, the Global Subscription, the Global Online Travel, and IBEX 35, the benchmark Spanish stock market index, companies respectively.

B.3.6. Shareholders and Investors

eDreams ODIGEO share price performance vs Peers & Spanish Market

	Since our lowest point and management change	During COVID-19	2023
From	25th October 2014	31st March 2020	1st January 2023
To	31st March 2023	31st March 2023	31st March 2023
eDO	**453%**	**206%**	**43%**
Global Subscription	115%	(16)%	27%
Global OTAs	8%	32%	13%
IBEX 35	(8)%	(11)%	12%
IGBM	17%	25%	12%
Global OTAs			
Booking Holdings	133%	97%	32%
Despegar	(76)%	8%	20%
Expedia	19%	72%	11%
Lastminute.com	50%	4%	11%
On the Beach	(22)%	(35)%	(8)%
Trip.com	32%	61%	10%
Tripadvisor	(77)%	14%	10%

	Since our lowest point and management change	During COVID-19	2023
From	25th October 2014	31st March 2020	1st January 2023
To	31st March 2023	31st March 2023	31st March 2023
eDO	**453%**	**206%**	**43%**
Global Subscription			
Teamviewer	(40)%	(57)%	30%
Spotify	1%	10%	69%
Netflix	528%	(8)%	17%
Bumble	(55)%	(55)%	(7)%
Duolingo	40%	40%	100%
Hellofresh	107%	(28)%	7%
Peloton	(61)%	(57)%	43%
Salesforce	235%	39%	51%
Dropbox	3%	19%	(3)%
Zoom	105%	(49)%	9%
Wix.com	513%	(1)%	30%
Baxter	7%	(50)%	(20)%

Our market capitalisation as of 31st March 2023 was €722 million. The average daily trading volume in 2023 (until March 31st 2023) was €914,556, with 20 days above 1 million euros. The proportion of our stock in free float is 68%.

B

Non-Financial Information

B.4. The Environment

B.4. The Environment

Climate change - Our strategy and path to net zero

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

While our core activities have a relatively low impact, and we consume low volumes of electricity and water, by virtue of the fact that we are an online business, we are always looking to find ways in which we can reduce our direct environmental footprint, implementing sustainable practices, both in the office and when work takes us away from the office, in procurement and purchasing processes, in the use of energy and water, waste management, travel, and in each of our business processes.

We recognise the indirect environmental impact generated by some of the products that we intermediate, and to address this our teams are committed to exploring meaningful initiatives that can truly contribute to a brighter future for travel and our planet.

As part of our commitment towards the Paris Agreement's goal of limiting global warming to 1.5°C, we have been carbon neutral for the past 4 fiscal years for all the GHG emissions generated by our direct operations, achieved via a strategy of proactive measures to reduce emissions, complemented by the purchase of carbon offsets in Gold Standard and Verified Carbon Standard certified projects.

Our climate strategy is formalised in an "**Ecological Transition Plan" which will guide us further towards the goal of net zero for our direct operations by 2030**, and towards making a meaningful contribution to a sustainable travel sector.

This Plan details the steps and proposed actions in our journey geared towards reducing the effects of climate change, progress towards decarbonization, efficient management and responsible consumption, and the development of more sustainable products.

We are committed to reducing emissions & consumption.

We will continue to implement new technologies and more sustainable alternatives that reduce emissions, consumption, and waste in our direct operations, as they become available.

We are committed to building sustainability awareness.

We will use our scale, tech innovation in our platforms, and extensive network of travel provider partners, to create travel itineraries that enable our customers to clearly assess the environmental impact of their journey, empowering them to make greener and more sustainable choices.

We are committed to integrating sustainability into our business and culture.

We will lead by example for our eDOers, and partners by incorporating pro-sustainability practices into our day to day, facilitating and empowering them to make sustainable choices.

B.4. The Environment

Climate change - risks, initiatives, and opportunities

In recent years, various initiatives such as the Task Force on Climate-Related Financial Disclosures (TCFD), or Carbon Disclosure Project (CDP), have emerged to promote consistency, comparability, and transparency in how organisations report climate risk over the medium to long term. eDreams ODIGEO has begun to adopt the TCFD physical and transition risk methodology. Throughout FY24 the current methodology for identifying exposure to physical and transitional risks and opportunities associated with climate change will be further developed, and more tangible scenario modelling performed over medium and long term time horizons.

During FY23, eDreams ODIGEO expanded on the TCFD based physical and transitional climate risk analysis to include ongoing and planned initiatives of the organisation contributing to mitigation of these risks. These are explained in the following tables;

Transition risks as the world economy moves to a more sustainable scenario, that could directly impact our business include:

Transitional Risk identified	Initiatives and opportunities
Increases in airline fuel prices resulting from carbon fee/tax mechanisms, and increased costs associated with the transition to more renewable sources of energy.	With our Prime subscription business model we are more resilient in weathering any inflationary impacts generated by carbon taxes or imposed switches to renewable energy sources, than we would have been under the previous transactional model. Growing Prime will further mitigate this risk.
Climate related regulatory & reporting changes such as the more stringent reporting obligations from the European Union Green Deal and bans on certain domestic flight routes. (i.e. France & Austria bans on domestic flight routes impacting our existing portfolio of services).	We maintain close relationships with regulatory bodies in the EU and US and remain alert to relevant changes in reporting requirements and climate related regulations. We have a policy of setting prudent environment related targets, that are relevant to our business, and manage progress closely. Our business operates globally, which dilutes the potential impact of any local country legislative changes on our operations.
Growth in momentum of the flight shaming movement and adverse consumer perception of flight travel.	We participate proactively with 3 of the largest ESG Ratings agencies (Sustainalytics, ISS, S&P Global), to convey our environmental performance, strategy, and commitments as transparently as possible to all our stakeholders, and identify best practices and improvement areas. We proactively promote sustainability awareness via: • Our Greener Choice CO2 emissions information on the flight search results page. • The recently launched sustainable destinations page we have made available to our partners (hotels, tourist boards, airlines, airports) to showcase sustainable destinations. • Sponsorship of the Freedom Flight Prize initiative to accelerate the development of zero carbon aviation • We are exploring customer offset options in the funnel. • We continue to explore, develop, and expand our rail travel content to be able to offer greener alternatives to flights.

B.4. The Environment

Physical risks caused by increased frequency of extreme climate related natural events as carbon emissions increase, that could directly impact our business:

Physical Risk identified	Initiatives and opportunities
Inaccessibility of climate disaster affected regions to travellers, or loss of customer appetite for travel to these regions for safety reasons (earthquakes, wildfires, tsunamis, hurricanes…).	We are an OTA with a diverse global offer in terms of content & substitutable destinations. The pandemic has shown that we can support our customers effectively in disaster related scenarios, successfully assisting over 5 million customers hit by airline and airport flight disruptions since the start of the pandemic. Our digital customer touchpoints provide our customers with up to date information on this type of event & disruptions/cancellations.
Supply chain issues resulting from damaged infrastructure.	This risk can always materialize but the following characteristics of our business help mitigate any potential impact: Our main platform infrastructure is Cloud based provided by partners (Google, Oracle & AWS), with robust business continuity measures. On a content/supplier level (airlines, hotels etc) we have diversified risk using multiple GDS suppliers, over 600 airlines, and thousands of hotel partners.
Decreases in productivity, and impact on employee health in extreme weather conditions;	Most of our eDOers & offices are located in the Mediterranean region with the most likely extreme weather conditions likely to be heatwaves. To help our teams navigate this we have a robust OHS Programme and frequent well-being awareness campaigns (trainings talks, posters) which include tips to healthily navigate the high summer temperatures. All of our office locations are air conditioned to ensure eDOers can work in comfortable conditions.

B.4. The Environment

Climate change - Progress on our path to net zero

Reducing Emissions and Consumption

Targets set at the end of FY22 & progress made during FY23

Complete our objective of powering 100% of our office locations with 100% green energy by 2024. (building on the 90% we have currently achieved).	We are pleased to report that going into FY24, we have switched to 100% green energy suppliers in 100% of the office locations under our direct influence.
Complete migration of our IT infrastructure to Cloud based (serviced by net zero emissions suppliers) by 2024.	During FY23 the migration to net zero emission Cloud suppliers has been substantially completed for both our productive platform infrastructure (98%), and our corporate infrastructure (95%).
We have been carbon neutral for our direct operations since 2020, and aim to maintain this status going forwards.	We have maintained the carbon neutrality of our direct operations for a fourth consecutive year, improving the quality of this neutrality via; proactive emission reduction initiatives, and carbon offset credits.

Energy use & emissions

We follow the Greenhouse Gas Protocol (GHGP) to manage and report our CO_2 emissions. eDreams ODIGEO's operations have a direct, **but very limited carbon footprint impact** on the environment, in the following ways:

- In Scope 1, **eDreams does not use natural gas or diesel, and has generated zero scope 1 emissions in FY23 and all prior years.**
- In Scope 2, we include **emissions linked to the use of electricity (kWh) at our office buildings** worldwide.
- In Scope 3, we include emissions generated bv::
  - **business travel of our eDOers** (Km travelled by air+train),
  - **energy** used in our **water supply**.
  - **hosting of our IT infrastructure, which is primarily all Cloud based (serviced by net zero emissions suppliers)**, complemented with a small residual IT infrastructure serviced by two outsourced data centres (immaterial 2% of productive infrastructure, and 5% of corporate infrastructure). Data relating to our share of emissions for these 2 outsourced data centres has not been made available to us.

B.4. The Environment

Scope 2 – which accounts for GHG emissions from the generation of purchased electricity consumed by a company

The only source of Scope 2 GHG emissions generated by eDreams ODIGEO is to power our rented office locations, using purchased electricity. **Despite opening additional offices in Palma and Alicante in FY23 we have maintained similar levels of electricity consumption and intensity as in FY22**, thanks to the implementation of a number of energy saving initiatives at our offices, such as closure of certain floors on Fridays when there are lower attendance rates, and downscaling of office space at some of our European locations such as London, Paris, and Milan.

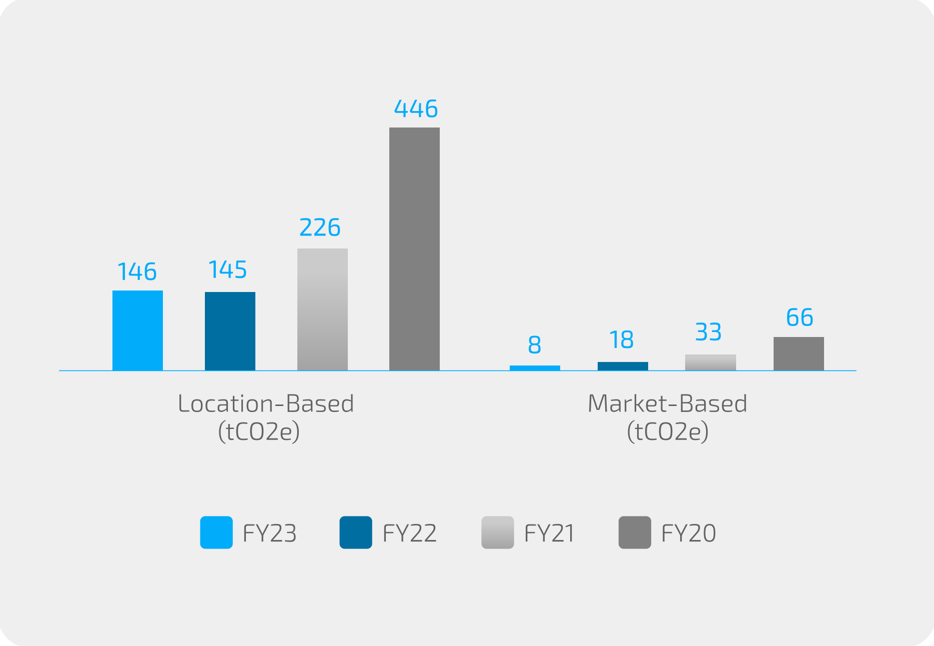
**Note: 99.4% of the electricity emissions information is based on actual invoices for the calendar year 2022. The remaining 0.56% of emissions relate to small co-working offices for which the electricity calculation has been estimated based on the leased square metre area of the offices.*

Scope 2 - Energy Consumption & Intensity

	FY23	FY22	FY21	FY20	Variation FY23 VS FY22	Variation FY23 VS FY20
Electricity consumption all eDreams ODIGEO sites (kWh)	814,992	812,468	862,825	1,686,267	—%	(52)%
Square Metres all eDreams ODIGEO sites	11,642	11,562	13,904	13,904		
Intensity (Electricity Consumption per square metres/per annum)	70	70	62	121		

Going into FY24, we have switched to 100% green energy suppliers in 100% of the office locations under our direct influence. With this measure we have continued to reduce the Scope 2 market based carbon footprint generated by our electricity consumption at our office locations by (55)% (from 18 tCO_2e in FY22 to 8 tCO_2e in FY23).

Tables on CO_2 Emissions (tCO_2) – Scope 2**
(Offices)



*Note**: For the location-based emissions of electricity consumption, the grid electricity emissions factors have been used for the different countries where eDreams ODIGEO operates; the emissions factor come from CarbonFootprint (https://www.carbonfootprint.com/docs/2022_03_emissions_factors_sources_for_2021_electricity_v11.pdf). For the emissions of electricity consumption using the market-based method, the same emissions factors have been used, with the exception of the data reported in Spain. For Spain, the emission factor comes from the Comisión Nacional de los Mercados y la Competencia (CNMC). Since 2020, all the electricity purchased by the company in Spain (except Alicante and Palma),Italy, Hungary, and London , comes from renewable sources.*

Energy Efficiency Audits

In the last quarter of FY20, eDreams ODIGEO Group successfully passed energy efficiency audits (in accordance with the European Energy Efficiency Directive), carried out by Schneider Electric at our most significant office locations in Barcelona, and London. No material recommendations were raised. Updated energy efficiency audits will be performed during FY24.

B.4. The Environment

Scope 3 – which covers emissions associated with business travel, water supply and outsourced data centres

Business travel of our eDOers (km travelled by air and train)

During FY23, as lockdown restrictions were fully eased, and we returned to normality, there was a natural rise in the number of business trips, reflected in increased Scope 3 emissions relating to eDOer business travel (air + train) in comparison with FY22.

However when comparing volumes of business travel with pre-COVID-19 levels, the **FY23 scope 3 business travel intensity of 0.16 t CO_2e per eDOers, compared with pre-COVID-19 levels of 0.29 t CO_2e (FY20) per eDOer, support the fact that the underlying reduction in business travel is here to stay, as our teams have readily adopted more environmentally friendly and sustainable practices.**

Scope 3 - Business Travel Intensity

	FY23	FY22	FY21	FY20	Variation FY23 VS FY22	Variation FY23 VS FY20
Scope 3 (t CO_2eEmployee Air+Train Travel Business Trip)	229	76	48	325	202.87%	(29.43)%
Employees	1,442	1,027	932	1,131		
Intensity (Business Travel/Active employees year end)	0.16	0.07	0.05	0.29		

Water supply (m^3 and energy used in our water supply)

Water consumption that is directly under our control, at our office buildings in kitchens, toilets, etc. is low, and despite an increase in consumption at our main sites located in Barcelona, Porto, and Budapest in FY23 compared to FY22, as eDOers returned to the office post COVID-19, we have maintained similar levels of water intensity per eDOer as in FY22, and well below FY20 Pre-COVID-19 levels, thanks to the effectiveness of water efficiency and saving measures.

For the two outsourced data centres we use, our water consumption data has not been made available to us.

Scope 3 - Water Intensity

	FY23	FY22	FY21	FY20	Variation FY23 VS FY22
Water Consumption eDreams ODIGEO sites (m^3)*	1,670	1,280	2,315	5,524	30%
Square Metres*	9,923	8,277	9,674	9,674	
Intensity (Water Consumption per square metres/per annum)	0.17	0.15	0.24	0.57	
Scope 3 (t CO_2e of Energy used in our water supply)	0.25	0.19	0.34	0.82	

**From FY23 water consumption is reported for our 2 main Barcelona offices, Porto and Budapest (which account for approx 85% of the total m2 of our operations) as for the remaining smaller offices the water is included in the rental cost and the landlord does not provide the information.*

Water consumption from FY22 and before was reported for our 2 main Barcelona offices, (which account for approx 80% of the total m2 of our operations)

B.4. The Environment

Cloud infrastructure and Outsourced Data Centres

Cloud Infrastructure

During FY23 we substantially completed the migration of our infrastructure to Cloud data centres, helping accelerate eDreams ODIGEO further along the path towards sustainability. Cloud's platform and technologies help drive better performance, and reduce energy consumption compared with on-premise data centre servers that need to be constantly powered by electricity. Our Cloud services supplier data centres;

- All either **directly power, or match energy usage with renewable energy purchases** (of the 3 Cloud suppliers used by eDreams ODIGEO; Oracle's European Cloud data centres are 100% powered by renewable energy, Google match 100% of the electricity consumption of operations with renewable energy purchases, AWS (Europe (Ireland) 95% of operations powered with renewable energy).
- **Achieve far higher resource utilization, consolidating machine use, sharing and dynamically allocating resources across customers' workloads,** minimizing the time hardware sits idle, **increasing energy efficiency, generating a correspondingly lower carbon footprint.**
- **Use power and cooling systems that are more efficient than on-premise data centres**. Cloud data centres are specifically designed to use the most energy efficient cooling methods possible, as well as electrical infrastructure that results in lower energy losses (as they are typically located closer to the facilities that power them to prevent large losses during the process of transmitting electrical energy over long distances).
- **Cloud hardware tends to have much higher utilization rate than traditional servers**, and as a result a shorter life cycle, prompting a faster refresh time and upgrade on a more regular basis, enabling more timely leverage of new technology with **better energy efficiency.**
- Cloud infrastructure tends to **generate fewer carbon emissions, using a less carbon-intense power mix and more energy efficient equipment.**

Net operational emissions for our 3 Cloud infrastructure suppliers were zero (0 Kg CO^2e) in FY23 as all 3 invest in enough renewable energy and carbon offsets to neutralise the global operational greenhouse emissions generated by the Cloud infrastructure.

Outsourced Data Centres

The remaining infrastructure run through traditional outsourced data centres is minimal (2% of our productive infrastructure, and 5% of our corporate infrastructure), and will be reduced even further in the short term.

For this residual infrastructure, eDreams ODIGEO's share of emissions data has not been made available by the supplier. However the two outsourced data centre suppliers we use are well positioned to support the eDreams ODIGEO sustainability agenda, with serious commitment to providing the Company with services based on energy efficient infrastructures that reduce overall emissions, and tight security measures to protect our data.

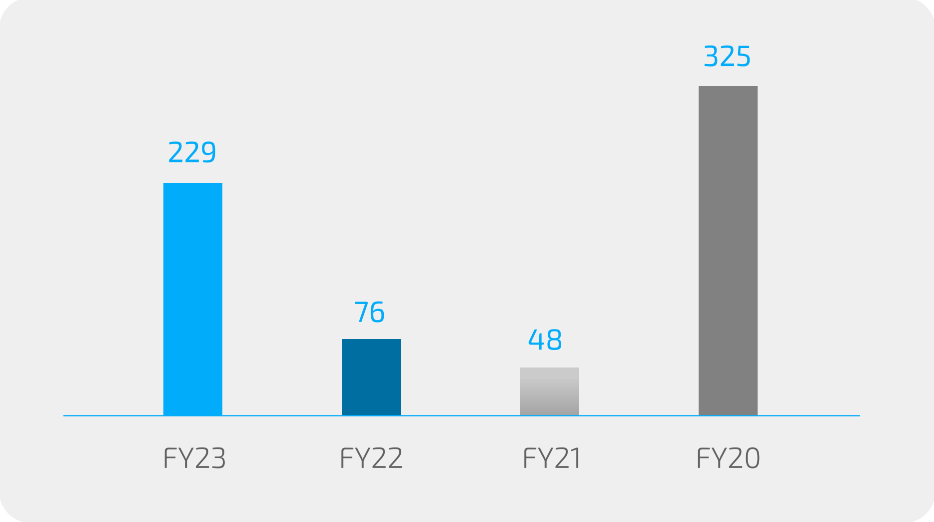
Both data centre suppliers are certified in Environmental Standard (ISO 14001), Energy Management standard (ISO 50001), and IT Security Management standard (ISO 27001).

Our main outsourced data centre in Barcelona is a member of the Green Grid group of companies collaborating to improve the resource efficiency of data centres, and has won several awards such as International Data Centre & Cloud Awards for Energy Efficiency and Environmental Sustainability.

Internal Operations Carbon offset

As a complement to the ongoing initiatives to reduce our internal operational energy use and carbon emissions, for the fourth consecutive year, **we have achieved carbon neutrality of all our GHG emissions derived from our purchase of electricity and business travel, via the purchase of carbon offsets in Gold Standard and Verified Carbon Standard certified projects** supporting: global reforestation, biodiversity, and the global transition to renewable energy.

Tables on CO_2 Emissions (tCO_2e) – Scope 3*
(business travel & water supply)



Note: We calculate our emission based on the emissions factors from DEFRA (air) and the OECC Carbon Footprint Calculation Guide 2021 (train).*

B.4. The Environment

Building Sustainability Awareness

Targets set at the end of FY22 & progress made during FY23

Target	Progress
Achieve 100% coverage of the "greener choice" CO_2 emission information on customer searches across all markets & websites (currently 85% of searches are evaluated on CO_2 emissions).	We are pleased to report that by the end of FY23, 100% of our customer searches were supported by "greener choice" CO_2 emission information.
Further develop the eDOGreen brand climate and sustainability awareness programme in 2023.	We are pleased to report that by the end of FY23, we have continued to promote sustainable actions and activities to all eDOers, and share this message externally, reflected in improved ESG ratings from Sustainalytics. ISS, and S&P Global.

With our Stakeholders

We participate proactively with 3 of the most respected ESG Ratings agencies (Sustainalytics, ISS, S&P Global), to convey our environmental performance, strategy, and commitments as transparently as possible to all our stakeholders, and identify best practices and improvement areas.

During FY23 we have acted on prior feedback received from all three ESG ratings agencies, implementing initiatives, and improving the quality and transparency of our ESG reporting, reflected **in improved ratings with all 3 agencies, and positive investor & press feedback.**

The **launch at the end of FY23 of a dedicated sustainable destinations page for our partners (hotels, tourist boards, airlines, airports) to showcase sustainable destinations and eco-friendly content,** is a further building block through which we hope to leverage our scale to promote sustainability awareness. We will continue to develop and expand this during FY24.

With our customers

We believe in our responsibility to make sustainable travel choices easier for our customers. In line with our customer centric strategy**, during FY23 we extended to all markets and websites the "greener choice CO_2 emissions" feature in our booking platform**, providing sustainability information to our search results, one of the first OTAs to offer this to customers.

With our eDOers

- Creation of a CSR page on the company intranet, and a CSR Slack channel where ESG related tips/ideas/facts are shared on a weekly basis.
- The CSR eDO G+ community where eDOers can volunteer to help with ESG initiatives (activities include; beach cleaning, toy donations, food bank collections).
- Improvement of waste management and energy efficiency in our office locations.
- Switch **to electric vehicle based couriers** and messengers in our Barcelona sites
- Promoting **environmentally friendly behaviou**r and habits across the Company.
- Sustainable welcome packs for new joiners and green stationary.
- **eDOers from our Porto tech Lab participated in a tree-planting activity in a protected area with the help of locals.**
- eDOGreen talk "**Earth Day Planet**" to raise awareness amongst eDOers on the impact of our individual actions and promoting a more sustainable way of living.
- Encouraging eDOers to **walk and cycle,** and promoting the use of carpooling and public transportation.
- Sticker campaigns "**Switch me off before you go go**" on all laptops/screens, and energy savings stickers.
- **Green message on signatures**.

Integrating Sustainability into our Business and Culture

Targets set at the end of FY22 & progress made during FY23

Targets	Progress
Continue our transition to a green supply chain, and identify further opportunities to upgrade to more sustainable suppliers, applying the same sustainability principles used for our transition to Cloud for IT infrastructure, (serviced by net zero emissions suppliers).	During FY23 we made a number of advances in our transition to a greener supply chain. In addition to the aforementioned migration to net zero Cloud suppliers, and switch to green energy in all of our offices, we have changed to electric vehicle courier & messenger services at our main site in Barcelona, and plan to extend this to all our office locations in FY24.

Waste management and circular economy

As an online technology business, we generate very little waste, and the limited waste generated at our premises is from canteens, (pleasant, comfortable equipped areas where our eDOers can eat meals brought from home), and general office use, and is managed in accordance with regulations in each local country. Despite our low levels of waste generation **we are committed to a reduce-reuse-recycle policy**, and have developed management procedures aimed at minimizing waste and reducing single-use plastics. We actively promote a paperless office and strive to keep paper consumption at our premises to a minimum, maintaining most of our documentation electronically. For the limited printing we do generate, automated badge-based printing systems are in place to restrict consumption, and monitor and identify areas for improvement.

Supply chain - Green procurement

Sustainability and environment impact are key considerations factored into our procurement decisions.

- **Cloud Services:** energy consumption and emissions have been reduced by:
  - The move away from the fixed on premise infrastructure where energy was being consumed regardless of server usage, to the flexible virtual infrastructure where energy is only consumed when servers are used.
  - The 100% renewable energy sourcing/matching promise of our Cloud suppliers.
- **IT hardware & software:** our Procurement team is responsible for ensuring that 100% our office IT equipment is certified to or in compliance with internationally acknowledged standards. Laptops & monitors, our most significant items meet ENERGY STAR Versions 5.0 & 6.0, Blue Angel, TCO, European Eco-label and meet EPEAT Gold & Silver standards.
- **Office supplies:** the change to remote working resulting from the pandemic has generated the added benefit of a significant reduction in the procurement of office supplies, and more reliance on a paperless office. Going forward this has also enabled the Procurement & Facilities teams to explore and prioritise sustainable suppliers for future purchases.
- **Electric Vehicle Couriers:** we have recently finalized the switch to courier servicing for our Spain offices (accounting for over 90% of eDOers and operations) to an electric vehicle based supplier.

B.4. The Environment

End of Life Management of Hardware

- **Donation:** reusing obsolete PC screens and other electronic equipment, and recycling of electronic appliances and office furniture via donations to charity.
- **Disposal:** we outsource the destruction and disposal of obsolete IT equipment to a specialised company, fully certified in ISO 14001 (Environmental Management) & ISO 27001 (Information Security Management), who ensure the equipment is destroyed or dismantled and recycled, in a secure and environmentally friendly way.

Sustainability in our day-to-day operations

Our eDOers are enthusiastic and responsible in the uptake and promotion of environmentally-friendly practices. Below are some examples of initiatives implemented at our eDreams ODIGEO locations:

- Switching off laptops, PCs, and other electrical devices, such as monitors, before leaving the office.
- Switching off TV screens and any equipment in meeting rooms.
- Centralised control of air conditioning and heating systems, with time controls, to adapt room temperature to the current weather conditions and avoid unnecessary consumption.
- Maximising the use of natural light, before artificial light timers kick in, and automatic switch off at predetermined hours.
- Avoiding business travel in favour of video and audio conferences whenever possible (as outlined in the eDreams ODIGEO Travel Policy).
- Using chat instead of mobile phones.
- Replacing incandescent bulbs with LEDs.
- Using only Eco-Label cleaning and disinfection products.
- Recycling bins are installed at all of our locations to facilitate the recycling of organics, plastics, cans and light packaging, paper and other waste.
- Replacing individual use waste paper baskets with central recycling points on each floor.
- Separating and collecting waste: implementing a proper infrastructure to facilitate waste separation for recycling (general waste, packaging and organic).
- Special recycling bins for: batteries, electric and electronic devices, plastic caps.
- Reusing waste paper (from the printer) whenever possible, making use of the blank side for notes, and sending used paper for recycling (no significant paper consumption during FY23, FY22 and FY21).
- Mugs and water bottles for all eDOers, reducing the consumption of single-use plastic cups.
- Using compostable cups & biodegradable stir sticks compatible with organic bins.
- Replacing coffee capsules for ground coffee machines: organic waste.
- Using tetra bricks vs individual milk bricks.
- Replacing individual sugar sachets with sugar dispensers.
- Replacing paper towels with new efficient hand dryers.
- Replacing paper advertising with digital channels.
- Motion sensor taps in washrooms.
- Installing air diffusers in the taps to reduce the water flow and consumption.
- Avoiding the use of bottled water in favour of water fountains.
- Switching to eco-friendly printers, and default configuring them to greyscale, two sided and ECO mode.
- Implementing electronic signature to reduce the printing and delivery of hard-copy contract versions.

B.4. The Environment

Other Environmental Considerations: Bio-Diversity, Raw Materials, Protected Areas, Noise, Light Pollution, etc.

eDreams ODIGEO's direct operations **do not use raw materials in any significant quantities, do not generate significant noise or light pollution, and do not have any direct impact on protected areas or areas of biodiversity,** as our offices are located in the city centre. These are not considered material ESG risks for us.

Environmental Responsibility and any Provisions for Environmental Risks

Although our activities do not fall under the scope of the Spanish Environmental Responsibility Law 26/2007 requiring specific environmental responsibility insurance cover, our existing civil responsibility insurance policy includes a clause covering responsibility for any direct pollution caused by our activities.

The Group has not been subject to any claims, fines, or actions relating to its environmental impact in FY23, and has a history of never having accrued a fine or claim. Given this unblemished record and the nature of our business, we have not accrued any provisions for environmental risks.

B

Non-Financial Information

B.5. EU Taxonomy

B.5. European Union Taxonomy

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

The regulatory framework applicable as of March 2023 to the calculation and reporting of KPIs is: Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investments, and includes; Delegated Act (EU) 2021/2139 ("Climate Delegated Act"), Delegated Act (EU) 2021/2178 ("Disclosures Delegated Act"), and Delegated Act (EU) 2022/1214 ("Complementary Climate Delegated Act").

This regulatory framework specifies the content and presentation of information to be disclosed relating to environmentally sustainable economic activities, and the methodology used to comply with these disclosure obligations.

Under this regulatory framework, companies are required to report their eligibility and alignment applied as a percentage of three economic indicators;

- Turnover.
- Capital expenditure (CapEx).
- Operating expenditure (OpEx).

Eligibility - (reported since FY22). A Taxonomy-eligible economic activity is defined as an economic activity listed in the delegated acts supplementing the Taxonomy Regulation (i.e. the Climate Delegated Act as of now), irrespective of whether that economic activity meets any or all of the technical screening criteria laid down in those delegated acts.

Alignment - (reported for the first time this fiscal year). A Taxonomy-aligned economic activity is defined as an eligible economic activity that complies with all of the following requirements:

1. the economic activity contributes substantially to one or more of the following environmental objectives;
    - Climate-change mitigation.
    - Climate-change adaptation.
    - The sustainable use and protection of water and marine resources.
    - The transition to a circular economy.
    - Pollution prevention and control.
    - The protection and restoration of biodiversity and ecosystems.
2. it does not significantly harm any of the environmental objectives;
3. it is carried out in compliance with the minimum safeguards;
4. it complies with technical screening criteria in the delegated acts supplementing the Taxonomy Regulation (i.e. Climate Delegated Act as of now).

B.5. European Union Taxonomy

Eligibility and alignment of our economic activities

In 2021, we evaluated the description of the activities included in the Annexes I and II to the "Climate Delegated Act" and identified the activity **"8.1 Data processing, hosting and related activities** (the storage, manipulation, management, movement, control, display, switching, interchange, transmission, or processing of data through data centres, including edge computing)**" as our only Taxonomy-eligible economic activity for CapEx contributing to climate change mitigation.**

Activity 8.1 is a core element of the e-commerce platform infrastructure from which eDreams ODIGEO's revenues are generated. It does not generate revenues independently from our other business activities, and cannot be isolated from the development, marketing, and commercialization activities that together contribute to serving our customers with eDreams ODIGEO's products and services.

During FY23 the European Commission published additional guidance to Regulation (EU) 2020/852 of the European Parliament and of the Council establishing the technical screening criteria, and clarifying the interpretation of activities that could be considered eligible. This impacted eligible OpEx, and the external data processing & hosting activity previously included as eligible during FY22 was no longer considered eligible **for OpEx. To reflect this the FY22 eligible OpEx has been restated to zero.**

In 2022, we expanded the analysis to assess the compliance with the taxonomy-alignment requirements laid down in Article 3 of Regulation 2020/852 and in the technical screening criteria, included in Annex 1 of the "Climate Delegated Act", required for the Data processing, hosting and related activities to substantially contribute to climate change mitigation.

As at 31st March 2023 substantially all of our infrastructure (98%) has been migrated to a cloud infrastructure, enabling us to leverage reduced energy consumption and associated carbon emissions associated with Cloud infrastructure when compared with on-premise data centres, thanks to:

- Higher more energy efficient resource utilization, as resources are shared and dynamically allocated across customers' workloads, minimizing the time hardware sits idle.
- More energy efficient power and cooling systems used.
- Faster refresh time and more frequent upgrade of hardware, enabling more timely leverage of new technology with better energy efficiency.
- All 3 Cloud suppliers used by eDreams ODIGEO use renewable energy; Oracle's European Cloud data centres are 100% powered by renewable energy, Google match 100% of the electricity consumption of operations with renewable energy purchases, AWS (Europe (Ireland) 95% of operations powered with renewable energy.

The fact that substantially all of eDreams ODIGEO Group's infrastructure is cloud based means our data processing economic activity has a strong case to be considered aligned with taxonomy requirements. Despite this we conclude that our taxonomy eligible economic activity **is not taxonomy-aligned for fiscal year 2023** as it is currently not possible to validate the requirements set out in question 161 of the "Draft Commission Notice on the interpretation and implementation of certain legal provisions of the EU Taxonomy Climate Delegated Act", published on December 19, 2022, which lists the **technical screening criteria for economic activities that contribute substantially to climate change mitigation or change adaptation, and do no significant harm to other environmental objectives**. This is primarily due to:

- The absence of a defined framework to assist independent auditors in verifying a data centre's compliance with the relevant expected practices set out in the European Code of Conduct on Data Centre Energy Efficiency, as at the date of publication of this non-financial information report. (Our main Cloud partner for our core business Google, and Liligo platform partner for 2022, Equinix are both participants of the EU Code of Conduct on Data Centre Energy Efficiency, and our legacy on premise infrastructure partner COLT is an endorser).
- Non availability of Cloud provider data to support the technical screening criteria that requires that the global warming potential (GWP) of refrigerants used in the data centre cooling system does not exceed 675 GWP.

B.5. European Union Taxonomy

Revenue, CapEx & OpEx

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

The only Taxonomy-eligible economic activity identified as per the Climate Delegate Act as of now is the following activity, and only applies to CapEx:

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

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

Based on this analysis:

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

	FY23						FY22				
	Total eligible economic activities (M€)	Proportion eligible economic activities (%)	Proportion of taxonomy - aligned activities (%)	Total Non-eligible economic activities (M€)	Proportion Non-eligible economic activities	Total (M€)	Total eligible economic activities (M€)	Proportion eligible economic activities (%)	Total Non-eligible economic activities (M€)	Proportion Non-eligible economic activities	Total (M€)
Revenue	—	—%	—%	587.8	100.0%	587.8	—%	—%	398.3	100.0%	398.3
Capital Expenditure (CapEx)	0.09	0.2%	—%	42.3	99.8%	42.4	0.5	1.6%	29.5	98.4%	30
Operating Expenditure (OpEx)	—	—%	—%	6.2	100.0%	6.2	—	—%	5.6	100.0%	5.6

Calculation of the aforementioned indicators has been based on the fiscal year ended 31st March 2023 statutory audited Consolidated Accounts presented in Section C of this integrated annual report.

1. During FY23 the European Commission published additional guidance to Regulation (EU) 2020/852 of the European Parliament and of the Council by establishing the technical screening criteria, and clarifying the interpretation of activities that could be considered eligible. This impacted eligible OpEx, and the external hosting and data processing activity included as eligible during FY22, and as a result a historical update of FY22 eligible OpEx activities has been made (previously reported Eur12.7 Million as eligible OpEx, updated to Eur 0).

B.5. European Union Taxonomy

TURNOVER

				Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')										
Economic Activities (1)	Code (2)	Absolute CapEx (3)	Proportion of CapEx (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Taxonomy aligned proportion of total CapEx, year N (18)	Taxonomy aligned proportion of turnover, year N-1 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
		M€	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES			**0%**																	
A.1. Environmentally sustainable activities (Taxonomy-aligned)			**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**								**0%**			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%		0%	0%
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0.0	0%																	
Total (A.1+A.2)		**0.0**	**0%**																	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES			**0%**																	
Turnover of Taxonomy-non-eligible activities		**587.8**	**100%**																	
Total (A+B)		**587.8**	**100%**																	

B.5. European Union Taxonomy

CAPEX

				Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')										
Economic Activities (1)	Code (2)	Absolute CapEx (3)	Proportion of CapEx (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Taxonomy aligned proportion of total CapEx, year N (18)	Taxonomy aligned proportion of turnover, year N-1 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
		M€	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES			**0%**																	
A.1. CapEx of environmentally sustainable activities (Taxonomy-aligned)			**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**								**0%**			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%		0%	0%
A2. Activities eligible under the taxonomy but not environmentally sustainable (Not Taxonomy Aligned)																				
Data processing, hosting and related activities (CapEx C)	8.1	0.09	0.2%																	
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0.09	0.2%																	
Total (A.1 + A.2)		**0.09**	**0.2%**																	
B. TAXONOMY NON-ELIGIBLE ACTIVITIES			**0%**																	
CapEx of non-taxonomy eligible activities (B)		**42.3**	**99.8%**																	
TOTAL (A+B)		**42.4**	**100%**																	

B.5. European Union Taxonomy

OPEX

				Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')										
Economic Activities (1)	Code (2)	Absolute CapEx (3)	Proportion of CapEx (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and ecosystems (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Taxonomy aligned proportion of total CapEx, year N (18)	Taxonomy aligned proportion of turnover, year N-1 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
		M€	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES			**0%**																	
A.1. Environmentally sustainable activities (Taxonomy-aligned)			**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**								**0%**			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.0	0%	0%	0%	0%	0%	0%	0%	Y	Y	Y	Y	Y	Y	Y	0%		0%	0%
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)			**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**								**0%**			
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		0.0	0%																	
Total (A.1+A.2)		**0.0**	**0%**																	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES			**0%**																	
OpEx of Taxonomy-non-eligible activities		**6.2**	**100%**																	
Total (A+B)		**6.2**	**100%**																	

B.5. European Union Taxonomy

For Revenue:

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

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

In FY23, 0% the turnover of eDreams ODIGEO is associated with Taxonomy-eligible activities.

These revenues have been recognised in accordance with International Accounting Standard (IAS) 1, paragraph 82(a), adopted by Commission Regulation (EC) No. 1126/2008. See eDreams ODIGEO FY23 Consolidated Financial Statements, Note C.2.1 Consolidated Income Statement.

For CapEx:

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

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

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

See eDreams ODIGEO FY23 Consolidated Financial Statements, Note 17.Property, plant and equipment and Note 16. Other Intangible assets.

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

In FY23, the CapEx that is included in the denominator and complies with the criteria included under category c is the CapEx related with the activity 8.1 Data processing, hosting and related activities, specifically the project to migrate all of our IT infrastructure to Cloud hosted solutions. eDreams is looking for suppliers that are using renewable energy and or can provide low or zero carbon emissions.

For OpEx:

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

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

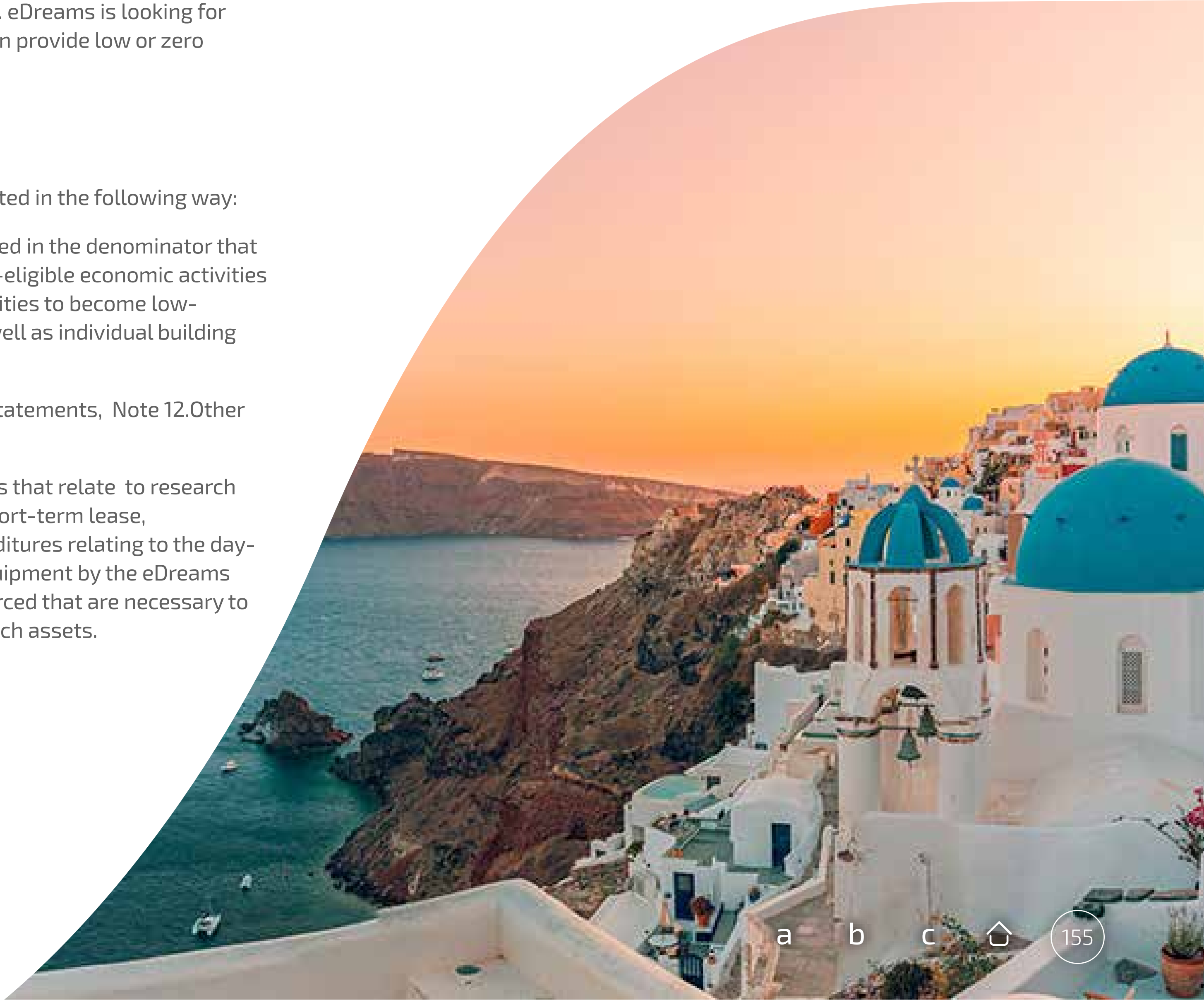
See eDreams ODIGEO FY23 Consolidated Financial Statements, Note 12.Other operating Expenses (IT Expenses)

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

In the case of eDreams ODIGEO, it includes specifically the following costs:

- IT development & maintenance services.
- Office maintenance & cleaning.

In FY23, the OpEx that is included in the numerator was zero.



B

Non-Financial Information

B.6. Contents index of the law 11/2018 & GRI indicators

B.6. Contents index of the law 11/2018 & GRI indicators

GENERAL INFORMATION			
Content	Description	GRI Standards indicator	Location/Chapter, pages/Observation
Business model	A brief description of the group's business model, including its business environment, organization and structure, the markets in which it operates, its objectives and strategies, and the main factors and trends that may affect its future evolution.	2-1, 2-6, 2-2, 2-9, 2-23, 3-3	A2.1 (11-12), A2.2 (13-24), A2.5 (37-55), B1.0 (58-61), B1.2 (63-67)
Policies applied by the Group	Policies applied by the Group, including the due diligence procedures applied to identify, assess prevent and mitigate significant risks and impacts, and to verify and control, as well as the measures that have been adopted. Inclusion of non-financial information KPIs that enable progress evaluation, and comparability between companies and sectors, in accordance with approved national, European, or international frameworks.	2-23, 2-24	B2.1 (76), B2.2 (78-82), B2.3 (83-92), B3.2. (110-115), B3.3. (119), B3.4 (125-126), B4. (137-147)
Main risks	Main risks related to those issues linked to the group's activities, including, where relevant and proportionate, its commercial relations, products or services that may have negative effects in those areas and how the group manages those risks, explaining the procedures used to identify and evaluate them in accordance with the national, European or international reference frameworks for each subject. This should include information on the impacts that have been identified, giving a breakdown of these impacts, in particular on the main risks in the short, medium and long term.	3-3	B2.3 (83-92), B4. (138-139)
Report profile	Mention in the report of the reporting framework (national, European, or international) used to report non-financial information indicators.	GRI Standards	B1.1 (62)
	Materiality Assessment.	3-1, 3-2	B1.2 (63-67)
Information on ENVIRONMENTAL MATTERS			
Environment Management	Current and foreseeable impacts of the Company's activities on environment management and, as the case may be, on health and safety.	3-3	B1.2 (63-67), B2.3 (90-92), B3.2 (104-105)
	Procedures for environmental assessment of certification.	3-3	B4 (137-147)
	Resources dedicated to environmental risk prevention.	3-3	B2.4(93), B4 (138)
	Applying the principle of precaution.	2-23	B4 (137-147)
	Amount of provisions and guarantees for environmental risks.	3-3	B4 (147)
Pollution	Measures to prevent, reduce or repair CO_2 emissions that seriously impact the environment, taking into consideration all activities that generate atmospheric pollution.	3-3	B4 (145-147)
	Measures to prevent, reduce or repair emissions that generate atmospheric pollution (including noise and light pollution).	Non material to the business	B4 (147)
Circular economy and waste prevention and management	Waste prevention, recycling, reuse and other forms of waste recovery and elimination measures.	3-3, 306-3	B4 (145-147)
	Actions to combat food wastage.	Non material to the business	B4 (145)

B.6. Contents index of the law 11/2018 & GRI indicators

Sustainable use of resources	Consumption and supply of water in compliance with local limitations.	3-3, 303-3	B4 (142)
	Consumption of raw materials and measures in place to ensure more efficient use of raw materials.	Non material to the business	B4 (147)
	Direct and indirect energy consumption and measures in place to improve energy efficiency and use of renewable energies.	3-3	B4 (140-146)
Climate change	Important aspects relating to the greenhouse gas emissions generated by the Company's activities (including both goods and services).	305-1	B4 (140-143)
	Measures in place to adapt to the consequences of climate change.	3-3	B4 (138-139)
	Goals for reducing greenhouse gas emissions in the medium and long term and measures put in place to reduce greenhouse gas emissions.	3-3	B1.0 (59), B4 (137-140)
Protecting biodiversity	Measures put in place to conserve or restore biodiversity.	3-3	B4 (147)
	Impact caused by activities and operations in protected areas.	3-3	B4 (147)
Information on SOCIAL and EMPLOYMENT matters			
Employment	Total number and distribution of employees by gender, by age, by country and job category.	2-7, 405-1	B3.2 (110)
	Total number and distribution of employment contract by type.	2-7	B3.2 (110)
	Annual average of open-ended contracts, temporary contracts and part-time contracts by.	2-7	B3.2 (111)
	Number of dismissals by gender, by age, by job category.	401-1	B3.2 (112)
	Average remuneration and trends, broken down by gender, by age, by job category.	405-2	B3.2 (113-114)
	Salary gap.	(men average remuneration - women average remuneration)/men average remuneration	B3.2 (113-114)
	Remuneration for similar work positions or average remuneration at the Company.	Internal criteria	B3.2 (114)
	Average remuneration of board members and executives (including variable pay, per diem allowances, compensation and severance, payments to long-term pension and savings.	Internal criteria	B3.2 (113)
	Implementation of job disconnection policies.	3-3	B3.2 (102-103)
	Disabled employees.	405-1	B3.2 (99)
Work organization	Organization of working hours.	3-3	B3.2 (102-103)
	Absenteeism in hours.	Internal criteria	B3.2 (115)
	Measures to improve the work-life balance of employees and to ensure an appropriate balance between mother and father.	3-3	B3.2 (102-103)

B.6. Contents index of the law 11/2018 & GRI indicators

Health & Safety	Occupational health and safety conditions.	403-1 (2018)	B3.2 (104-105)
	Workplace accidents, especially frequency and severity, as well as occupational diseases, broken down by gender.	403-9 (2018), 403-10 (2018)	B3.2 (115)
Labour relations	Enabling and organizing dialogue with employees (including procedures for reporting, consulting and negotiating with employees).	3-3	B2.2 (82), B3.2 (98,106)
	Percentage of employees covered by collective bargaining agreement, by country.	2-30	B3.2 (115)
	List of collective agreements (especially in the field of occupational health and safety).	3-3	B3.2 (105)
	Mechanisms and procedures in place to promote the involvement of employees in the management of the company, in terms of information, consultation and participation.	2-29	B2.2 (82), B3.2 (98,106)
Training	Policies implemented in the field of training.	404-2	B3.2 (106-107)
	Total number of training hours by job category.	404-1	B3.2 (112)
Accessibility	Universal accessibility for disabled people.	3-3	B3.2 (99, 104)
Equality	Measures put in place to champion equal treatment and opportunities between women and men.	3-3	B3.2 (99-101)
	Equality plans (Chapter III of Organic Law 3 of 22th March 2007, on the effective equality between women and men).	3-3, 2-23	B3.2 (101)
	Measures put in place to foster employment.	3-3, 2-23	B3.2 (97, 99-103)
	Protocols against sexual and gender-based harassment.	3-3, 2-23	B3.2 (100)
	Protocols against discrimination in all its forms and, as the case may be, to ensure the proper management of diversity.	3-3, 2-23	B3.2 (101)
Information on respect for HUMAN RIGHTS			
Information regarding Human Rights	Preventing the risk of committing human rights breaches and, as the case may be, measures to mitigate, manage and repair possible abuses committed. Implementation of due diligence processes on the subject of Human Rights.	2-26, 3-3	B2.2 (80-81), B3.2 (98), B3.4 (125-127)
	Reports of cases where human rights have been breached.	Internal Criteria	B3.2 (81)
	Promoting and observing the fundamental conventions of the International Labour Organization governing respect for freedom of association and the right to collective bargaining, eliminating Discrimination in the workplace and when hiring, eradication of forced labour and the effective eradication of child labour.	3-3, 2-23	B3.2 (98,106)

B.6. Contents index of the law 11/2018 & GRI indicators

Information on the FIGHT against CORRUPTION and BRIBERY			
Information on the fight against corruption & bribery	Measures put in place to prevent corruption and bribery.	2-25, 2-23, 2-26	B2.2 (80-81), B3.4 (126-137), B3.5 (130)
	Anti-money laundering measures.	2-25, 2-23, 2-26	B2.2 (80-81)
	Contributions to foundations and non-profit entities.	201-1 No monetary donations to non-profit entities	B3.5 (129)
Information on SOCIETY			
Company commitments to sustainable development	The impact of the Company's business on employment, local development and the natural environment.	3-3	B1.2 (67), B3.1 (95), B3.2 (97), B3.5 (128)
	Relations with agents from the local communities and forms of dialogue with such associations and people.	3-3	B3.5 (128-131)
	Association or sponsorship actions.	3-3, 2-28	B3.5 (129)
Subcontracting and suppliers	Inclusion of a procurement policy that champions social issues, gender equality and environmental protection.	2-6, 2-24	B3.4 (125-127)
	Making its social and environmental responsibility values part of its relations with suppliers and subcontractors	2-6, 2-24	B3.4 (125-127)
	Oversight systems, audits and troubleshooting processes.	3-3	B3.4 (126-127)
Consumers	Measures to improve the health and safety of consumers.	3-3	B3.3 (116-122)
	Reporting and whistleblowing systems and grievances received and resolved.	2-16, 2-25	B2.2 (81,82)
Tax information	Profits obtained by country.	207-4	B3.5 (131)
	Taxes paid on profits.	207-4	B3.5 (131)
	Public subsidies and aid received.	201-4	B3.5 (130)
EU Taxonomy	Revenue, CapEx and OpEx corresponding to eligible activities.	N/A	B5 (149-155)

B

Non-Financial Information

B.7. Auditor Validation Report

Independent limited assurance report on the Consolidated Non-Financial Statement for the year ended March 31, 2023

eDreams ODIGEO, S.A. AND ITS SUBSIDIARIES

Building a better working world

Ernst & Young, S.L.
Edificio Sarrià Forum
Avda. Sarrià, 102-106
08017 Barcelona

Tel: 933 663 700
Fax: 934 053 784
ey.com

Building a better working world

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

INDEPENDENT LIMITED ASSURANCE REPORT ON THE CONSOLIDATED NON-FINANCIAL STATEMENT

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

Pursuant to article 49 of the Code of Commerce we have performed a verification, with a limited assurance scope, of the accompanying Consolidated Non-Financial Statement (hereinafter NFS) for the year ended March 31, 2023, of eDreams ODIGEO, S.A. and its subsidiaries (hereinafter, the Group), which is part of the Consolidated Management Report of the Group.

The content of the NFS includes additional information to that required by prevailing mercantile regulations in relation to non-financial information that has not been subject to our verification. In this regard, our review has been exclusively limited to the verification of the information shown in section B.6. "Contents index of the law 11/2018 & GRI indicators", included in the accompanying NFS.

Directors' Responsibility

The Board of Directors of eDreams ODIGEO, S.A. is responsible for the approval and content of the NFS included in the Consolidated Management Report of the Group. The NFS has been prepared in accordance with the contents established in prevailing mercantile regulations and following *Sustainability Reporting Standards* selected criteria of the *Global Reporting Initiative* (GRI standards), as well as other criteria described in accordance with that indicated for each subject in section B.6. "Contents index of the law 11/2018 & GRI indicators", included in the accompanying NFS.

This responsibility also includes the design, implementation and maintenance of such internal control as they determine is necessary to enable the preparation of an NFS that is free from material misstatement, whether due to fraud or error.

The Directors of eDreams ODIGEO, S.A. are further responsible for defining, implementing, adapting and maintaining the management systems from which the information necessary for the preparation of the NFS is obtained.

Our independence and quality management

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including international standards on independence) issued by the International Ethics Standards Board for Accountants (IESBA), which are based on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

Our Firm applies current international quality standards and, consequently maintains a quality system that includes policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory provisions.

The engagement team consisted of experts in the review of Non-Financial Information and, specifically, in information about economic, social and environmental performance.

EY
Building a better working world

Our responsibility

Our responsibility is to express our conclusions in an independent limited assurance report based on the work performed. Our work has been performed in accordance with the requirements established in prevailing International Standard on Assurance Engagements 3000 "Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (ISAE 3000 Revised) issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC), and with the Guidelines on assurance engagements on the Non-Financial Statement issued by the Spanish Institute of Chartered Accountants.

The procedures carried out in a limited assurance engagement vary in nature and timing and are less in scope than reasonable assurance engagements, and therefore, the level of assurance provided is likewise lower.

Our work consisted in requesting information from Management and the various Group units participating in the preparation of the NFS, reviewing the process for gathering and validating the information included in the NFS, and applying certain analytical procedures and sampling review tests as described below:

- Meeting with Group personnel to gain understanding of the business model, policies and management approaches applied, and of the main risks related to these matters, and obtaining the necessary information for our external review.
- Analysing the scope, relevance and integrity of the content included in the NFS for the year ended March 31, 2023, based on the materiality analysis made by the Group and described in section B.1.2 "Materiality", considering the content required by prevailing mercantile regulations.
- Analysing the processes for gathering and validating the data included in the NFS for the year ended March 31, 2023.
- Reviewing the information on the risks, policies and management approaches applied in relation to the material aspects included in the NFS for the year ended March 31, 2023.
- Checking, through tests, based on a selection of a sample, the information related to the content of the NFS for the year ended March 31, 2023 and its correct compilation from the data sources.
- Obtaining a representation letter from the Board of Directors and Management.

EY
Building a better working world

Emphasis of matter paragraph

Regulation (EU) 2020/852 of the European Parliament and the Council, June 18 2020, on the establishment of a framework to facilitate sustainable investments settles the obligation to disclose information on how and to what extent the company's activities are associated with economic activities that are considered environmentally sustainable in relation to climate change mitigation and adaptation objectives for the first time for the financial year ended March 31, 2023, additionally to the information related to eligible activities required in financial year ended March 31, 2022. Consequently, comparative information about alignment has not been included in the accompanying NFS. Moreover, while information about eligible activities in the financial year ended March 31, 2022 was not required with the same level of detail than in the year ended March 31, 2023, the accompanying NFS does not include information strictly comparable about eligibility. Additionally, information has been included, for which the Board of Directors of eDreams ODIGEO, S.A. have chosen to apply the criteria that, in their opinion, best enable compliance with the new obligation and which are defined within the section B.5. "European Union Taxonomy" of the accompanying NFS. Our conclusion has not been modified in relation to this matter.

Conclusion

Based on the procedures performed in our verification and the evidence obtained, no matter has come to our attention that would lead us to believe that the NFS of the Group for the year ended March 31, 2023 has not been prepared, in all material respects, in accordance with the contents established in prevailing mercantile regulations and following the criteria of the selected GRI standards, as well as other criteria described in accordance with that indicated for each subject in section B.6. "Contents index of the law 11/2018 & GRI indicators", included in the NFS.

Use and distribution

This report has been prepared to comply with prevailing mercantile regulations in Spain and may not be suitable for any other purpose or jurisdiction.

ERNST & YOUNG, S.L.

Antonio Capella Elizalde

May 24, 2023

B

Non-Financial Information

B.8. Contact & Public Reports

B.8.1. Contact

www.edreamsodigeo.com

For further information please contact:

Investor Relations Office
5 Merchant Square
London, W2 1AY
United Kingdom

investors@edreamsodigeo.com

B.8.2. Other publicly available reports

Annual Report on Corporate Governance FY23:

The Annual Corporate Governance Report is part of the Integrated Annual Report in accordance with the Spanish Capital Companies Act. The aforementioned report is submitted to the CNMV separately and it can be found on our corporate website and on the CNMV website (www.cnmv.es):

CNMV: https://www.cnmv.es/Portal/Consultas/EE/InformacionGobCorp.aspx?nif=A02850956&lang=en

Corporate website: https://www.edreamsodigeo.com/category/investors/annual-report-on-corporate-governance/

Annual Directors Remuneration Report FY23:

The Annual report on Directors' remunerations is part of the Integrated Annual Report in accordance with the Spanish Capital Companies Act. The aforementioned report is submitted to the CNMV separately and it can be found on our corporate website and on the CNMV website (www.cnmv.es):

CNMV: https://www.cnmv.es/Portal/Consultas/EE/InformacionGobCorp.aspx?TipoInforme=6&nif=A02850956

Corporate website: https://www.edreamsodigeo.com/category/investors/remmuneration-of-directors-reports/

Other Annual reports:

https://www.edreamsodigeo.com/category/investors/other-annual-reports/

- Audit Committee Activity Report FY23
- External Auditors Independence & EY letter FY23
- Remuneration and Nomination Committee Activity Report FY23
- Responsible Business Conduct Statement FY23

C

Consolidated Financial Statements & Notes

C

Consolidated Financial Statements & Notes

C.1. Audit Report

Audit Report on Financial Statements
issued by an Independent Auditor

eDreams ODIGEO, S.A. AND SUBSIDIARIES
Consolidated Financial Statements and
Consolidated Management Report
for the year ended
March 31, 2023

EY
Building a better working world

Ernst & Young, S.L.
Torres Sarrià A
Avda. Sarrià, 102-106
08017 Barcelona
España

Tel: 933 663 700
Fax: 934 053 784
ey.com

AUDIT REPORT ON CONSOLIDATED FINANCIAL STATEMENTS ISSUED BY AN INDEPENDENT AUDITOR

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

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

Audit report on the consolidated financial statements

Opinion

We have audited the consolidated financial statements of eDreams ODIGEO, S.A. (the parent) and its subsidiaries (the Group), which comprise the consolidated statement of financial position at March 31, 2023, the consolidated income statement, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity, the consolidated cash flow statement, and the notes thereto, for the year then ended.

In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material respects, of consolidated equity and the consolidated financial position of the Group at March 31, 2023 and of its financial performance and its consolidated cash flows, for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union (IFRS-EU), and other provisions in the regulatory framework applicable in Spain.

Basis for opinion

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

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

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

Key audit matters

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

EY
Building a better working world

Ernst & Young, S.L.
Torres Sarrià A
Avda. Sarrià, 102-106
08017 Barcelona
España

Tel: 933 663 700
Fax: 934 053 784
ey.com

Measurement of goodwill and brands

Description

The Group has recorded in "Intangible assets" goodwill and brands for a net carrying amount at March 31, 2023 of 630,471 thousand euros and 221,712 thousand euros, respectively, which account for 79% of total Assets.

As indicated in notes 5.3 and 5.13 to the accompanying consolidated financial statements, Group Management tests these assets for impairment at least annually to determine the recoverable amount of the cash-generating units (CGU) to which these assets have been allocated. The recoverable amount is the higher of fair value less costs to sell and value in use, so when the carrying amount exceeds the recoverable amount, the asset is considered impaired.

The assessment made by Group Management of the recovery of these assets is based on the estimates of value in use, which is the present value of expected future cash flows, using risk-free market interest rates, adjusted by the specific risks associated with the asset.

We have considered this matter a key audit matter due to the complexity of the recoverable amount estimation process, which requires Group Management to make significant estimates, specifically, of the assumptions that support the generation of expected future cash flows, considering also the relevance of these assets.

The main criteria used to conclude on whether an impairment loss should be recorded on the assets described, as well as the assumptions applied and the sensitivity analysis conducted, are disclosed in notes 18 and 19 to the accompanying consolidated financial statements.

Our response

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

- Understanding the process implemented by the Group to determine the recoverable amount of the assets subject to impairment review, which also includes evaluating the design and implementation of the relevant controls established in the aforementioned process.
- Assessing, in collaboration with our valuations specialists, the methodology used by the Group in the impairment tests and the reasonableness of the main assumptions applied by Management regarding the several scenarios considered for the five-year expected future cash flow projections, including the validation of the discount rate and long-term growth rate. For that purpose, among other procedures, we have compared them with market research studies conducted by independent third parties on the industry in which the Group operates and assessed the sensitivity of the results to changes in the assumptions made in the uncertainty environment caused by macroeconomic and geopolitical factors.
- Reviewing the information disclosed in the notes to the consolidated financial statements in accordance with the applicable regulatory framework for financial information.

EY
Building a better working world

Recognition of revenue from intermediation services

Description

As described in Note 5.4 to the accompanying consolidated financial statements, the Group obtains a hightly significant portion of its revenue from intermediation services in the sale of flights, hotel rooms, dynamic packages, and other travel-related services and also revenue is coming from "Prime" subscription. Consequently, the Group recognizes its revenue at the fair value of the consideration received or receivable and when the customer has acknowledged and accepted the Group's terms and conditions describing the service provided, as well as the corresponding payment conditions. The Group considers revenue to be determinable when the product or service has been delivered or rendered in accordance with the said agreement. In the case of "Prime", revenue from the fee received for the subscription is recognized considering the customer's use of Prime each time they make a booking at a discount.

These sales are made through different channels associated with specific IT systems, as well as different collection and payment platforms available to the Group.

We have considered this matter a key audit matter due to the high volume of transactions involved, their automation, diversity and typology of channels, IT systems used and nature of collections and payments, as well as the relevance of the amounts involved.

Our response

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

- Understanding the process implemented by the Group for recognizing revenue from intermediation services, which also includes evaluating the design, implementation of the relevant controls established in the aforementioned process.
- Analyzing, in collaboration with our IT specialists, the IT systems and integrity of the information related to the applications involved in the revenue recognition process, both at the level of general controls, validating that the information flows correctly through them;
- Based on the journal, applying data analytics and reviewing the correlations between revenue, accounts receivable and collections.
- Doing a test on sales transactions for a representative sample in order to validate their existence and correct accrual and recording by verifying their collection, among other procedures.
- Reviewing the information disclosed in the notes to the consolidated financial statements in accordance with the applicable regulatory framework for financial information.

Other information: consolidated management report

Other information refers exclusively to the 2023 consolidated management report, the preparation of which is the responsibility of the parent company's directors and is not an integral part of the consolidated financial statements.

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

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

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

Based on the work performed, as described above, we have verified that the information referred to in paragraph a) above is provided as stipulated by applicable regulations and that the remaining information contained in the consolidated management report is consistent with that provided in the 2023 consolidated financial statements and its content and presentation are in conformity with applicable regulations.

Responsibilities of the parent company´s directors and the audit committee for the consolidated financial statements

The directors of the parent company are responsible for the preparation of the accompanying consolidated financial statements so that they give a true and fair view of the equity, financial position and results of the Group, in accordance with IFRS-EU, and other provisions in the regulatory framework applicable to the Group in Spain, and for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the consolidated financial statements

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

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

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

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

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

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

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

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

EY
Building a better working world

6

Report on other legal and regulatory requirements

European single electronic format

We have examined the digital files of the European single electronic format (ESEF) of eDreams ODIGEO, S.A. and subsidiaries for the 2023 financial year, which include the XHTML file containing the consolidated financial statements for the year, and the XBRL files as labeled by the entity, which will form part of the annual financial report.

The directors of eDreams ODIGEO, S.A. are responsible for submitting the annual financial report for the 2023 financial year, in accordance with the formatting and mark-up requirements set out in Delegated Regulation EU 2019/815 of 17 December 2018 of the European Commission (hereinafter referred to as the ESEF Regulation). In this regard, the Corporate Governance Report and Annual Report on the Remuneration of Directors has been included by reference in the consolidated management report.

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

In our opinion, the digital files examined correspond in their entirety to the audited consolidated financial statements, which are presented and have been marked up, in all material respects, in accordance with the ESEF Regulation.

Additional report to the audit committee

The opinion expressed in this audit report is consistent with the additional report we issued to the audit committee on May 24, 2023.

Term of engagement

The extraordinary general shareholders' meeting held on September 20, 2022 appointed us as auditors for 1 year, commencing on March 31, 2022.

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 24, 2023

C

Consolidated Financial Statements & Notes

C.2.1. Consolidated Income Statement

(Thousands of euros)	Notes	Year ended 31st March 2023	Year ended 31st March 2022
Revenue		587,758	398,282
Cost of sales		(18,165)	(15,704)
Revenue Margin	9	**569,593**	**382,578**
Personnel expenses	10	(70,978)	(56,637)
Depreciation and amortisation	11	(33,834)	(33,694)
Impairment (loss) / reversal	11	(197)	10,785
Gain / (loss) arising from assets disposals	11	24	—
Impairment (loss) / reversal on bad debts	20.2	310	(707)
Other operating expenses	12	(474,722)	(333,186)
Operating profit / (loss)		**(9,804)**	**(30,861)**
Interest expense on debt		(23,961)	(29,985)
Other financial income / (expenses)		(3,222)	(9,292)
Financial and similar income and expenses	13	**(27,183)**	**(39,277)**
Profit / (loss) before taxes		**(36,987)**	**(70,138)**
Income tax	14	(6,350)	4,269
Profit / (loss) for the period from continuing operations		**(43,337)**	**(65,869)**
Profit for the period from discontinued operations net of taxes		—	—
Consolidated profit / (loss) for the year		**(43,337)**	**(65,869)**
Non-controlling interest - Result		—	—
Profit / (loss) attributable to shareholders of the Company		**(43,337)**	**(65,869)**
Basic earnings per share (euro)	7	**(0.36)**	**(0.58)**
Diluted earnings per share (euro)	7	**(0.36)**	**(0.58)**

The accompanying notes 1 to 34 and appendices are an integral part of these consolidated financial statements.

C.2.2. Consolidated Statement of Other Comprehensive Income

(Thousands of euros)	Year ended 31st March 2023	Year ended 31st March 2022
Consolidated profit / (loss) for the year (from the income statement)	**(43,337)**	**(65,869)**
Income / (expenses) recorded directly in equity	**(1,794)**	**57**
Exchange differences	(1,794)	57
Total recognised income / (expenses)	**(45,131)**	**(65,812)**
a) Attributable to shareholders of the Company	(45,131)	(65,812)
b) Attributable to minority interest	—	—

The accompanying notes 1 to 34 and appendices are an integral part of these consolidated financial statements.

C.2.3. Consolidated Statement of Financial Position

ASSETS (Thousands of euros)	Notes	31st March 2023	31st March 2022
Goodwill	15	630,471	631,770
Other intangible assets	16	312,935	305,525
Property, plant and equipment	17	9,890	8,966
Non-current financial assets		2,153	1,949
Deferred tax assets	14.5	9,972	12,677
Non-current assets		**965,421**	**960,887**
Trade receivables	20.1	52,318	41,576
Other receivables	20.3	17,173	21,023
Current tax assets	14.4	3,087	5,716
Cash and cash equivalents	21	35,933	45,929
Current assets		**108,511**	**114,244**
TOTAL ASSETS		**1,073,932**	**1,075,131**

The accompanying notes 1 to 34 and appendices are an integral part of these consolidated financial statements.

EQUITY AND LIABILITIES (Thousands of euros)	Notes	31st March 2023	31st March 2022
Share capital		12,761	12,761
Share premium		1,048,630	1,048,630
Other reserves		(767,048)	(709,972)
Treasury shares		(3,699)	(3,818)
Profit / (loss) for the year		(43,337)	(65,869)
Foreign currency translation reserve		(11,003)	(9,209)
Shareholders' equity	22	**236,304**	**272,523**
Non-controlling interest		—	—
Total equity		**236,304**	**272,523**
Non-current financial liabilities	24	374,809	376,207
Non-current provisions	25	2,797	6,908
Deferred tax liabilities	14.5	19,034	18,565
Non-current liabilities		**396,640**	**401,680**
Trade and other current payables	26	287,806	275,288
Current financial liabilities	24	13,454	48,829
Current provisions	25	13,193	7,898
Current deferred revenue	27	121,307	65,103
Current tax liabilities	14.4	5,228	3,810
Current liabilities		**440,988**	**400,928**
TOTAL EQUITY AND LIABILITIES		**1,073,932**	**1,075,131**

C.2.4. Consolidated Statement of Changes in Equity

(Thousands of euros)	Notes	Share capital	Share premium	Other reserves	Treasury shares	Profit / (loss) for the period	Foreign currency translation reserve	Total equity
Closing balance at 31st March 2022		**12,761**	**1,048,630**	**(709,972)**	**(3,818)**	**(65,869)**	**(9,209)**	**272,523**
Total recognised income / (expenses)		**—**	**—**	**—**	**—**	**(43,337)**	**(1,794)**	**(45,131)**
Capital increase		—	—	—	—	—	—	—
Transactions with treasury shares	22.5 & 23	—	—	(2,542)	119	—	—	(2,423)
Operations with members or owners		**—**	**—**	**(2,542)**	**119**	**—**	**—**	**(2,423)**
Payments based on equity instruments	23	—	—	11,223	—	—	—	11,223
Transfer between equity instruments		—	—	(65,869)	—	65,869	—	—
Other changes		—	—	112	—	—	—	112
Other changes in equity		**—**	**—**	**(54,534)**	**—**	**65,869**	**—**	**11,335**
Closing balance at 31st March 2023		**12,761**	**1,048,630**	**(767,048)**	**(3,699)**	**(43,337)**	**(11,003)**	**236,304**

The accompanying notes 1 to 34 and appendices are an integral part of these consolidated financial statements.

(Thousands of euros)	Notes	Share capital	Share premium	Other reserves	Treasury shares	Profit / (loss) for the period	Foreign currency translation reserve	Total equity
Closing balance at 31st March 2021		**11,878**	**974,512**	**(590,337)**	**(4,088)**	**(124,229)**	**(9,266)**	**258,470**
Total recognised income / (expenses)		**—**	**—**	**—**	**—**	**(65,869)**	**57**	**(65,812)**
Capital increase	22.1 & 22.2	882	74,118	(5,801)	—	—	—	69,199
Transactions with treasury shares	22.5	—	—	(109)	270	—	—	161
Operations with members or owners		**882**	**74,118**	**(5,910)**	**270**	**—**	**—**	**69,360**
Payments based on equity instruments	23	—	—	10,524	—	—	—	10,524
Transfer between equity instruments		—	—	(124,229)	—	124,229	—	—
Other changes	22.4	1	—	(20)	—	—	—	(19)
Other changes in equity		**1**	**—**	**(113,725)**	**—**	**124,229**	**—**	**10,505**
Closing balance at 31st March 2022		**12,761**	**1,048,630**	**(709,972)**	**(3,818)**	**(65,869)**	**(9,209)**	**272,523**

C.2.5. Consolidated Cash Flows Statements

(Thousands of euros)	Notes	Year ended 31st March 2023	Year ended 31st March 2022
Net profit / (loss)		(43,337)	(65,869)
Depreciation and amortisation	11	33,834	33,694
Impairment and results on disposal of non-current assets	11	173	(10,785)
Other provisions		(587)	(236)
Income tax	14	6,350	(4,269)
Finance (income) / loss	13	27,183	39,277
Expenses related to share-based payments	23	11,223	10,524
Changes in working capital		69,377	114,966
Income tax paid		(1,682)	1,844
Net cash from / (used in) operating activities		**102,534**	**119,146**
Acquisitions of intangible assets and property, plant and equipment		(38,166)	(26,921)
Proceeds on disposal of property, plant and equipment		24	7
Acquisitions of financial assets		(236)	(119)
Proceeds from disposals of financial assets		231	116
Net cash from / (used in) investing activities		**(38,147)**	**(26,917)**
Proceeds on issue of shares	24.3	—	75,000
Transaction costs on issue of shares	22.1	(3,714)	(4,097)
Borrowings drawdown	24.3	82,000	426,000
Reimbursement of borrowings	24.3	(121,533)	(506,669)
Interests paid	24.3	(21,139)	(24,137)
Other financial expenses paid	24.3	(3,442)	(17,168)
Interest received		85	141
Net cash from / (used in) financing activities		**(67,743)**	**(50,930)**
Net increase / (decrease) in cash and cash equivalents		**(3,356)**	**41,299**

(Thousands of euros)	Notes	Year ended 31st March 2023	Year ended 31st March 2022
Net increase / (decrease) in cash and cash equivalents		**(3,356)**	**41,299**
Cash and cash equivalents at beginning of period		45,929	12,138
Bank facilities and bank overdrafts at beginning of period	24	(9,928)	(16,647)
Effect of foreign exchange rate changes		(595)	(789)
Cash and cash equivalents net of bank facilities and bank overdrafts at end of period		**32,050**	**36,001**
Cash and cash equivalents	21	35,933	45,929
Bank facilities and bank overdrafts	24	(3,883)	(9,928)
Cash and cash equivalents net of bank facilities and bank overdrafts at end of period		**32,050**	**36,001**

The accompanying notes 1 to 34 and appendices are an integral part of these consolidated financial statements.

C

Consolidated Financial Statements & Notes

C.3. Notes to the Consolidated Financial Statements

C.3. Notes to the Consolidated Financial Statements

1. General information

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

The Group moved its registered seat ("siège sociale") and administration center ("administration centrale") from Luxembourg to Spain, to achieve organisational and cost efficiencies, effective on 10th March 2021. Following the change in nationality, the denomination of the Company changed from eDreams ODIGEO, S.A. ("Société Anonyme") to eDreams ODIGEO, S.A. ("Sociedad Anónima").

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

eDreams ODIGEO, S.A. and its direct and indirect subsidiaries (collectively the "Group") headed by the Company, as detailed in note 34, is a leading online travel company that uses innovative technology and builds on relationships with suppliers, product know-how and marketing expertise to attract and enable customers to search, plan and book a broad range of travel products and services.

The accompanying consolidated financial statements for the year ended 31st March 2023 were approved by the Company's Board of Directors at its meeting on 23th May 2023 for submission for approval at the General Shareholders' Meeting, which is expected to occur without modification.

2. Significant events during the period

2.1. Delivery of treasury shares

On 29th August 2022, the Board of Directors resolved to deliver 145,475 treasury shares (89,162 net shares) and 296,014 treasury shares (177,658 net shares) to the beneficiaries of the 2016 long-term incentive plan and 2019 long-term incentive plan, respectively (see notes 22.5 and 23).

On 14th November 2022, the Board of Directors resolved to deliver 145,475 treasury shares (89,552 net shares) and 634,531 treasury shares (437,662 net shares) to the beneficiaries of the 2016 long-term incentive plan and 2019 long-term incentive plan, respectively (see notes 22.5 and 23).

On 21st February 2023, the Board of Directors resolved to deliver 134,167 treasury shares (83,970 net shares) and 460,174 treasury shares (307,270 net shares) to the beneficiaries of the 2016 long-term incentive plan and 2019 long-term incentive plan, respectively (see notes 22.5 and 23).

2.2. 2022 Long-term incentive plan

The Board of Directors of the Company approved a new long-term incentive plan ("2022 LTIP") on 16th August 2022 to ensure that it continues to attract and retain high-quality management and better align the interests of management and shareholders.

The 2022 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 2022 LTIP lasts for four years and is designed to vest around financial results publications between August 2026 and February 2030. The exercise price of the rights is €0. The Group will deliver to the beneficiaries the Incentive Shares net of withholding tax.

At 31st March 2023, no rights for incentive shares have been granted under this plan, so there has been no impact in the Financial Statements.

2.3. Change in composition of shareholders and the Board of Directors

On 9th December 2022, Ardian notified the Company that it placed all of its ordinary shares in the Company with institutional investors, representing 15.6% of the Company at the close of business on 8th December 2022. Ardian has been a shareholder of the Company for the last twelve years and assisted the Company's growth and transition to a subscription-based business. Ardian's decision to exit was driven by legal obligations linked to the relevant fund coming to the end of its term.

Consequently, on 9th December 2022, Lise Fauconnier and Daniel Setton resigned as Proprietary Directors, a position they had held since 2014 and 2019, respectively. Therefore, as of the date of publication of these consolidated financial statements as at 31st March 2023, the Board of Directors is made up of seven members.

On 18th January 2023, the Board approved the nomination of Pedro López de Guzmán as a member of the Remuneration and Nomination Committee.

3. Impact of COVID-19 and the current macroeconomic environment

3.1. Impact in the year ended 31st March 2023

After two years of COVID-19 pandemic-related challenges, in the year ended 31st March 2023 the Group have seen the travel market continue to improve and recover significantly.

The industry is moving to more normalised seasonality patterns, and despite the conflict in Ukraine, the global increase in inflation, and industry disruptions, during the year ended 31st March 2023 the Group achieved strong Bookings, reaching 16.2 million Bookings, 29% above the year ended 31st March 2022, and 44% above pre-COVID-19 levels (the year ended 31st March 2019). Revenue Margin continues with levels above pre-COVID-19 by 7%.

However, the pandemic has had a significant impact on how tourists choose to travel. Many have shifted their preferences opting for closer destinations, shorter and less complex trips as a consequence of travel restrictions imposed by some countries. Despite the recovery experienced in the year ended 31st March 2023, the complexity of the trips, although improving year over year, is not yet at the levels of 2019.

The main impacts of the recovery from COVID-19 and the current economic environment for the year ended 31st March 2023 are set out below. Impacts directly linked with the increase in Bookings compared with the year ended 31st March 2022:

- Increase in trading activities compared with the year ended 31st March 2022, with Bookings up 29% and Revenue Margin up 49%.
- Marketing and other operating expenses have increased by 45% compared with the year ended 31st March 2022, as a large portion is variable costs directly related to volume of Bookings (see note 12), and are higher than pre-COVID-19 levels by 41% compared with the year ended 31st March 2019.
- As a direct consequence of the increase in volume of Bookings, the amount of trade receivables (see note 20.1) and trade payables (see note 26) have increased in comparison to 31st March 2022.

3.2. Future effects of the current macroeconomic environment on the Group

The consolidated financial statements have been prepared on a going concern basis, as Management considers that the Group is in a strong financial and liquidity position.

The Group prepared three different scenarios of projections in the year ended 31st March 2023. These projections were based on external reports on the travel sector published by Bain & Company. The Group took into consideration the differences that its own business had with the overall travel sector evolution based on the actual differences seen in the performance of the year ended 31st March 2023. The scenarios were different depending on the evolution of the current macroeconomic environment and the related evolution of consumer behaviour and travel demand, taking into consideration factors such as inflation and recession concerns:

- In scenario I, travel demand continues to grow. However cuts in discretionary spending are expected from cautious travellers due to rising concerns over the likelihood of a recession and growing concerns around oil prices.
- In scenario II, travel demand continues to grow. An overall improvement is expected driven by the lifting of the restrictions, however a slower growth rate is contemplated due to concerns of travellers around inflation, economic recession and oil prices.
- In scenario III, travel demand continues to grow, and inflation starts to stabilise. There are lower recession concerns and less discretionary spending cuts than expected.

The Group undertook strategic actions to improve its capital structure and to obtain additional liquidity in prior years.

On 12th January 2022, the Board of Directors of the Company approved the issue of 8,823,529 new shares (see notes 2.1 and 22 of the consolidated financial statements for the year ended 31st March 2022).

The Group has access to funding from its €180 million SSRCF, of which €159.6 million is available for draw down as at 31st March 2023 (€128.2 million as at 31st March 2022) to manage the liquidity requirements of its operations. On 2nd February 2022, the SSRCF was amended, increasing the commitment to €180 million, extending its maturity until 2027 and improving its conditions. The Adjusted Gross Leverage Financial Covenant is only tested in respect of a testing period if, on the last day of such testing period, the aggregate principal amount of outstanding loans exceeds 40% of the total commitments under the Super Senior Facilities Agreement.

Even under the worst scenario, the projections show that the liquidity of the Group will be sufficient for the next 12 months.

4. Basis of presentation

4.1. Statement of Compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union, and the figures are expressed in thousands of euros.

4.2. New and revised International Financial Reporting Standards

The following standards and amendments come into force for the first time in the year ended 31st March 2023, but do not have an impact on the consolidated financial statements of the Group:

Standards that came into force for the Group on 1st April 2022
Reference to the Conceptual Framework – Amendments to IFRS 3
Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16
Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37
AIP IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter
AIP IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities

The following standards and amendments will come into force for the first time in the year ended 31st March 2024 or after:

Standards that will come into force for the Group on or after 1st April 2023	Entry into force for annual periods commencing
Standards adopted by the European Union	
IFRS 17 Insurance Contracts	1st April 2023
Disclosure of accounting policies - Amendments to IAS 1 and IFRS Practice Statement 2	1st April 2023
Definition of Accounting Estimates - Amendments to IAS 8	1st April 2023
Initial application of IFRS 17 and IFRS 9 - Comparative information - Amendments to IFRS 17	1st April 2023
Deferred tax related to assets and liabilities arising from a single transaction - Amendments to IAS 12	1st April 2023
Standards issued by the IASB and yet to be adopted by the European Union	
Classification of Liabilities as Current or Non-current - Amendments to IAS 1	1st April 2024
Liability in a Sale and Leaseback - Amendment to IFRS 16	1st April 2024
Non-current Liabilities with Covenants - Amendments to IAS 1	1st April 2024

The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

The Group intends to adopt the standards, interpretations and modifications to the standards issued by the IASB, which are not yet mandatory in the European Union, when they come into force, if applicable. Based on the assessment made to date, the Group estimates that the adoption of these new pronouncements will not have a significant impact on the consolidated financial statements in the initial period of application.

4.3. Use of estimates and judgements

In the application of the Group's accounting policies, the Board of Directors is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.The estimates and associated assumptions are based on historical experience and other factors that are considered relevant, including the current macroeconomic environment and the related evolution of the consumer behaviour patterns impacts explained in note 3. Actual results may differ from these estimates.

Theses estimates and assumptions mainly concern the following:

Intangible assets other than goodwill: measurement, useful life and impairment

Determining the useful life of fixed assets requires estimations in relation to future circumstances, such as future technological developments.

Determining if certain assets, such as brands, have an indefinite useful life requires estimations regarding the foreseeable limit for the period over which they are expected to generate net cash inflows.

The capitalisation of internally developed software requires the use of judgement to determine that the project is economically and technically feasible.

The decision to recognise a loss due to impairment of fixed assets such as software requires considering factors such as technological obsolescence, the suspension of certain services, and other circumstantial changes, which may highlight the need to assess a possible impairment. The software of the Group consists of features and functionalities that will generate future benefits. Given the relevance of the software for the Group's operations, these features and functionalities are reviewed on a monthly basis in multidisciplinary working groups involving IT, Finance and Product teams to assess if there are indicators of impairment.

The Group performs an impairment test on the value of the brands annually, or in the event of an indication of impairment or impairment reversal, in order to identify a possible impairment in their value. Determining the recoverable value of the brands involves the use of assumptions and estimates and requires a significant degree of judgement, both in making future cash flow projections and in determining the rate of discount (WACC).

As a consequence of the uncertainty caused by the current macroeconomic environment, the Group has proposed three weighted scenarios to calculate future cash flow projections. See more details about the judgements and estimates related to business projections in the section "Judgements and estimates related to business projections".

See more detail on the accounting policies for other intangible assets in note 5.13.

Allocation of the purchase price and goodwill

In business combination operations, the allocation of the purchase price and goodwill require the use of judgement and estimates to determine the fair value of the assets acquired, as well as the fair value of the consideration in the event of contingent consideration.

See more detail on the accounting policies for Business combinations, Goodwill and other intangible assets in notes 5.2, 5.3 and 5.13.

Impairment test of CGUs

The Group performs an impairment test on the value of the Cash Generating Units ("CGUs") annually, or in the event of an indication of impairment, in order to identify a possible impairment in goodwill. Determining the recoverable value of the cash-generating units to which goodwill is allocated involves the use of assumptions and estimates and requires a significant degree of judgement, both in making future cash flow projections and in determining the rate of discount (WACC).

As a consequence of the uncertainty caused by the current macroeconomic environment, the Group has proposed three weighted scenarios to calculate future cash flow projections. See more details about the judgements and estimates related to business projections in the section "Judgements and estimates related to business projections".

Revenue recognition

The Group uses judgements and estimates to assess the impact on income of the risk of cancellations.

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

For the supplier commissions from hotel and car rental providers, the Group calculates a cancellation provision for the commissions related to Bookings validated but not consumed as of the reported closing date. This provision is based on the historical percentages of cancellations.

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

See more detail on the accounting policies related to the recognition of income in note 5.4.

Income tax and recoverability of deferred tax assets

The Group assesses the recoverability of deferred tax assets based on estimates of future results by tax group. Such recoverability ultimately depends on the Group's ability to generate taxable profits during the period in which the deferred tax assets remain deductible.

This analysis is based on the estimated schedule to reverse deferred tax liabilities, as well as estimates of taxable earnings. These estimates are obtained based on the Group's business plan projections. These projections include Management's best estimates, which are consistent with external information, past experience and future expectations.

The recognition of tax assets and liabilities depends on a number of factors, including estimates of the timing and realisation of deferred tax assets and the projected tax basis schedule. The actual receipts and payments of the Group's corporate tax could differ from the estimates made by the Group as a result of changes in tax legislation, the result of ongoing tax procedures or unforeseen future transactions that could affect tax balances.

See more detail on the accounting policies for income tax in note 5.12.

Share-based payment valuation

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

See more detail on the accounting policies for share-based payments in note 5.11.

Provisions

The Group uses judgements to determine the probability of occurrence of the risks to which it is exposed, and uses estimates to quantify the said risks. Due to the uncertainties inherent in the estimates necessary to determine the amount of provisions, actual disbursements may differ from the amounts originally recognised. See more detail on the accounting policies for provisions in note 5.15.

As part of the Group's provisions, it is worth highlighting the provision for chargebacks. The fraud attacks, risk of flight cancellations and airline bankruptcy exposes the Group to an increased risk of voluntary chargeback from the customer, cancelling payments previously validated. Unjustified chargebacks initiated by customers are disputed by the Group to its customers, and chargebacks and Booking cancellations are claimed by the Group to its suppliers, as it is its right. To estimate both the customer's chargeback risk and the amount to be recovered from the supplier, the Group estimates and books a provision based on historical statistics.

Judgements and estimates related to credit risk

The Group has established a matrix of provisions by type of customer, based on the Group's historical credit loss experience to estimate the customer's credit risk. In-depth analysis has been conducted to estimate potential significant financial distress and additional credit risk. This analysis is based on a combination of the last available external rating at the time of analysis (Dun & Bradstreet rating), quantitative analysis (for example, increase in fuel price, volume of routes cancelled by airlines, percentage of sales by geographical areas, macroeconomics trends in the areas they operate, financial ratios, etc.) and additional relevant comments from our Airline Risk Committee.

The Group has established an Airline Risk Committee that meets weekly to review the decisions on credit risk categories assigned to airlines we intermediate. The Committee evaluates results publications of publicly traded airlines, press updates and industry information collected by our supplier relations team. For non-publicly traded airlines we are often able to obtain information directly from their finance teams on their financial situation. Depending on our estimate of available liquidity and cash burn for every airline we adjust the credit risk category, which has consequences on the limitations to intermediate their flight inventory both on amount of time to departure and payment method to the airline.

Based on the quantitative and qualitative factors previously mentioned, the Group determines three different risk ranges (high, medium, low) to recognise an additional credit risk provision, see impact in note 20.2.

The applied risk percentage corresponds to the highest range in our historical statistics or is a judgement percentage based on our best estimate. See note 20.2.

Judgements and estimates related to business projections

The consolidated financial statements have been prepared on a going concern basis, as Management considers that the Group is in a strong financial and liquidity position.

Group Management prepares the business projections taking into consideration external factors, such as macroeconomic, geopolitical and social factors.

Given the uncertainty related to the current macroeconomic environment (see note 3), Group Management has prepared three different 5-year projection scenarios, depending on the evolution of the current macroeconomic environment and the related evolution of consumer behaviour and travel demand taking into consideration factors such as inflation and recession concerns. See details of the main assumptions used in the financial projections in notes 18 and 19.

4.4. Changes in consolidation perimeter

On 25th November 2022, the Group completed the merger by absorption of the 100% owned Spanish subsidiaries Opodo, S.L., Traveltising, S.A. and eDreams Business Travel, S.L. into the absorbing company Vacaciones eDreams, S.L (see note 34).

The company eDreams Gibraltar Ltd., incorporated on 12th August 2021, was added into the scope in the year ended 31st March 2022. This company operates as a travel agency.

4.5. Comparative information

The Directors present, for comparative purposes, together with the figures for the year ended 31st March 2023, the previous period's figures for each of the items on the annual consolidated statement of financial position, this being 31st March 2022 and the year ended 31st March 2022 for the consolidated income statement, consolidated statement of other comprehensive income, consolidated statement of changes in equity, consolidated cash flows statement and the quantitative information required to be disclosed in the consolidated financial statements.

The figures for the year ended 31st March 2022 were impacted by the COVID-19 pandemic, while in the year ended 31st March 2023 the volumes have surpassed pre-COVID-19 levels (see note 3), which impacts the comparability of the figures.

4.6. Working capital

The Group had negative working capital as at 31st March 2023 and 31st March 2022, which is a common circumstance in the business in which the Group operates and considering its financial structure. It does not present any impediment to its normal business. The increase in negative working capital during the year is related to the increase in Bookings compared with the previous period.

The Group's €180.0 million Super Senior Revolving Credit Facility ("SSRCF") is available to fund its working capital needs and guarantees, of which €159.6 million is available for draw down as at 31st March 2023 (€128.2 million as at 31st March 2022). See note 24.

5. Significant accounting policies

The consolidated financial statements have been prepared on the historical cost basis except for certain properties and financial instruments that are measured at revalue amounts or fair values, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The principal accounting policies are set out below.

5.1. Basis, scope and methods of consolidation

The consolidated financial statements incorporate the financial statements of eDreams ODIGEO, S.A. and entities controlled by the Company (its subsidiaries) up to 31st March each year. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition and up to the effective date of disposal, as appropriate. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests (if any), even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Group. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

All entities directly or indirectly controlled by the Company have been consolidated by the full consolidation method.

5.2. Business combinations

Acquisitions of businesses are accounted for using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether they include, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a "concentration test" that permits a simplified assessment of whether an acquired set of activities and assets is not a business.

The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred, liabilities incurred and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments within the first 12 months are adjusted retrospectively, with corresponding adjustments against goodwill. Other changes in the fair value of the contingent consideration are recognised in profit or loss.

5.3. Goodwill

Goodwill arising on an acquisition of a business is not amortised but carried at cost as established at the date of acquisition (see above) less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill has been allocated to each market, except Metasearch and Connect (which are their own Cash Generating Units "CGU"), level at which the business is managed, the operating decisions are made and the operating performance is evaluated.

The carrying value of the assets allocated to CGU is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of these assets (see note 18) is less than their carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit.

Any impairment loss for goodwill is recognised directly in profit or loss in the consolidated income statement and is not subsequently reversed.

5.4. Revenue recognition

See in the Glossary of Definitions annex definitions of terms (specific in the sector) in order to better understand the Group Revenue recognition accounting principles.

All Revenue of the Group is revenue from contracts with customers.

The Group makes travel and travel related services available to customers and travellers directly through its websites.

The Group generates its revenue from the intermediation services regarding the supply of (i) flight services including air passenger transport by regular airlines and Low Cost Carriers (LCC) flights as well as travel insurance in connection with flight services, (ii) non-flight services, including non-air passenger transport, hotel accommodation, Dynamic Packages (including revenue from the flight component thereof) and travel insurance for non-flight services. The Group's revenue is earned through service fees, commissions, incentive payments received from suppliers and in specific cases, margins. The Group also receives incentives from its Global Distribution System ("GDS") service providers based on the volume of supplies mediated by the Group through the GDS systems. In addition to the above travel-related revenue, the Group also generates revenue from non-travel related services, such as revenue for the supply of advertising services on its websites, commissions received from credit card companies and fees charged on toll calls.

The Group recognises revenue when (i) there is evidence of a contractual relationship in respect of services provided, (ii) the separate performance obligations in the contract are identified, (iii) the transaction price is determinable and collectability is reasonably assured, (iv) the transaction price is allocated to the separate performance obligation, and (v) the services are provided to the customer (performance obligation satisfied).

The Group has evidence of a contractual relationship when the customer has acknowledged and accepted the Group's terms and conditions that describe the service rendered as well as the related payment terms. The Group considers revenue to be determinable when the product or service has been delivered or rendered in accordance with the said agreement.

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

Where the Group acts as a disclosed agent, i.e. bears no inventory risk and is not the primary obligor in the arrangement, it only recognises as revenue its intermediation services and commissions relating to the supply of intermediation services in respect of scheduled air passenger transport, hotel accommodations, car rentals and travel packages. The Group does not recognise any revenue and cost of sales relating to the supply of the underlying travel services by the travel suppliers for which it acts as disclosed agent. The Group, in its capacity of disclosed agent, has no ability to determine or change the travel services for which it acts as intermediary.

Where the Group acts as a disclosed agent, travel supplier incentives are recognised based on the achievement of certain sales targets during a certain agreed period. The Group therefore recognises such commissions as income where it is considered highly probable that agreed targets will be met and the commissions are quantifiable. Where it is probable that the agreed targets will be met, revenue is recognised based on the percentage of total agreed incentives achieved at the reporting date.

The Group only acted in its own name to customers in respect of the supply of certain hotel accommodation by a designated company of the Group, whereby this company purchased hotel accommodation from hoteliers for the onwards supply to its customers at a price determined by this group company. In this case, the Company had the primary responsibility for the supply of the hotel accommodation. In this case the Group recognised revenue on a “gross” basis which equals the gross value of the service supplied to the customer, net of VAT, with any related expenditure charged as cost of sales.

Due to a change of its contractual relationship with suppliers of hotel accommodation, the Group has been acting as a disclosed agent related to supply of hotel accommodation since September 2022.

The recognition of travel supply revenue on a “gross” basis or the recognition of intermediation revenue depends on whether the Group is considered to act as a principal or as a disclosed agent in its transactions. Therefore, the Group assesses whether it controls the travel services supplied to the customers. In performing this assessment, the Group gives regard to the contractual relationship between the parties as well as other relevant facts and circumstances. This analysis is performed using various criteria such as, but not limited to, whether the Group is primarily responsible for fulfilling the promise to provide the specified good or service, the Group has inventory risk or has discretion in establishing the customer price of the travel service, and has discretion in the selection of the supplier of the travel service.

Basis of Revenue Recognition

The table below summarises the revenue recognition basis for the Group’s income streams.

Income stream	Main performance obligation	Basis of revenue recognition
Scheduled flight intermediation services	Intermediation service	Date of Booking
Airline incentives	Intermediation service	Accrued based on meeting sales targets
GDS incentives	Intermediation service	Date of Booking
Supplier intermediation revenue (flights and cars)	Intermediation service	Date of Booking
Dynamic Packages intermediation revenue (including the flight portion thereof)	Intermediation service	Date of Booking
Advertisement services revenue	Advertising display	Date of display
Metasearch	Provide traffic	Date of click or date of purchase
Insurance intermediation revenue	Intermediation service	Date of Booking
Cancellation and modification for any reason	Right to cancel / modify during the coverage period	Accrued based on service period
Prime	Right to discounts on Bookings for a certain period	Accrued based on usage
Hotel intermediation services	Intermediation service	Date of Booking

For flight intermediation services, net revenue is recognised upon the completion of the Booking as the Group does not assume any further performance obligation to its customers after the flight tickets have been issued by the airline.

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

In the event of the cancellation of a Booking, the GDS incentives earned are reversed. Before the COVID-19 pandemic, such cancellations were not relevant. Nonetheless, as explained in note 4.3, in the context of the COVID-19 pandemic, the Group recognises there is a cancellation risk and this has been estimated based on the most recent data regarding restrictions and cancellations, using data on historical average cancellation rates and external information provided by certain suppliers. (see note 20.1 "Provision for Booking cancellation").

The Group also receives incentives from airlines for its intermediation services, which it recognises based on the achievement of targets set by contract, that mainly relate to the amount of Bookings that have flown, and consequently are not subject to cancellation.

In case of commissions from hotel and car rental providers for intermediation services regarding hotel accommodation, Dynamic packages and car rentals, net revenue is recognised at the date of Booking. However, a provision is recognised to cover the risk of cancellation of the Bookings made prior to the reported closing date and with future departure date. The provision is updated, at least, at each quarterly closing. This provision has been calculated to cover the risk of loss on commission based on the historical average cancellation rate by markets.

The Group generates other revenue, which primarily comprise revenue from advertising and metasearch activities. Such revenue is derived primarily from the delivery of advertisements on the various websites the Group operates , as well as for searches, clicks and purchases generated by our metasearch activities. The revenue recognition policy for advertising revenue is at the date or period of display, depending on the terms of the advertising contract. Regarding metasearch services, the revenue is recognised, depending on the particular agreement, at the date of click or date of purchase.

Regarding insurance intermediation revenue, it is recognised at the date of Booking, as it is when the Group provides its intermediation service.

Cancellation or Modification services for any reason consist of offering the customer the option to cancel or modify their flight for any reason during the coverage period. The Group considers that the performance obligation is the coverage service, and therefore this is accrued based on the period during which the customer has the option of cancelling or modifying the reservation. In the event that the customer does not exercise their right to cancellation or modification, the income is accrued linearly during the coverage period. However, if the customer decides to exercise their right to cancellation, the accrual will be accelerated, since the right expires once it has been exercised.

The Prime service consists of the right to discounts on all Bookings made during the contractual period. This service can be used several times within the contractual period. The Group accrues income based on usage, which refers to each instance the customer uses Prime to make a Booking with a discount.

For all revenue, if the judgements are inaccurate, actual revenue could differ from the amount the Group recognises, directly impacting its reported revenue.

The timing of revenue recognition, invoicing and cash collections results in invoiced trade receivables, accrued income (contract assets), and deferred revenue (contract liabilities) on the consolidated statement of financial position. Generally, invoicing occurs subsequent to revenue recognition, resulting in contract assets. However, advances received prior to revenue recognition give rise to contract liabilities.

5.5. Cost of sales

Cost of sales primarily consisted of direct costs associated with the supply of travel services as principal with the aim of generating revenue, relating to the supply of certain hotel accommodation by a designated company of the Group (see note 5.4). The cost of sales was variable in nature and was primarily driven by transaction volumes. The Group did not acquire inventory in advance, as the acquisitions were managed on demand.

Due to a change of its contractual relationship with suppliers of hotel accommodation, the Group has been acting as a disclosed agent related to supply of hotel accommodation since September 2022 and it no longer recognises a cost of sales expense related to hotel accommodation.

5.6. Operating profit

Operating profit consists of Revenue Margin, after deducting personnel expenses, other operating income or expenses, depreciation and amortisation, impairment and charges net of reversals of provisions.

5.7. Financial result

Financial result consists of income and expense relating to the Group’s net financial debt during the accounting period, including foreign exchange gains and losses relating to the net financial debt.

5.8. Leasing

At inception of a contract, the Group assesses whether a contract is, or contains, a lease, based on the following characteristics:

- The contract involves the use of an identified asset that is physically distinct or represents substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- The Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The Group has the right to direct the use of the asset, that is, the Group has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site at which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimate useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment assets. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, for its office leases, the Group uses its incremental borrowing rate as the discount rate, being the rate that the individual lessee would have to pay to borrow the funds necessary to acquire an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, guarantees and conditions.

The lease term is estimated taking into consideration the contract clauses regarding renewal and/or early termination, as well as Management's expectation regarding the exercise of the clauses.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets in "Property, Plant and Equipment" and lease liabilities in "Financial Liabilities" in the consolidated statement of financial position.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less, and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

5.9. Foreign currencies

In preparing the financial statements of each individual group entity, transactions in foreign currencies (i.e. currencies other than the Euro, the Company's functional currency) are recognised at the rates of exchange prevailing at the dates of the transactions.

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

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

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

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Euros using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognised and accumulated in equity.

Goodwill and fair value adjustments on identifiable assets and liabilities acquired arising on the acquisition of a foreign operation are translated at the closing rate of exchange. Exchange differences arising are recognised in equity.

5.10. Retirement benefits costs

Defined contribution plans

Based on the provisions of the Collective Agreement applicable to different Group companies, the Group has a defined contribution plan with employees. A defined contribution plan is a plan whereby the Group makes fixed contributions to a separate entity and has no legal, contractual or constructive obligation to make additional contributions if the separate entity does not have sufficient assets to meet the commitments undertaken. Once the contributions have been paid, the Group has no additional payment obligations.

Contributions are recognised as employee benefits when they accrue. Benefits paid in advance are recognised as an asset to the extent that there is a cash refund or a reduction in future payments.

Defined benefit plans

Defined benefit plans establish the amount of the benefit the employee will receive on retirement, normally based on one or more factors such as age, years of service and remuneration.

The liability recognised in the balance sheet is the present value of the obligation in respect of defined benefits on the balance sheet date less the fair value of the plan assets, and adjustments for unrecognised past service costs. The obligation in respect of defined benefits is measured by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows, using the interest rates on high quality business bonds denominated in the same currency as what will be used to pay the benefits, with maturity periods similar to those of the corresponding obligations.

In countries where there is no market for such bonds, the market rates of government bonds are used. Actuarial gains or losses arising from adjustments based on experience and changes in the actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise.

Past service costs are recognised immediately in the result, unless they arise as a result of changes in the pension plan and they are subject to the continuity of employees in service during a specified time (vesting period). In this case, past service costs are amortised using the straight-line method over the vesting period.

5.11. Share-based payment arrangements

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the value of the equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest.

The impact of the revision of the original estimates in equity-settled share-based payments, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

The value of the plan depends only on internal conditions and they are valued at the market value of the share on granting date, multiplied by the probability of meeting the Conditions. The probability is updated and re-estimated at least yearly, but the market value of the share at granting date is maintained without any change. At the time of delivery of the shares, the estimated probability of delivery is updated to the real delivery (but the value per share remains the same - the one at granting date).

5.12. Taxation

Income tax represents the sum of current tax and deferred tax.

Current tax

The current tax is based on the taxable profit for the year in the relevant countries. Taxable profit may differ from the profit reported in the consolidated income statement due to income or expense that are taxable or deductible in other years and items that are permanently exempt or permanently non-deductible for taxation purposes. The Group's balance for current tax is calculated by using the tax rates in the relevant countries that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of the taxable profit according to the taxation rules in the relevant countries. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets generated by tax losses carried forward and tax credits carried forward are only recognised to the extent that it is probable that these tax losses and tax credits will be offset against taxable profits, respectively, against income tax due during the testing period. This analysis also takes into account local limitations regarding the utilisation of tax losses and tax credits.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that sufficient taxable profits will be available against which those deductible temporary differences can be offset. No deferred tax assets and liabilities are recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. See "Judgements and estimates related to business projections" in note 4.3.

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

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

Deferred tax assets and liabilities are only offset if:

- there is a legally enforceable right to set off current tax assets against current tax liabilities, and
- the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either:
  - the same taxable entity; or
  - different taxable entities which intend to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

5.13. Other intangible assets

The Group has various types of intangible assets:

- Assets classified as brands correspond to the commercial names under which the Group operates, which have been acquired externally through business combination operations and whose measurement comes from the purchase price allocation processes.

- Assets classified as licenses correspond to certain licenses to use third-party software for a specified period.
- Assets classified as software and software internally developed corresponds to technology acquired or developed by the Group which, due to its functional benefits, contributes towards attracting new customers and retaining the existing ones.

Amortisation and useful life of other intangible assets

Intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives as follows:

Useful life (Years)	
Brands	Indefinite
Licenses	2 - 5
Software (incl. software internally developed)	3 - 4
Software of the group common platform	7
Other intangible assets	3 - 5

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

The Group considers that its brands have an indefinite useful life since there is no foreseeable limit for the period over which the brands are expected to generate net cash inflows for the entity based on legal and competitive factors, since the Group's brands have a consolidated position in the market. See detail of the net book value of each brand in note 16.

In the case of internally developed software, the Group distinguishes between software that is part of the Core of the Common platform and other software. For the first, an estimated useful life of 7 years has been determined based on the Group's experience of the actual useful life of previous platforms used by the Group in the past, such as the previous eDreams and Opodo platforms. The 7-years useful life of the Group's Common Platform Core Software reflects the expected use of the asset, as the intention is to maintain stability on the Platform. This is reinforced by the constant investments made to improve the functionalities of the Platform.

Internally-generated intangible assets - research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from the Group's development of its website operating platform and related back office systems is recognised if, and only if, all of the following have been demonstrated:

- an asset is created that can be identified (such as software and new processes);
- it is probable that the asset created will generate future economic benefits; and
- the development cost of the asset can be measured reliably.

The revenue associated with the capitalisation of internally-generated intangible assets is classified in the profit and loss statement according to the nature of the development cost of the asset.

Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Intangible assets acquired in business combinations

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

With regard to brands, the royalty-based approach has been adopted. This involves estimating the value of the brand by reference to the levels of royalties demanded for the use of similar brands, based on revenue forecasts drawn up by the Group.

This approach is based on a qualitative analysis of the brand in order to ensure that the assumptions selected are relevant. The discount rate used is based on the weighted average cost of capital (WACC) for the target acquired.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Impairment of intangible assets

See the details on the accounting policy for impairment of intangible assets, together with property, plant and equipment, in note 5.14.

5.14. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation and useful life of property, plant and equipment

Depreciation is recognised so as to write off the cost or valuation of assets using the straight-line method. The estimated useful lives and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Useful life (Years)	
General Installations/Technical Facilities	5 - 8
Furniture	5 - 8
Computer Hardware	3 - 5
Other items of property, plant and equipment	5

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

Derecognition of property, plant and equipment

Property, plant and equipment is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of property, plant and equipment, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Impairment of property, plant and equipment and intangible assets other than goodwill

At least at the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss (see methodology used in note 18). If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

In calculating the discount rate, a specific risk premium has also been considered in certain cases in line with the specific characteristics of each market and the inherent risk profile of the projected cash flows of each of the markets.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

5.15. Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

When it is only possible that the Group will be required to settle the obligation, the contingency is disclosed in the note for Contingencies (see note 30).

5.16. Financial instruments

Financial assets and financial liabilities are recognised when a Group entity becomes a party to the contractual provisions of the instrument.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Impairment of trade receivables

The Group applies the simplified approach to Expected Credit Losses for trade receivables and contract assets ("accrued income"), as required by IFRS 9. The Group recognises a loss allowance based on lifetime Expected Credit Losses. The Group has established a provision matrix by type of customer that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and short-term deposits and other short-term highly liquid investments that are readily convertible to cash and are subject to an insignificant risk of changes in value.

5.17. Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a Group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Treasury shares

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

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

Other financial liabilities

Other financial liabilities are initially recognised at the fair value of the consideration received.

Other financial liabilities (including borrowings) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

5.18. Current / Non-current classification

Current assets are considered to be those related to the normal cycle of operations (considered for the Group to be one year); assets which are expected to expire, be disposed of or realised in the short term as from year-end; financial assets held for trading (except for financial derivatives to be settled later than one year); and cash and other equivalent liquid assets. Assets that do not meet these requirements are classified as non-current.

Likewise, current liabilities are those related to the ordinary cycle of operations, financial liabilities held for trading, with the exception of financial derivatives to be settled later than one year, and in general all obligations that will expire or terminate in the short term. If this is not the case, they are classified as non-current.

5.19. Related party transactions

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

5.20. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is deducted in reporting the related expense and recognised on a systematic basis over the periods of the related expense.

When the grant relates to an asset, it is presented reducing the carrying amount of the asset. The grant is then recognised in profit or loss over the useful life of the depreciable asset by way of a reduced depreciation charge.

6. Risk management

6.1. Financial Risks

Credit risk: The Group's cash and cash equivalents are held with financial entities with strong credit ratings.

The Group's credit risk is mainly attributable to business-to-business customer receivables. These amounts are recognised in the consolidated statement of financial position net of provision for doubtful receivables and accrued income, which is estimated by management in establishing a provision matrix by type of customer, based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Interest rate risk: Most of the Group's financial debt is exposed to fixed interest rates. Of the Group's debt, only the Super Senior Revolving Credit Facility ("SSRCF") and the Government-sponsored loan bear interest at a variable rate (see note 24). Historically the Group has only drawn loans under the SSRCF for intra-month working capital purposes. As at 31st March 2023, the Group has drawn down €0.0 million of the SSRCF (€30.0 million as at 31st March 2022), €3.9 million of overdrafts on credit facilities ancillary to the SSRCF (€9.9 million as at 31st March 2022) and €3.8 million of the Government-sponsored loan (€11.3 million as at 31st March 2022) that was requested in 2020 following the cash decrease due to COVID-19.

If the EURIBOR increased by 2 basis points, the yearly interest expense calculated on the basis of the amount drawn down as at 31st March 2023 would increase by €0.2 million if we kept that draw-down for a 12-month period. If the EURIBOR decreased by 2 basis points, the yearly interest expense calculated on the basis of the amount drawn down as at 31st March 2023 would decrease by €0.2 million if we kept that draw-down for a 12-month period.

The Group expects that the EURIBOR will continue to exist as a benchmark rate for the foreseeable future, according to the European Union Benchmarks Regulation. Additionally, both the SSRCF and the Government-sponsored loan contracts contain fallback provisions so that if the EURIBOR ceased to be available, a substitutive reference bank rate would apply.

Liquidity risk: In order to meet liquidity requirements, the Group's principal sources of liquidity are: cash and cash equivalents from the consolidated statement of financial position, cash flows generated from operations and the revolving credit facilities under the SSRCF to fund cash requirements and supplier guarantees.

Exchange rate risk: The exchange rate risk arising from the Group's activities has basically two sources: the risk arising in respect of commercial transactions carried out in currencies other than the functional currency of each company of the Group and the risk arising on the consolidation of subsidiaries that have a functional currency other than the Euro.

In relation to commercial transactions, the Group is principally exposed to exchange rate risk as the Group operates with the British Pound and other foreign currencies. The exchange rate risk arises on future commercial transactions and on assets and liabilities denominated in a foreign currency.

However, the volume of sales and purchases in foreign currency (other than the local currency of each of the subsidiaries) is of little relevance compared to the Group's total operations.

Additionally, the Group is also exposed to exchange rate risk on the Swedish Krona due to non-monetary assets denominated in this currency (mainly the Goodwill corresponding to Nordics). Fluctuations on the Swedish Krona impact the value of the assets and the value of the foreign currency translation reserve in equity.

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

	+5%	-5%	+10%	-10%
Effect on Profit before Tax of a change in Exchange rate:				
GBP	909	(1,004)	1,734	(2,120)
Effect on Equity of a change in Exchange rate:				
SEK	(678)	749	(1,294)	1,581

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

The impact on the Group's equity is due to changes in value of the Group's foreign operations and Goodwill in the Nordics.

Exposure to changes in the British Pound would not have significant impacts on pre-tax Equity (other than Profit before Tax).

Exposure to changes in the Swedish Krona would not have significant impacts on Profit before Tax.

The Group's exposure to foreign currency changes as at 31st March 2023 for all other currencies is not significant.

6.2. Financial Profile Risks

Impairments of goodwill and other intangible assets. The consolidated statement of financial position includes very significant amounts of goodwill and other intangible assets. The impairment of a significant portion of these assets would negatively affect the reported results of operations and financial position.

Restrictive debt covenants that may limit the Group's ability to finance future operations and capital needs and to pursue business opportunities and activities.

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

6.3. Capital Risk Management

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

The Group's growth is financed mainly through internal cash flows generated by the Group's recurring businesses and usage of the SSRCF.

The Group's optimal leverage level is not determined on the basis of its overall debt-to-equity ratio but with the goal of maintaining moderate levels of debt. With the IPO completion in April 2014, the Group used the proceeds from the issue of new shares to reduce debt. Additionally, during the year ended 31st March 2022, the Group used €50.0 million of the proceeds from the capital increase in January 2022, to reduce debt (see note 2.1 of the consolidated financial statements for the year ended 31st March 2022).

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

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

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

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

The SSRCF includes a covenant requiring the eDreams ODIGEO consolidation perimeter to maintain a gross debt to Cash EBITDA ratio for the rolling twelve months at each quarter end. The first testing period in respect of which the Adjusted Gross Leverage Financial Covenant could have been tested was the testing period ended on 30th September 2022. However, 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% of the total commitments under the Super Senior Facilities Agreement (see note 24). As at 31st March 2023 the Adjusted Gross Leverage Financial Covenant did not need to be tested as the SSRCF drawn amount (Principal and Bank facilities) was under the 40% limit.

At 31st March 2023 the Group complied with all the restrictions imposed by its main debt contracts, and as its businesses may reasonably be expected to continue operating, the Group does not foresee any non-compliance in the future.

7. Earnings per share

The basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the average number of shares.

As a result of its own shares held as treasury stock (see note 22.5), the weighted average number of ordinary shares used to calculate basic earnings per share was 121,940,522 for the year ended 31st March 2023.

In the earning per share calculation for the years ended 31st March 2023 and 31st March 2022, dilutive instruments are considered for the Incentive Shares granted (see note 23), only when their conversion to ordinary shares would decrease earnings per share or increase loss per share. As the result attributable to the owner of the parent for the years ended 31st March 2023 and 31st March 2022 is a loss, dilutive instruments have not been considered for these periods.

The calculation of basic earnings per share and fully diluted earnings per share (rounded to two digits) for the years ended 31st March 2023 and 31st March 2022, is as follows:

	Year ended 31st March 2023			Year ended 31st March 2022		
	Profit attributable to the owners of the parent (€ thousand)	Average Number of shares	Earnings per Share (€)	Profit attributable to the owners of the parent (€ thousand)	Average Number of shares	Earnings per Share (€)
Basic earnings per share	(43,337)	121,940,522	(0.36)	(65,869)	112,831,118	(0.58)
Diluted earnings per share	(43,337)	121,940,522	(0.36)	(65,869)	112,831,118	(0.58)

The calculation of basic earnings per share and fully diluted earnings per share (rounded to two digits), based on Adjusted Net Income (see section C4. Alternative Performance Measures), for the years ended 31st March 2023 and 31st March 2022, is as follows:

	Year ended 31st March 2023			Year ended 31st March 2022		
	Adjusted net income attributable to the owners of the parent (€ thousand)	Average Number of shares	Adjusted net income per Share (€)	Adjusted net income attributable to the owners of the parent (€ thousand)	Average Number of shares	Adjusted net income per Share (€)
Basic earnings per share	(34,655)	121,940,522	(0.28)	(52,252)	112,831,118	(0.46)
Diluted earnings per share	(34,655)	121,940,522	(0.28)	(52,252)	112,831,118	(0.46)

8. Segment information

The Group reports its results in geographical segments based on how the Chief Operating Decision Maker (CODM) manages the business, makes operating decisions and evaluates operating performance. For each reportable segment, the Group's Leadership Team comprising of the Chief Executive Officer and the Chief Financial Officer, reviews internal management reports. Accordingly, the Leadership Team is construed to be the Chief Operating Decision Maker (CODM).

As stated in IFRS 8, paragraph 23, an entity shall report a measure of total assets and liabilities for each reportable segment if such amounts are regularly provided to the Chief Operating Decision Maker. The assets and liabilities of the Group are broken down by segment solely for the purpose of carrying out the impairment test by CGUs ("Cash Generating Unit") on an annual basis or in the event of signs of impairment. As this information is not provided for decision-making purposes, information regarding assets and liabilities by segments has not been disclosed in these consolidated financial statements.

The Group has identified as segments the different markets in which it operates, since it is the basis on which the information is reported to Management on a monthly basis and strategic decisions are made, such as the launch of new services, pricing strategies or investment in marketing.

The product dimension (flights, hotels, dynamic packages, etc.) is not the main dimension on the basis of which Management makes strategic decisions, since this dimension would not provide enough granularity, as the Group's business is "flight-centric".

The Group distinguishes between two main categories within its segments: the 6 main markets in which the Group operates and the rest of the world. It is relevant to group our segments in terms of current presence and maturity of operations in the markets. .

Inside of the Top 6, the Group considers France as an operating segment, it aggregates Spain and Italy to create the "Southern Europe" operating segment, as well as Germany, the Nordic countries and the United Kingdom to create the "Northern Europe" operating segment, as these markets have similar economic characteristics and similar customer behaviour patterns.

The Group considers the "Rest of the World" segment a segment in itself, and not an aggregation of segments, since it operates internally as such and the information that Management receives on a regular basis considers "Rest of the World" one of the markets.

The following is an analysis of the Group's Profit & loss and Bookings by segment:

Year ended 31st March 2023

	France	Southern Europe (Spain + Italy)	Northern Europe (Germany + Nordics + UK)	**Top 6 Markets**	**Rest of the World**	**Total**
Gross Bookings (*)	1,557,812	1,109,001	1,807,812	4,474,625	1,690,555	**6,165,180**
Number of Bookings (*)	3,649,392	4,414,316	4,062,782	12,126,490	4,025,709	**16,152,199**
Revenue	151,796	109,918	169,385	431,099	156,659	**587,758**
Revenue Margin	**147,925**	**103,991**	**163,347**	**415,263**	**154,330**	**569,593**
Variable costs	(108,854)	(90,735)	(125,971)	(325,560)	(130,795)	**(456,355)**
Marginal Profit	**39,071**	**13,256**	**37,376**	**89,703**	**23,535**	**113,238**
Fixed costs						**(80,281)**
Depreciation and amortisation						**(33,834)**
Impairment and results on disposal of non-current assets	(171)	—	(1)	(172)	(1)	**(173)**
Adjusted items						**(8,754)**
Operating profit / (loss)						**(9,804)**
Financial result						**(27,183)**
Profit / (loss) before tax						**(36,987)**

(*) Non-GAAP measure.

Year ended 31st March 2022

	France	Southern Europe (Spain + Italy)	Northern Europe (Germany + Nordics + UK)	**Top 6 Markets**	**Rest of the World**	**Total**
Gross Bookings (*)	1,003,891	651,904	1,146,445	2,802,240	1,046,447	**3,848,687**
Number of Bookings (*)	2,785,231	3,229,520	3,387,831	9,402,582	3,127,866	**12,530,448**
Revenue	115,861	71,194	110,760	297,815	100,467	**398,282**
Revenue Margin	**111,774**	**66,046**	**106,931**	**284,751**	**97,827**	**382,578**
Variable costs	(82,470)	(64,095)	(90,602)	(237,167)	(79,180)	**(316,347)**
Marginal Profit	**29,304**	**1,951**	**16,329**	**47,584**	**18,647**	**66,231**
Fixed costs						**(63,274)**
Depreciation and amortisation						**(33,694)**
Impairment and results on disposal of non-current assets	6,608	(2)	4,194	10,800	(15)	**10,785**
Adjusted items						**(10,909)**
Operating profit / (loss)						**(30,861)**
Financial result						**(39,277)**
Profit / (loss) before tax						**(70,138)**

(*) Non-GAAP measure.

See definitions and reconciliations of Alternative Performance Measures in section C4. Alternative Performance Measures.

Note: all revenues reported above are with external customers and there are no transactions between segments.

The products and services from which customer sales revenue are derived are the same for all segments, except Metasearch, which focuses on the French market, and is marketed under the Liligo brand.

In the years ended 31st March 2023 and 31st March 2022, no single customer contributed 10% or more to the Group's revenue.

The Group does not provide a detail of fixed costs, depreciation and amortisation or other costs by segment, as these expenses not directly related with Bookings are common to all markets. The Management of the Group reviews the profitability of the segments based on their Marginal Profit.

The following is an analysis of the Group's Revenue by country:

	Year ended 31st March 2023	Year ended 31st March 2022
France	151,796	115,861
Spain	57,456	39,955
Italy	52,462	31,239
Germany	96,979	65,321
United Kingdom	43,839	25,184
Others	185,226	120,722
Total revenue	**587,758**	**398,282**

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

The following is an analysis of the Group's intangible assets and property, plant and equipment by country:

	31st March 2023	31st March 2022
Spain	213,878	206,435
Outside of Spain	108,947	108,056
Total Intangible assets and Property, plant and equipment	**322,825**	**314,491**

The allocation of fixed assets between countries is made based on the physical location for property, plant and equipment, and the nationality of the company that owns the intangible assets.

The amounts of fixed assets registered outside Spain correspond mainly to €100 million for the Opodo brand, owned by the British company Opodo Ltd., for which the value was registered in the Group as a result of a purchase price allocation by business combination. The ownership of the Opodo brand will gradually pass on to the Spanish company over a period of 5 years in connection with the reorganisation of the UK company's activities. Therefore as at 31st March 2023 60% of the value is considered Spanish (40% as at 31st March 2022).

Goodwill by country is detailed in note 15.

9. Revenue margin

The Group disaggregates revenue from contracts with customers by source of revenue, as Management believes this best depicts how the nature, amount, timing and uncertainty of the Group's revenue and cash flows are affected by economic factors.

The following is a detail of the Group's Revenue Margin by source:

	Year ended 31st March 2023	Year ended 31st March 2022
Diversification revenue	386,356	281,024
Classic revenue - customer	97,463	37,837
Classic revenue - supplier	73,955	55,765
Advertising & Metasearch	11,819	7,952
Total Revenue Margin	**569,593**	**382,578**

The increase in Revenue Margin in the year ended 31st March 2023 is related to the increase in Bookings compared with the previous year due to the recovery of the market and a better competitive position of the Group. Additionally, the diversification revenue remains the largest contributor of revenue in the year ended 31st March 2023, thanks to all revenue diversification initiatives that the Group continues to develop.

This split of Revenue Margin by source is similar at the level of each segment, with the exception of the split between classic revenue - customer and diversification revenue.

Diversification revenue differs by market due to our Prime maturity per market, with the Prime share representing 62.01% of Revenue Margin in France, 68.67% in Southern Europe, 73.01% in Northern Europe and 67.36% in Rest of the World.

Classic revenue-customer differs by market due to the same reason, with the Prime share representing 20.29% of Revenue Margin in France, 14.64% in Southern Europe, 12.74% in Northern Europe and 20.35% in Rest of the World.

See definitions and reconciliations of Alternative Performance Measures in section C4. Alternative Performance Measures.

10. Personnel expenses

10.1. Personnel expenses

	Year ended 31st March 2023	Year ended 31st March 2022
Wages and salaries	(43,464)	(34,571)
Social security costs	(15,660)	(11,081)
Other employee expenses (including pension costs)	(512)	(461)
Adjusted personnel expenses	(11,342)	(10,524)
Total personnel expenses	**(70,978)**	**(56,637)**

The increase in wages and salaries expense and social security costs in the year ended 31st March 2023 is mainly related to the growth in the number of employees (see note 10.2).

Social security costs include the income for social security rebates for research and development activities of €1.4 million in the year ended 31st March 2023 (€1.1 million in the year ended 31st March 2022).

In the year ended 31st March 2023, adjusted personnel expenses mainly relate to the share-based compensation of €11.2 million (€10.5 million in the year ended 31st March 2022), see note 23.

See definition of adjusted items in section C4. Alternative Performance Measures.

10.2. Number of employees

The average number of employees by category of the Group is as follows:

Average headcount

	Year ended 31st March 2023	Year ended 31st March 2022
Key management	10	10
Other senior management	45	44
People managers	183	148
Individual contributor	998	755
Total average number of employees	**1,236**	**957**

Headcount at the end of the period

	31st March 2023			31st March 2022		
	Female	Male	**Total**	Female	Male	**Total**
Key management	1	9	**10**	1	9	**10**
Other senior management	11	34	**45**	12	32	**44**
People managers	71	117	**188**	59	90	**149**
Individual contributor	438	761	**1,199**	331	493	**824**
Total number of employees	**521**	**921**	**1,442**	**403**	**624**	**1,027**

During the year ended 31st March 2023, the Group has increased its workforce in-line with its strategic initiatives, specifically to capitalise on the growth opportunity of the Prime subscription programme. As a consequence, the average number of employees has increased from 957 to 1,236.

During the year ended 31st March 2023, the average number of employees with disability of 33% or more is 5 individual contributors (average of 3 individual contributors for the year ended 31st March 2022).

11. Depreciation and amortisation

	Year ended 31st March 2023	Year ended 31st March 2022
Depreciation of property, plant and equipment	(3,674)	(3,374)
Amortisation of intangible assets	(30,160)	(30,320)
Total depreciation and amortisation	**(33,834)**	**(33,694)**
Impairment of property, plant and equipment	(28)	(55)
Impairment / Reversal of intangible assets	(169)	10,840
Total impairment	**(197)**	**10,785**
Gain on disposal of assets	24	—
Total loss or gain arising from assets disposal	**24**	**—**

Depreciation of property, plant and equipment includes depreciation on right of use assets for office leases of €2.0 million in the year ended 31st March 2023 (€1.8 million in the year ended 31st March 2022) and hardware for €0.4 million in the year ended 31st March 2023 (€0.2 million in the year ended 31st March 2022).

Amortisation of intangible assets primarily relates to the capitalised IT projects and intangible assets identified through purchase price allocation.

The details about the impairment booked in the years ended 31st March 2023 and 31st March 2022 are included in note 19.

12. Other operating expenses

	Year ended 31st March 2023	Year ended 31st March 2022
Marketing and other operating expenses	(458,467)	(316,721)
Professional fees	(6,567)	(4,377)
IT expenses	(12,067)	(10,149)
Rent charges	(760)	(754)
Taxes	(554)	(802)
Foreign exchange gains / (losses)	1,105	2
Adjusted operating income / (expenses)	2,588	(385)
Total other operating expenses	**(474,722)**	**(333,186)**

Marketing expenses consist of customer acquisition costs (such as paid search costs, metasearch costs and other promotional campaigns), commissions due to marketing affiliates and white label partners.

Other operating expenses included in "Marketing and other operating expenses" primarily consist of credit card processing costs, chargebacks on fraudulent transactions, GDS connection costs and fees paid to our outsourcing service providers, such as call centers. Marketing and other operating expenses have increased by 45% compared with the year ended 31st March 2022, as a large portion is variable costs directly related to volume of Bookings that have increased significantly (see note 3).

Professional fees mainly consist of costs of external services such as consulting, recruitment, legal and tax advisors. The increase compared with the year ended 31st March 2022 is mainly related to the ongoing increase in the Group's workforce (see note 10.2), as well as other consulting and legal fees.

IT expenses largely consist of technology maintenance charges and hosting expenses. The increase is mainly due to higher IT licenses and subcontracting costs driven by the growth in the Group's activities and an increase in the Group's workforce.

Rent charges mainly include the rental services for certain coworking offices of the Group that do not meet the definition of leasing under IFRS 16.

Taxes mainly consist of tax charges other than income tax that are not recoverable by the Group, such as non-refundable value added tax (VAT) and business taxes.

Foreign exchange gains / (losses) mainly relate to the impact of fluctuations in the foreign exchange rates on trade receivables and trade payables in currencies other than the Euro.

Adjusted operating income / (expenses) in the year ended 31st March 2023 mainly consist of other expense items which are considered by management to not be reflective of the Group's ongoing operations. See section C4. Alternative Performance Measures, subsection 1.6. EBIT, EBITDA, Adjusted items, Adjusted EBITDA and Adjusted EBITDA Margin.

13. Financial income and expense

	Year ended 31st March 2023	Year ended 31st March 2022
Interest expense on 2027 Notes	(20,625)	(3,323)
Interest expense on 2023 Notes	—	(19,609)
Interest expense on Government sponsored loan	(254)	(394)
Interest expense on SSRCF	(337)	(1,596)
Interest expense on SSRCF - Bank facilities and bank overdrafts	(575)	(285)
Effective interest rate impact on debt	(2,170)	(4,778)
Interest expense on debt	**(23,961)**	**(29,985)**
Foreign exchange gains / (losses)	(504)	(1,297)
Interest expense on lease liabilities	(241)	(203)
Other financial expense	(2,562)	(7,936)
Other financial income	85	144
Other financial result	**(3,222)**	**(9,292)**
Total financial result	**(27,183)**	**(39,277)**

The interest expense on the 2027 Notes in the year ended 31st March 2023 corresponds to 5.5% interest rate since 2nd February 2022 on the €375.0 million principal of the Notes, that is payable semi-annually in arrears (see note 24).

The offering of the 2027 Notes was part of a broader refinancing transaction, which also included a modification of the SSRCF and the redemption of the 2023 Notes (see note 24).

The interest expense on the 2023 Notes in the year ended 31st March 2022 corresponded to 5.5% interest rate on the €425.0 million principal of the Notes, that was payable semi-annually in arrears. In the year ended 31st March 2022, €19.6 million were accrued and €21.6 million were paid for the interest on the 2023 Notes.

The 2023 Notes were redeemed in full on 2nd February 2022 (see note 24.3 of the consolidated financial statements for the year ended 31st March 2023 and see note 2.3 of the consolidated financial statements for the year ended 31st March 2022).

The interest expense on Government sponsored loan corresponds to EURIBOR benchmark rate plus a margin of 2.75% interest rate since 30th June 2020 on the €15.0 million loan due in June 2023, guaranteed by the Spanish Official Credit Institute, that is payable quarterly in arrears (see note 24). The first, the second and the third repayments for equal amounts of €3.8 million, have been made on 3rd January 2022, 1st July 2022 and 2nd January 2023.

As mentioned in note 24, the Group has access to funding from its €180.0 million SSRCF to manage the liquidity requirements of its operations (see note 24). The interest expense on SSRCF accrued during the year ended 31st March 2023 is €0.3 million (€1.6 million during the year ended 31st March 2022). The decrease is due to the lower utilisation of the SSRCF during the year ended 31st March 2023. During the year ended 31st March 2022 the utilisation of the SSRCF was higher due to the impact of COVID-19 (see note 3).

The Group has converted €72.0 million from the SSRCF into ancillaries to SSRCF with certain Banks (€62.0 million as at 31st March 2022). Interests on the use of ancillaries to SSRCF is €0.6 million during the year ended 31st March 2023 (€0.3 million during the year ended 31st March 2022). For the year ended 31st March 2022 the Interest expense on SSRCF - Bank facilities and bank overdrafts was presented within Other financial expense.

The effective interest rate impact on debt corresponds to the amortisation of financing fees capitalised on debt, that are expensed over the period of the debt.

Foreign exchange gains / (losses) relate mainly to the impact of fluctuations in foreign exchange rates on cash and cash equivalents that we have in currencies other than the Euro.

Other financial expense mainly includes agency fees and commitment fees related to the SSRCF of €1.7 million during the year ended 31st March 2023 (€1.3 million during the year ended 31st March 2022). The decrease in other financial expense is related to the expenses associated with the early redemption of the 2023 Notes booked during the year ended 31st March 2022, for an amount of €5.8 million (see note 24 of the consolidated financial statements for the year ended 31st March 2023 and see note 2.3 of the consolidated financial statements for the year ended 31st March 2022).

14. Income tax

During the year ended 31st March 2023, the Group applies income tax consolidation in the following countries:

- Spain
- United States (US)
- France

The Spanish tax group headed by eDreams ODIGEO, S.A. includes the following subsidiary companies:

- Vacaciones eDreams, S.L.
- eDreams, Inc.
- eDreams International Network, S.L.
- Tierrabella Invest, S.L.
- Engrande, S.L.
- eDreams Gibraltar Ltd.

eDreams, Inc. wholly owned the following subsidiaries that made a check-the-box-election:

- Vacaciones eDreams, S.L.
- eDreams International Network, S.L.
- Viagens eDreams Portugal - Agência de Viagens, Lda.
- eDreams, S.R.L.
- eDreams Gibraltar Ltd.

The French tax group headed by Go Voyages, S.A.S. included the following French subsidiaries:

- Go Voyages Trade, S.A.S.
- Liligo Metasearch Technologies, S.A.S.

On 30th September 2022, eDreams, Inc., the Sole Shareholder of Vacaciones eDreams, S.L. approved the merger by absorption of the Spanish subsidiaries Opodo, S.L., Traveltising, S.A. and eDreams Business Travel, S.L. into the absorbing company Vacaciones eDreams, S.L. (see note 34).

Being part of a tax group (or in the case of the US: being a disregarded subsidiary) means that the individual income tax credits and debits are integrated at the level of the head of the tax group and therefore the subsidiary companies settle their income tax with the head of the tax group.

The subsidiary companies that are not included in a tax group pay income tax on a standalone basis to the tax authorities.

14.1. Income tax recognised in profit or loss

	Year ended 31st March 2023	Year ended 31st March 2022
Recognition of tax losses carried forward and US Foreign Tax Credits (*)	1,385	13,417
Derecognition of tax losses carried forward and other deferred tax	(6,185)	(633)
Change in deferred tax due to rate change	—	(6,124)
Other deferred tax expense	(1,069)	(1,265)
Deferred tax	**(5,869)**	**5,395**
Current tax expense of the period	(540)	(510)
Adjustments recognised in the period for current tax of prior periods	59	(616)
Current tax	**(481)**	**(1,126)**
Total income tax / (expense)	**(6,350)**	**4,269**

(*) United States Foreign Tax Credits ("US FTC").

14.2. Income tax recognised directly in other comprehensive income

No income tax has been recognised directly in other comprehensive income in the years ended 31st March 2023 and 31st March 2022.

14.3. Analysis of tax charge

	Year ended 31st March 2023	Year ended 31st March 2022
Profit / (loss) for the year from continuing operations after tax	(43,337)	(65,869)
Income tax / (expense)	(6,350)	4,269
Profit / (loss) before tax	**(36,987)**	**(70,138)**
Dividends distributed between subsidiaries	1,750	2,366
Other disallowed expenses	3,882	2,747
Permanent differences	**5,632**	**5,113**
Tax basis profit	**(31,355)**	**(65,025)**
% Income tax rate	25.00%	25.00%
Expected tax charge expense	**7,839**	**16,256**
Impact of tax rate differences with Parent tax rate	336	433
Derecognition of tax losses carried forward and other deferred tax	(6,185)	(633)
Current year losses for which no deferred tax asset has been recognised	(7,057)	(6,895)
Utilisation of tax losses not recognised	155	150
Change in deferred tax due to rate change	—	(6,124)
Others	(1,438)	1,082
Sum of corrections of tax expense	**(14,189)**	**(11,987)**
Group tax charge (expense) / income	**(6,350)**	**4,269**

The above table contains the reconciliation between (a) the expected (theoretical) tax expense on the "tax base" (which is the profit before tax plus or minus the permanent differences, such as disallowed expenses, impairment, etc.) based on the corporate tax rate applicable in the country where the Company is resident (the 25% Spanish income tax rate) and (b) group tax expense.

"Other disallowed expenses" for the years ended 31st March 2023 and 31st March 2022 relate primarily to the effect of the non-deductible expenses related to share-based payments to employees and the non-deductible interest expenses under the legislation of certain countries, such as France.

The line "Impact of tax rate differences with Parent tax rate" corresponds to the difference between (a) the tax base of each Group company multiplied by the local tax rate applicable to each company, and (b) the tax base of each Group company multiplied by the tax rate of the Group's parent company.

The Group recognised a deferred tax liability for the Opodo brand based initially on the UK income tax rate. As the ownership of the Opodo brand will gradually pass on to the Spanish company over a period of 5 years in connection with the reorganisation of the UK company's activities, the tax rate against which the deferred tax liability will ultimately be recognised will gradually increase to the 25% Spanish income tax rate in five consecutive steps.

During the year ended 31st March 2022, the UK Government had enacted a change to the UK tax rate for periods starting as of 1st April 2023 from 19% to 25%. Following this change, the deferred tax liability for the Opodo brand had been fully updated based on the 25% rate (increase of the deferred tax liability amounting to €6.4 million in the year ended 31st March 2022 as included in the previous tables as "Change in deferred tax due to rate change").

The line "Others" in the year ended 31st March 2023 mainly includes the expense for the recognition of a US deferred tax liability related to certain brands for an amount of €2.2 million, offset by the recognition of certain deferred tax assets that have been considered recoverable in the UK for an amount of €0.9 million. In the year ended 31st March 2022, the line "Others" mainly included the income for the release of certain deferred tax liabilities related to uncertain tax treatments for an amount of €0.8 million.

14.4. Current tax assets and liabilities

	31st March 2023	31st March 2022
Income tax receivable	2,386	2,919
Other tax receivables (other than income tax)	701	2,797
Current tax assets	**3,087**	**5,716**
Income tax payable	(369)	(302)
Other tax payables (other than income tax)	(4,859)	(3,508)
Current tax liabilities	**(5,228)**	**(3,810)**

14.5. Deferred tax balances

	31st March 2023	31st March 2022
Deferred tax assets	9,972	12,677
Deferred tax liabilities	(19,034)	(18,565)
Net deferred tax balance	**(9,062)**	**(5,888)**

As explained in note 5.12, the Group offsets deferred tax assets and liabilities if there is a legally enforceable right to set off the amounts recognised and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority.

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

The following table shows the breakdown of the deferred tax balance as at 31st March 2023 per country:

	Tax losses carried forward and US FTC	Other deferred tax	Total
United States	2,783	(14,119)	(11,336)
Spain	37,097	(35,547)	1,550
Italy	—	3,359	3,359
France	—	(330)	(330)
Portugal	—	5,063	5,063
United Kingdom	746	(8,107)	(7,361)
Others	(2)	(5)	(7)
Total	**40,624**	**(49,686)**	**(9,062)**

The following tables contain the movement of deferred tax assets / liabilities presented in the consolidated financial statements for the years ended 31st March 2023 and 31st March 2022. Other deferred tax mainly includes the deferred tax liabilities related to the fair value adjustments of intangible assets in connection with a business combination:

	31st March 2022	Amounts recorded in Profit and Loss	Amounts recorded in Retained Earnings	FX variation	Others	31st March 2023
Tax losses carried forward and US FTC	42,247	(2,399)	776	—	—	40,624
Other deferred tax	(48,135)	(3,470)	—	(19)	1,938	(49,686)
Total deferred tax asset / (liability)	**(5,888)**	**(5,869)**	**776**	**(19)**	**1,938**	**(9,062)**

	31st March 2021	Amounts recorded in Profit and Loss	Amounts recorded in Retained Earnings	FX variation	Others	31st March 2022
Tax losses carried forward and US FTC	32,275	8,092	1,880	—	—	42,247
Other deferred tax	(45,410)	(2,697)	—	(28)	—	(48,135)
Total deferred tax asset / (liability)	**(13,135)**	**5,395**	**1,880**	**(28)**	**—**	**(5,888)**

The €0.8 million in "Amounts recorded in Retained Earnings" in the year ended 31st March 2023 corresponded mainly to the tax effect on the deliveries of shares to employees that have been accounted for against equity (see note 23). The €1.9 million in "Amounts recorded in Retained Earnings" in the year ended 31st March 2022 corresponded mainly to the tax impact of the transaction costs of the capital increase that had been booked in equity (see note 22.1).

The €1.9 million in Other movements of "Other deferred tax" related to the advance payment of Italian withholding tax in relation to an appeal to the Italian Supreme Court against a tax assessment. This appeal is currently pending (see note 30). The Group expects a favourable decision and, therefore, has recognised the amount paid as an asset in the consolidated statement of financial position.

The tax losses carried forward of the Group which are specified in the below table can be offset against future taxable profits during an indefinite period. Note that the most relevant countries (Spain, the UK and the US) apply temporisation rules relating to the compensation of tax losses which limit the amount of tax losses which can be offset against taxable profits of a year to a certain percentage of such taxable profits.

Unused tax losses
31st March 2023

	Tax loss amount	Income tax rate (%)	Total DTA on tax losses	DTA recognised	DTA not recognised
eDreams ODIGEO, S.A. (ES)	31,950	25.00%	7,988	2,678	5,310
Go Voyages, S.A.S. (FR)	148,154	25.00%	37,038	—	37,038
Opodo Ltd. (UK)	24,299	25.00%	6,074	746	5,328
Travellink, A.B. (SWE)	3,218	20.60%	663	—	663
eDreams, Inc. (ES)	18,298	25.00%	4,574	3,422	1,152
eDreams, Inc. (US)	79,286	21.00%	16,650	—	16,650
eDreams, S.r.l (IT)	381	24.00%	91	—	91
Vacaciones eDreams, S.L. (ES)	98,856	25.00%	24,714	22,214	2,500
eDreams International Network, S.L. (ES)	26,427	25.00%	6,607	6,601	6
Engrande, S.L. (ES)	13,616	25.00%	3,404	2,141	1,263
Tierrabella Invest, S.L. (ES)	9,316	25.00%	2,329	39	2,290
Total	**453,801**		**110,132**	**37,841**	**72,291**

No deferred tax asset has been recognised for the US tax losses carried forward to avoid double recognition as the Spanish equivalent of such losses has been recognised.

As at 31st March 2023, the Group has a deferred tax asset in the balance sheet for US Foreign Tax Credits ("US FTC") amounting to €2.8 million (€5.9 million as at 31st March 2022).

The US FTC carried forward as at 31st March 2023 may be offset against future US income tax but only in case the US income tax due for a year exceeds the US FTC of that year. US FTC generated in a year may be carried forward for a period of maximum 10 years. The US FTC as at 31st March 2023 have been generated in various years and have an average remaining carry forward period of 7 years.

In addition to the unused tax losses carried forward not recognised in the balance sheet mentioned above, the Spanish tax group has a deferred tax asset recognised inside "Other deferred tax" for €2.2 million corresponding to excess interest expense carried forward, with an indefinite carry forward period.

Additionally, Engrande, S.L. and Tierrabella Invest, S.L. also have a non-recognised deferred tax asset corresponding to the excess interest expenses carried forward amounting to €0.4 million and €1.5 million, respectively, that have an indefinite carry forward period.

There have been no significant changes in the income tax rates impacting the Group, except for the UK. During the year ended 31st March 2022, the UK Government has enacted a change to the UK tax rate for periods starting as of 1st April 2023 from 19% to 25%.

Unused tax losses
31st March 2022

	Tax loss amount	Income tax rate (%)	Total DTA on tax losses	DTA recognised	DTA not recognised
eDreams ODIGEO, S.A. (ES)	26,123	25.00%	6,531	2,770	3,761
Go Voyages, S.A.S. (FR)	145,794	27.60%	40,239	—	40,239
Opodo Ltd. (UK)	18,357	19%-25%	4,147	1,400	2,747
Travellink, A.B. (SWE)	4,019	21.40%	860	—	860
eDreams, Inc. (ES)	10,878	25.00%	2,720	2,720	—
Vacaciones eDreams, S.L. (ES)	79,010	25.00%	19,752	19,752	—
eDreams International Network, S.L. (ES)	26,426	25.00%	6,607	6,607	—
Opodo, S.L. (ES)	3,131	25.00%	783	783	—
Traveltising, S.A. (ES)	29	25.00%	7	7	—
eDreams Business Travel, S.L. (ES)	1,993	25.00%	498	101	397
Engrande, S.L. (ES)	13,616	25.00%	3,404	2,140	1,264
Tierrabella Invest, S.L. (ES)	9,316	25.00%	2,329	39	2,290
Total	**338,692**		**87,877**	**36,319**	**51,558**

14.6. Years open for inspection by tax authorities

The Group companies may be subject to audit by the tax authorities for the years that are not statute-barred.

The oldest year for which the Group Companies have their tax returns open to inspection in respect of the main applicable taxes as at 31st March 2023 are the following:

Country	Corporate Income Tax (CIT)	Value Added Tax (VAT)
Australia	2018/19	2019
France	2019/20	2020
Germany	2017/18	2019
Hungary	2017/18	2018
Italy	2017/18	2018
Luxembourg	2018/19	2018
Portugal	2018/19	2019
Spain	2018/19	2019
Sweden	2017/18	2018
United Kingdom	2019/20	2019
United States	2019/20 (*)	N/A

(*) in case of substantial omissions 2015/16

The Group's tax contingencies and ongoing tax inspections are detailed in note 30.

15. Goodwill

The detail of the goodwill movement by CGUs for the year ended 31st March 2023 is set out below:

Markets	31st March 2022	Scope entry	Exchange rate differences	Impairment	31st March 2023
France	397,634	—	—	—	397,634
Spain	49,073	—	—	—	49,073
Italy	58,599	—	—	—	58,599
UK	70,171	—	—	—	70,171
Germany	166,057	—	—	—	166,057
Nordics	58,411	—	(4,885)	—	53,526
Other countries	54,710	—	—	—	54,710
Metasearch	8,608	—	—	—	8,608
Connect	4,200	—	—	—	4,200
Total gross goodwill	**867,463**	**—**	**(4,885)**	**—**	**862,578**
France	(123,681)	—	—	—	(123,681)
Italy	(20,013)	—	—	—	(20,013)
UK	(31,138)	—	—	—	(31,138)
Germany	(10,339)	—	—	—	(10,339)
Nordics	(42,880)	—	3,586	—	(39,294)
Metasearch	(7,642)	—	—	—	(7,642)
Total impairment on goodwill	**(235,693)**	**—**	**3,586**	**—**	**(232,107)**
Total net goodwill	**631,770**	**—**	**(1,299)**	**—**	**630,471**

As at 31st March 2023, the amount of the goodwill corresponding to the Nordics market has decreased due to the evolution of the Euro compared to the Swedish Krona, with a balancing entry under "Foreign currency translation reserve".

Details about the impairment test performed by the Group on the value of the Cash Generating Units ("CGUs") are included in note 18.

The detail of the goodwill movement by CGUs for the year ended 31st March 2022 is set out below:

Markets	31st March 2021	Scope entry	Exchange rate differences	Impairment	31st March 2022
France	397,634	—	—	—	397,634
Spain	49,073	—	—	—	49,073
Italy	58,599	—	—	—	58,599
UK	70,171	—	—	—	70,171
Germany	166,057	—	—	—	166,057
Nordics	58,974	—	(563)	—	58,411
Other countries	54,710	—	—	—	54,710
Metasearch	8,608	—	—	—	8,608
Connect	4,200	—	—	—	4,200
Total gross goodwill	**868,026**	**—**	**(563)**	**—**	**867,463**
France	(123,681)	—	—	—	(123,681)
Italy	(20,013)	—	—	—	(20,013)
UK	(31,138)	—	—	—	(31,138)
Germany	(10,339)	—	—	—	(10,339)
Nordics	(43,293)	—	413	—	(42,880)
Metasearch	(7,642)	—	—	—	(7,642)
Total impairment on goodwill	**(236,106)**	**—**	**413**	**—**	**(235,693)**
Total net goodwill	**631,920**	**—**	**(150)**	**—**	**631,770**

As at 31st March 2022, the amount of the goodwill corresponding to the Nordics market decreased due to the evolution of the Euro compared to the Swedish Krona, with a balancing entry under "Foreign currency translation reserve".

16. Other intangible assets

The detail of the other intangible assets movement for the year ended 31st March 2023 is set out below:

	31st March 2022	Acquisitions amortisation impairment	Disposals	Reclass	31st March 2023
Licenses	6,568	—	(1,869)	—	4,699
Brands	287,976	—	—	—	287,976
Software	73,727	—	(398)	—	73,329
Software internally dev.	162,565	—	(8,888)	54,558	208,235
Software internally dev. in progress	20,369	37,739	—	(54,558)	3,550
Other intangible assets	18,622	—	—	—	18,622
Total gross value	**569,827**	**37,739**	**(11,155)**	**—**	**596,411**
Licenses	(6,503)	(59)	1,869	—	(4,693)
Software	(63,579)	(1,943)	398	—	(65,124)
Software internally dev.	(103,032)	(28,158)	8,888	—	(122,302)
Other intangible assets	(16,595)	—	—	—	(16,595)
Total accumulated amortisation	**(189,709)**	**(30,160)**	**11,155**	**—**	**(208,714)**
Brands	(66,095)	(169)	—	—	(66,264)
Software	(6,498)	—	—	—	(6,498)
Other intangible assets	(2,000)	—	—	—	(2,000)
Total accumulated impairment	**(74,593)**	**(169)**	**—**	**—**	**(74,762)**
Total other intangible assets	**305,525**	**7,410**	**—**	**—**	**312,935**

Acquisitions mainly correspond to the capitalisation of the technology developed by the Group which, due to its functional benefits, contributes towards attracting new customers and retaining the existing ones.

The majority of other intangible assets were totally amortised during the year ended 31st March 2022.

Brands

	31st March 2023	31st March 2022
Go Voyages	29,723	29,723
eDreams	80,815	80,815
Opodo	100,000	100,000
Travellink	7,311	7,311
Liligo	3,863	4,032
Total	**221,712**	**221,881**

Brands correspond to the commercial names under which the Group operates, which have been acquired externally through business combination operations and their valuation comes from purchase price allocation processes.

On 6th July 2020, in relation to the new Government sponsored loan obtained, the Group's subsidiary Vacaciones eDreams, S.L. constituted a real first-lien pledge on the brand “eDreams”. This pledge guarantees full and timely compliance with all Guaranteed Obligations of the Government sponsored loan granted to the Group's subsidiary Vacaciones eDreams, S.L. for an amount up to €15 million. As at 31st March 2023, the brand "eDreams" has a book value of €80,815 thousand.

The details about the impairment booked in the years ended 31st March 2023 and 31st March 2022 are included in note 19.

Software internally developed and software internally developed in progress

Software internally developed and software internally developed in progress acquisitions correspond to the capitalisation of the technology developed by the Group which, due to its functional benefits, contributes towards attracting new customers and retaining the existing ones. The projects activated during the years ended 31st March 2023 and 31st March 2022 are aimed at improving the consumer experience, growing sales and automating processes internally. From the total software and software internally developed, as at 31st March 2023, €24.0 million net book value correspond to software from the Group's common platform with a 7-years useful life (€30.6 million as at 31st March 2022).

During the year ended 31st March 2023, the Group has recognised as personnel expenses €7.1 million of costs related to research and development (€6.0 million for the year ended 31st March 2022).

The detail of the other intangible assets movement for the year ended 31st March 2022 is set out below:

	31st March 2021	Acquisitions amortisation impairment	Disposals / reversals	Reclass	31st March 2022
Licenses	6,568	—	—	—	6,568
Brands	287,976	—	—	—	287,976
Software	73,838	—	(111)	—	73,727
Software internally dev.	162,005	—	(5,865)	6,425	162,565
Software internally dev. in progress	1,330	25,464	—	(6,425)	20,369
Other intangible assets	18,622	—	—	—	18,622
Total gross value	**550,339**	**25,464**	**(5,976)**	**—**	**569,827**
Licenses	(6,119)	(384)	—	—	(6,503)
Software	(61,743)	(1,947)	111	—	(63,579)
Software internally dev.	(81,422)	(27,475)	5,865	—	(103,032)
Other intangible assets	(16,081)	(514)	—	—	(16,595)
Total accumulated amortisation	**(165,365)**	**(30,320)**	**5,976**	**—**	**(189,709)**
Brands	(76,935)	—	10,840	—	(66,095)
Software	(6,498)	—	—	—	(6,498)
Other intangible assets	(2,000)	—	—	—	(2,000)
Total accumulated impairment	**(85,433)**	**—**	**10,840**	**—**	**(74,593)**
Total other intangible assets	**299,541**	**(4,856)**	**10,840**	**—**	**305,525**

Fully amortised Other intangible assets

The detail of other intangible assets fully amortised and in use as at 31st March 2023 and 31st March 2022 is set out below:

	31st March 2023	31st March 2022
Licenses	4,767	5,898
Software	65,557	65,954
Software internally developed	58,138	25,645
Other intangible assets	18,591	18,591
Total	**147,053**	**116,088**

17. Property, plant and equipment

The detail of property, plant and equipment movement for the year ended 31st March 2023 is set out below:

	31st March 2022	Acquisitions depreciation impairment	Disposals	Exchange rate differences	31st March 2023
Buildings - lease	13,447	2,527	(1,262)	(18)	14,694
General installations / tech facilities	2,763	296	—	(2)	3,057
Furniture	1,898	18	(454)	(2)	1,460
Computer hardware	7,527	213	(183)	—	7,557
Computer hardware - lease	4,525	1,585	(25)	—	6,085
Other tangible assets	15	—	—	—	15
Total gross value	**30,175**	**4,639**	**(1,924)**	**(22)**	**32,868**
Buildings - lease	(7,636)	(2,041)	1,262	6	(8,409)
General installations / tech facilities	(1,785)	(358)	—	2	(2,141)
Furniture	(1,418)	(277)	454	1	(1,240)
Computer hardware	(6,101)	(628)	180	—	(6,549)
Computer hardware - lease	(4,251)	(370)	—	—	(4,621)
Other tangible assets	(18)	—	—	—	(18)
Total accumulated depreciation	**(21,209)**	**(3,674)**	**1,896**	**9**	**(22,978)**
Total accumulated impairment	**—**	**(28)**	**28**	**—**	**—**
Total property, plant and equipment	**8,966**	**937**	**—**	**(13)**	**9,890**

The acquisitions of buildings – lease corresponds mainly to an increase of the lease term considered for certain offices of the Group for €0.9 million and to a new office lease for an amount of €1.6 million (see note 24).

The disposals of leased buildings corresponds mainly to the contract novation and contract termination of two offices for an amount of €1.3 million.

In the year ended 31st March 2023 a large number of computer hardware assets were acquired through lease for an amount of €1.6 million.

The Group has purchased insurance policies to reasonably cover the possible risks of damage to its property, plant and equipment used in operations, with suitable limits and coverage.

The detail of property, plant and equipment movement for the year ended 31st March 2022 is set out below:

	31st March 2021	Acquisitions depreciation impairment	Disposals	Exchange rate differences	31st March 2022
Buildings - lease	10,599	2,883	(22)	(13)	13,447
General installations / tech facilities	2,544	329	(109)	(1)	2,763
Furniture	1,913	38	(52)	(1)	1,898
Computer hardware	6,328	1,213	(14)	—	7,527
Computer hardware - lease	4,443	82	—	—	4,525
Other tangible assets	19	—	(4)	—	15
Total gross value	**25,846**	**4,545**	**(201)**	**(15)**	**30,175**
Buildings - lease	(5,830)	(1,837)	22	9	(7,636)
General installations / tech facilities	(1,518)	(330)	62	1	(1,785)
Furniture	(1,233)	(223)	37	1	(1,418)
Computer hardware	(5,307)	(808)	14	—	(6,101)
Computer hardware - lease	(4,075)	(176)	—	—	(4,251)
Other tangible assets	(18)	—	—	—	(18)
Total accumulated depreciation	**(17,981)**	**(3,374)**	**135**	**11**	**(21,209)**
Total accumulated impairment	**—**	**(55)**	**55**	**—**	**—**
Total property, plant and equipment	**7,865**	**1,116**	**(11)**	**(4)**	**8,966**

The variation in the gross value of buildings – lease corresponded mainly to an increase of the lease term considered for certain offices of the Group for €2.0 million and to a new office lease for an amount of €0.8 million.

Fully depreciated Property, plant and equipment assets

The Group has property, plant and equipment assets that are fully depreciated and in use for a total cost of €10.8 million as at 31st March 2023 (€9.2 million as at 31st March 2022), corresponding mainly to Hardware and Hardware lease amounting to €5.8 million and €4.4 million, respectively (€4.9 million and €3.8 million as at 31st March 2022, respectively).

18. Impairment of assets

18.1. Measuring methodology

The assets are tested at the market level except Metasearch and Connect (which are their own cash generating units "CGU"), which is used by management to make decisions about operating matters and is based on segment information.

The cash generating unit is determined as the smallest group of assets that generates cash inflows that are largely independent of the inflows produced by other assets or groups of assets. In this sense, the Group distinguishes Metasearch and Connect as two of its own cash-generating units, since they represent two different businesses of the group - Metasearch and Bedbank. Within the main business of online travel agency, the Group distinguishes between various CGUs according to the market, since each market is independent of each other in terms of the generation of cash inflows. The classification by markets, in turn, coincides with the criteria used by management to make operational decisions (such as the launch of new services, pricing strategies or investment in marketing) and is based on information by segments.

The Group performs an impairment test on the value of the Cash Generating Units ("CGUs") annually, or in the event of an indication of impairment, in order to identify the possible existence of unrecorded impairment losses.

The procedure for carrying out the impairment test is as follows:

- A business plan, with different scenarios, is drawn up for each CGU for the next 5 years in which the main components are the projected Adjusted EBITDA, the projected investments and working capital (see definition of Adjusted EBITDA in C4. Alternative Performance Measures). The main drivers behind the projection of EBITDA are Revenue Margin and Variable costs, which together result in Marginal Profit (see definition of Revenue Margin, Variable costs and Marginal Profit in C4. Alternative Performance Measures). These projections include Management's best estimates, which are consistent with external information, past experience and future expectations. Management prepares the business projections taking into consideration external factors, such as macroeconomic, geopolitical and social factors.
- A valuation analysis is carried out, which consists of applying the discounted free cash flow method, carrying out all the procedures necessary to determine the recoverable value of the assets in each CGU. This calculation establishes a value which varies mainly according to the weighted projections and the discount rate for each of the CGU.

This analysis is used by Group Management to analyse both the recoverability of the goodwill and other intangible assets and property, plant and equipment belonging to each of the markets.

18.2. Main assumptions used in the financial projections

For each CGU, the discount rate after taxes has been defined on the basis of the weighted average cost of capital (WACC).

In calculating the discount rate, a specific risk premium has also been considered in certain cases in line with the specific characteristics of each CGU and the inherent risk profile of the projected cash flows of each of the CGU.

The table below shows the WACC applied by the Group for each CGU:

WACC by CGU	Post-tax		Pre-tax	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
France	11.0%	10.3%	13.1%	12.1%
Spain	12.5%	11.8%	15.0%	14.2%
Italy	13.5%	12.5%	16.1%	15.0%
UK	12.0%	11.3%	14.3%	12.5%
Germany	10.0%	9.3%	11.9%	11.1%
Nordics	11.3%	10.8%	14.0%	12.2%
Other countries	12.0%	11.3%	14.3%	13.4%
Metasearch	11.0%	10.3%	13.7%	12.9%
Connect	11.6%	10.8%	13.6%	12.9%

The WACC applied by the Group has increased versus previous year, mainly due to an increase of the risk free rates as a result of rising interest rates and adverse changes in the macroeconomic environment.

In the case of Italy, the WACC has increased more than in the other CGUs (from 12.5% to 13.5% post-tax), mainly driven by a higher increase in the country risk premium.

In the case of Nordics, the WACC has increased less than in the other CGUs (from 10.8% to 11.3% post-tax), mainly driven by a smaller increase in the risk free rate compared to other CGUs.

The variation between the pre-tax and post-tax discount rates is directly explained by the non-consideration of taxes in the discounted cash flow methodology.

In calculating the value of the assets in each different market, the following parameters have been considered:

- Group Management has prepared 3 different scenarios of projections, depending on the evolution of the current macroeconomic environment and the related evolution of consumer behaviour and travel demand taking into consideration factors such as inflation and recession concerns (see note 3). Scenarios I, II and III have been weighted at 15%, 70% and 15%, respectively.
- In the first year, Adjusted EBITDA was projected using the budget for the year ended 31st March 2024 approved by the Board of Directors (see definition of Adjusted EBITDA in C4. Alternative Performance Measures).
- In the four following years, a scenario of profitability and needs for investment in intangible assets and working capital that is consistent and sustainable in the long-term for each CGU was projected.
- The perpetual growth rate used to extrapolate cash flow projections beyond the first five years has been estimated at 1.5% for France, Spain, Italy, Germany, United Kingdom and Nordics, and 1.6% for Other markets, Metasearch and Connect (1.5% and 1.6% respectively in the previous year).
- Capital expenditure level is in line with the fact that the business model is not CAPEX intensive. These assumptions reflect expected growth in volume and Revenue Margin per Booking for our markets considering the historical trends and budget assumptions for the year ended 31st March 2024.

18.3. Conclusion on the analysis

As a result of the testing performed by the Group using the methodology and the assumptions described in notes 18.1 and 18.2 respectively above, and due to the updated projections as a consequence of the changes in the macroeconomic environment (see note 3), the carrying amount of the goodwill related to any CGU has not been impaired in the year ended 31st March 2023.

The following table shows the gross value in books and net value in books of operating assets for every CGU, the recoverable amount calculated for each CGU (value in use), the impairment recognised in the current year and the amount by which the CGUs recoverable amount exceeds its carrying amount:

31st March 2023

CGU	Gross value of operating assets	Net value of operating assets	Value in use	Impairment increase	Exceeding amount (headroom)
France	458,729	266,722	345,384	—	78,662
Spain	34,452	33,802	157,129	—	123,327
Italy	60,368	39,582	118,050	—	78,468
UK	57,466	26,017	63,443	—	37,426
Germany	169,038	156,748	305,679	—	148,931
Nordics	53,509	13,437	27,518	—	14,081
Other countries	760	(1,046)	330,782	—	331,828
Metasearch	14,029	6,387	13,818	—	7,431
Connect	7,618	7,618	38,298	—	30,680
Total	**855,969**	**549,267**	**1,400,101**	**—**	**850,834**

31st March 2022

CGU	Gross value of operating assets	Net value of operating assets	Value in use	Impairment increase	Exceeding amount (headroom)
France	484,562	291,950	396,219	—	104,269
Spain	42,186	41,574	166,208	—	124,634
Italy	65,292	44,782	101,522	—	56,740
UK	65,295	33,874	57,582	—	23,708
Germany	170,344	158,616	290,159	—	131,543
Nordics	58,259	14,604	28,791	—	14,187
Other countries	18,228	16,126	432,852	—	416,726
Metasearch	14,018	6,376	27,295	—	20,919
Connect	5,247	5,247	87,659	—	82,412
Total	**923,431**	**613,149**	**1,588,287**	**—**	**975,138**

For the purpose of carrying out the impairment test of the CGUs, the Group distributes the value of the brands among the different CGUs based on the allocation made in the year of formation of the Group (year ended 31st March 2012). This historical allocation was based on the contribution of each brand to the results of each CGU.

18.4. Sensitivity analysis on key assumptions

The Group has performed a sensitivity analysis on the key assumptions of the impairment test for the CGUs applying the following changes:

- 1pp increase in WACC;
- 0.5pp decrease in perpetual growth;
- 10% decrease in Marginal Profit; and
- Change in scenarios weighting where Scenario III (the most optimistic, see note 3) is eliminated, and assigning 50% probability to the remaining scenarios.

The conclusion of this sensitivity analysis is that no additional impairment would be recognised in any of the CGUs if the changes on key assumptions previously mentioned were applied.

The values assigned to the assumptions of discount rate and perpetual growth are disclosed in note 18.2.

19. Impairment of brands

19.1. Measuring methodology

The brands, which have indefinite lives, have been tested for impairment together with the rest of CGU assets (see note 18) as well as separately brand by brand.

The Group carries out a specific impairment test for brands to determine whether any of them could have seen their value impaired at the individual level, regardless of whether or not there was impairment at the level of the cash-generating unit to which it has been assigned. It should be noted that certain Group brands are focused on one market (Go Voyages and Liligo in France, and Travellink in Nordics), while others (eDreams and Opodo) are multi-market.

The Group considers that the fair value of the brands can be determined independently from the rest of the assets and for each one of them, since they generate income comparable to that generated by a licensed brand, which can be separated from the rest of the assets. The calculation of said fair value is made based on the royalty income that each brand would generate according to its projected revenue margin.

The Group performs an impairment test on the value of the brands annually, or in the event of an indication of impairment, in order to identify the possible existence of unrecorded impairment losses or that the impairment may have decreased.

The procedure for carrying out the impairment test is as follows:

- A business plan, with different scenarios, is drawn up for each brand for the next 5 years in which the main component is the Revenue Margin that will be generated by each brand. These revenue projections are multiplied by a royalty rate to obtain the revenue corresponding to the brands. These projections include Management's best estimates, which are consistent with external information, past experience and future expectations. Management prepares the business projections taking into consideration external factors, such as macroeconomic, geopolitical and social factors.
- A valuation analysis is carried out, which consists of applying the discounted free cash flow method, carrying out all the procedures necessary to determine the recoverable value of the brands.

This analysis is used by Group Management to analyse the recoverability of the brands.

19.2. Main assumptions used in the financial projections

For each brand, the discount rate after taxes has been defined on the basis of the weighted average cost of capital (WACC). The WACC has been calculated on a market basis (see note 18.2) and applied a weighted average according to the contribution of each market in each brand in the current year.

In calculating the value of each brand, the following parameters have been considered:

- Group Management has prepared 3 different scenarios of projections, depending on the evolution of the current macroeconomic environment and the related evolution of consumer behaviour and travel demand taking into consideration factors such as inflation and recession concerns (see note 3). Scenarios I, II and III have been weighted at 15%, 70% and 15%, respectively.
- In the first year, Revenue Margin was projected using the budget for the year ended 31st March 2024 approved by the Board of Directors. See definition of Revenue Margin in C4. Alternative Performance Measures.
- In the four following years, a scenario of evolution of volumes and margins has been considered based on the strategy of the Group and previous experience.
- The perpetual growth rate used to extrapolate cash flow projections beyond the first five years has been estimated at 1.5% (1.5% in the previous year).
- Royalty rates have been set to 6.5%, except for the Travellink brand that has a 4.0% royalty rate (6.5% and 4.0% respectively in the previous year).

These assumptions reflect expected growth in volume and Revenue Margin per Booking for our markets considering the historical trends and budget assumptions for the year ended 31st March 2024.

The table below shows the WACC applied by the Group for each brand:

	Post-tax		Pre-tax	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
Go Voyages	11.0%	10.3%	14.2%	13.1%
eDreams	12.1%	11.3%	15.7%	14.4%
Opodo	10.7%	10.1%	13.8%	12.9%
Travellink	11.3%	10.8%	14.7%	14.0%
Liligo	11.0%	10.3%	14.3%	13.2%

The WACC applied by the Group has increased versus previous year, mainly due to an increase of the risk free rates as a result of rising interest rates and adverse changes in the macroeconomic environment (see note 18.2).

19.3. Conclusion on the analysis

As a result of the testing performed by the Group using the methodology and the assumptions described in notes 19.1 and 19.2 respectively above, and due to the updated projections, an impairment has been recognised for the Liligo brand during the year ended 31st March 2023

During the year ended 31st March 2022, the Group booked a reversal of an impairment on the brands of Go Voyages and Travellink for €10.8 million.

The table below shows the gross value in books and net value in books of each brand (before any impairment increase or decrease for the year), the recoverable amount calculated for each brand (value in use), the impairment recognised or reversed in the current year and the amount by which the brand's recoverable amount exceeds its carrying amount:

31st March 2023

Brands	Gross value of brands	Net value of brands	Value in use	Impairment increase	Exceeding amount (headroom)
Go Voyages	95,430	29,723	33,761	—	4,038
eDreams	80,815	80,815	198,267	—	117,452
Opodo	100,000	100,000	172,977	—	72,977
Travellink	7,699	7,311	8,379	—	1,068
Liligo	4,032	4,032	3,863	(169)	—
Total	**287,976**	**221,881**	**417,247**	**(169)**	**195,535**

31st March 2022

Brands	Gross value of brands	Net value of brands	Value in use	Impairment reversal	Exceeding amount (headroom)
Go Voyages	95,430	23,091	33,153	6,632	3,430
eDreams	80,815	80,815	213,115	—	132,300
Opodo	100,000	100,000	170,225	—	70,225
Travellink	7,699	3,103	8,077	4,208	766
Liligo	4,032	4,032	5,620	—	1,588
Total	**287,976**	**211,041**	**430,190**	**10,840**	**208,309**

19.4. Sensitivity analysis on key assumptions

The Group presents below the sensitivity analysis for the brands where a reasonably possible change in a key assumption would cause the unit's carrying amount to exceed its recoverable amount.

The table below shows the additional impairment that would be recognised if certain changes in main assumptions had been applied:

Brands	1.0pp Increase in WACC	0.5pp Decrease in perpetual growth	5% Decrease in Revenue Margin	1pp Decrease in Royalty Rate	Change in scenario weighting[1]
Go Voyages	—	—	—	(1,119)	—
eDreams	—	—	—	—	—
Opodo	—	—	—	—	—
Travellink	—	—	—	(1,025)	—
Liligo	(361)	(139)	(193)	(594)	(85)
Total	**(361)**	**(139)**	**(193)**	**(2,738)**	**(85)**

[1] *Change in scenario weighting means eliminating Scenario III (the most optimistic, as explained in note 3), and assigning 50% probability to each of the remaining scenarios.*

The table below shows the value assigned to the assumptions of Revenue Margin as compound annual growth rates (CAGR) over the explicitly projected period (5 years):

Revenue Margin growth	Scenario I	Scenario II	Scenario III
Go Voyages	4.7%	8.4%	8.7%
Travellink	(2.0)%	1.7%	1.9%
Liligo	11.4%	12.3%	13.2%

Scenarios I, II, and III have been weighted at 15%, 70%, and 15% respectively.

The values assigned to the assumptions of discount rate and perpetual growth are disclosed in note 19.2.

20. Trade and other receivables

20.1. Trade receivables

The trade receivables from contracts with customers as at 31st March 2023 and 31st March 2022 are as follows:

	31st March 2023	31st March 2022
Trade receivables	20,416	15,508
Accrued income	36,270	34,273
Impairment loss on trade receivables and accrued income	(4,526)	(5,552)
Provision for Booking cancellation	(2,398)	(3,023)
Trade related deferred expenses	2,556	370
Total trade receivables	**52,318**	**41,576**

Accrued income on supplier commissions is mainly related to Bookings with departure dates in the following fiscal year.

The calculation of the impairment loss on trade receivables and accrued income considers in the forward-looking information the impact of the current macroeconomic environment on the financial situation of the Group's clients. The Group has considered an additional risk for some customers, as a result of a deep analysis carried out by customer. As at 31st March 2023 there has been a decrease in customer risk, specifically with airlines debtors, compared to the previous year which was still heavily impacted by COVID-19.

Provision for Booking cancellation is calculated to cover the risk of loss on GDS incentives or supplier commissions in the case of cancellation of Bookings made prior to the reporting closing date with future departure date.

Trade related deferred expenses are mainly related to the service Cancellation and modification for any reason. It corresponds to the redemption risk pending to be accrued. The increase in deferred expenses for Cancellation and modification for any reason is due to the increase in the sales of this product.

The table below shows the detail of the provision for Booking cancellation and the percentages of risk that have been applied to the basis of GDS incentives and supplier commissions subject to cancellation:

	31st March 2023		31st March 2022	
	Provision for Booking cancellation	Percentage applied	Provision for Booking cancellation	Percentage applied
GDS Incentives	(840)	8%	(838)	14%
Hotel supplier commissions	(1,197)	13%	(1,628)	20%
Car rental supplier commissions	(361)	15%	(557)	18%
Total	**(2,398)**		**(3,023)**	

The decrease in provision for Booking cancellation is mainly due to the lower rates of cancellation driven by continued recovery and improvement in the travel market.

The risk percentages applied are also directly related to customer behaviour and specificities of the product the Group is intermediating. For hotels and cars services, our suppliers commonly offer to customers cancellation up to check-in or pick-up date. In the case of flights, usually airlines do not offer this level of flexibility regarding cancellation.

The percentages applied for the provision for Booking cancellation for GDS Incentives, Hotel supplier commissions and Car rental supplier commissions, have not yet returned to the levels of before COVID-19. These percentages were approximately 0%, 11% and 13%, respectively (reference period December 2019).

20.2. Valuation allowance

An impairment analysis of trade receivables and accrued income has been performed at year-end using a provision matrix by type of customer, to measure expected credit losses. The provision for Booking cancellation has been deducted from the accrued income amounts for the impairment estimation.

A single methodology has been adopted to establish this provision matrix by type of customer. The different percentages of risk have been calculated based on the weight of all invoices still overdue after a certain period of time, out of the gross amount of invoices issued, by month. This statistic database provides a reasonable expectation of the successful percentage of recovery of the overdue balances.

Movements in the valuation allowance are as follows:

	Year ended 31st March 2023	Year ended 31st March 2022
Valuation allowance opening balance	(5,552)	(6,345)
(Increase) / decrease in impairment losses	310	(707)
Amount written off as uncollectible	716	1,500
Valuation allowance closing balance	**(4,526)**	**(5,552)**

The decrease in the valuation allowance in the year ended 31st March 2023, is driven by the amounts written off as uncollectible, offset by the increase in trade receivables as a consequence of the increase in volume of Bookings (see note 3). Despite higher volume, the provision is lower due to lower risk of airline debtors and improvement in the percentages of risk applied.

The table below shows the impairment by type of customer:

	31st March 2023		31st March 2022	
	Trade receivables	Impairment	Trade receivables	Impairment
Commissions, BtB incentives and advertising revenue	44,531	(3,473)	34,305	(4,351)
Metasearch customers	1,792	(670)	1,422	(698)
Leisure customers & Global Distribution System (GDS)	7,965	(383)	11,031	(503)
Total trade receivables	**54,288**	**(4,526)**	**46,758**	**(5,552)**

The tables below show the credit risk exposure for the Group's two main types of customers:

Commissions, BtB incentives and advertising revenue	31st March 2023		31st March 2022	
	Trade receivables	Impairment	Trade receivables	Impairment
Accrued income & provision for Booking cancellation	29,895	(397)	24,656	(409)
Amount invoiced not overdue	7,732	(96)	4,755	(81)
Less than 60 days	3,640	(166)	1,331	(79)
Between 60 and 120 days	272	(18)	148	(13)
Between 120 and 240 days	407	(51)	76	(12)
Between 240 and 365 days	115	(25)	31	(8)
More than 365 days	23	(8)	271	(111)
Bankruptcy & other non-recoverability risk	2,447	(2,447)	3,037	(3,037)
Additional risk high	—	(110)	—	(211)
Additional risk medium	—	(97)	—	(290)
Additional risk low	—	(58)	—	(100)
Total	**44,531**	**(3,473)**	**34,305**	**(4,351)**

Metasearch customers	31st March 2023		31st March 2022	
	Trade receivables	Impairment	Trade receivables	Impairment
Accrued income	480	(10)	412	(10)
Amount invoiced not overdue	561	(13)	199	(6)
Less than 90 days	93	(2)	81	(2)
Between 90 to 120 days	13	(2)	—	—
Between 120 to 150 days	—	—	2	(1)
Between 150 days to 180 days	3	(1)	4	(2)
Between 180 days to 210 days	—	—	2	(1)
Between 210 days to 240 days	—	—	15	(7)
More than 240 days	4	(4)	86	(48)
Bankruptcy & other non-recoverability risk	638	(638)	621	(621)
Total	**1,792**	**(670)**	**1,422**	**(698)**

Due to COVID-19 and the current macroeconomic environment (see note 3), the Group considers an additional risk for some customers shown in the tables above as Additional risk high, Additional risk medium and Additional risk low, for a total amount of €0.3 million (€0.6 million as at 31st March 2022). The percentage of risk applied is the result of a deep analysis carried out by customer (see note 4.3).

The line "Bankruptcy & other non-recoverability risk" includes all invoices fully impaired as the customer is going into insolvency proceedings or if the invoices are overdue for a significant period. In the year ended 31st March 2023 the Group considered a limit of overdue more than 2 years.

The Group has two other types of customers, Leisure customers and Global Distribution System ("GDS"). For Leisure customers, as the Group collects the amount due at the time of the Booking, the Group considers there is no risk of credit loss.

As at 31st March 2023, the amount accrued and invoiced not overdue yet for these types of customers is €8.0 million and the impairment booked is €0.4 million (€11.0 million and €0.5 million respectively as at 31st March 2022).

The Group has no collateral or other credit enhancements over its trade receivables.

20.3. Other receivables

	31st March 2023	31st March 2022
Advances given - trade related	14,243	16,543
Other receivables	378	1,126
Prepaid expenses	2,606	3,354
Impairment loss on other receivables	(54)	—
Total other receivables	**17,173**	**21,023**

Advances given - trade related corresponds to payments done to certain trade suppliers that have terms of advance payment. It mainly relates to the payment for travel products in relation to Bookings from the Group's customers. The decrease is mostly due to a renegotiation of better contract terms with our supplier resulting in lower prepayments.

21. Cash and cash equivalents

	31st March 2023	31st March 2022
Cash and other cash equivalents	35,933	45,929
Total cash and cash equivalents	**35,933**	**45,929**

The Group has no restricted cash.

22. Equity

	31st March 2023	31st March 2022
Share capital	12,761	12,761
Share premium	1,048,630	1,048,630
Equity-settled share-based payments	38,406	27,000
Retained earnings and others	(805,454)	(736,972)
Treasury shares	(3,699)	(3,818)
Profit and loss attributable to the parent company	(43,337)	(65,869)
Foreign currency translation reserve	(11,003)	(9,209)
Non-controlling interest	—	—
Total equity	**236,304**	**272,523**

22.1. Share capital

The Company's share capital amounts to €12,760,505.90 and is represented by 127,605,059 shares at a nominal value of €0.10 per share.

During the year ended 31st March 2023, the Group has paid €3.7 million of transaction costs related to the 8,823,529 shares issued on January 2022. The costs related to the transaction were booked in Retained earnings and others (see notes 2.1 and 22.4 of the consolidated financial statements for the year ended 31st March 2022).

The significant shareholders of the Company and Board members as at 31st March 2023 are the following:

Shareholder	Number of Shares	% Share Capital
Permira	32,011,388	25.1%
Board Members	3,343,925	2.6%
Treasury shares	4,877,565	3.8%
Free Float (1)	87,372,181	68.5%
Total	**127,605,059**	**100.0%**

(1) The free float has been calculated on the basis of shareholder notifications of voting rights communicated to the Company as of 31st March 2023 in accordance with the Royal Decree 136272007 and other information made available to the Company by shareholders by taking the total number of shares issued less the Strategic Shareholders Shares, the shares held by Directors, and Treasury Shares

Free Float Composition	Number of Shares	% Share Capital
Astaris	1,304,375	1.0%
Bank of America Corporation	3,272,302	2.6%
Barclays PLC	8,090,230	6.3%
JP Morgan Chase & CO	5,975,363	4.7%
Morgan Stanley	9,467,330	7.4%
Sunderland Capital	6,371,316	5.0%
UBS Group AG	11,137,037	8.7%
Others less than 3%	41,754,228	32.7%
Total	**87,372,181**	**68.5%**

The information provided regarding the free float composition is based on significant interests from the reports sent by the holders thereof to the National Securities Market Commission ("CNMV") and to the Company itself considering the total number of voting rights of the Company as of 31st March 2023 The information above includes direct and indirect holdings of shares and is, therefore, not a true representation of the Company's shareholding structure. The Company also notes that the voting rights attached to shares reported by financial institutions in this section may be the counterpart to the voting rights through financial instruments reported by other investors.

During the years ended 31st March 2023 and 31st March 2022, the shareholders did not carry out any significant transactions other than those mentioned in notes 2.3 and 29.

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

22.2. Share premium

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

The increase of €74.1 million in share premium during the year ended 31st March 2022 was due to the issue of 8,823,529 new shares on 12th January 2022, at €8.40 share premium per share.

22.3. Equity-settled share-based payments

The amount recognised under "Equity-settled share-based payments" in the consolidated statement of financial position as at 31st March 2023 and 31st March 2022 arose as a result of the long-term incentive plans given to the employees.

As at 31st March 2023, the only long-term incentive plans currently granted to employees are the 2016 LTIP and the 2019 LTIP detailed in note 23.

22.4. Retained earnings and others

During the year ended 31st March 2022, the incremental costs directly attributable to the share capital issue on 12th January 2022 were booked in Retained earnings and others for an amount of €5.8 million, corresponding to €7.7 million of gross transaction costs and €1.9 million of income tax impact.

22.5. Treasury shares

	Number of shares	Thousand of euros
Treasury shares at 31st March 2021	**8,755,738**	**4,088**
Reduction due to vesting of LTIP (see note 23.1)	(2,692,899)	(270)
Treasury shares at 31st March 2022	**6,062,839**	**3,818**
Reduction due to vesting of LTIP (see notes 2.1 and 23.1)	(1,185,274)	(119)
Treasury shares at 31st March 2023	**4,877,565**	**3,699**

On 7th July 2020, the Board of Directors resolved to issue 8,318,487 new shares, corresponding to the maximum amount of shares available pursuant to the authorised capital included in the current Articles of Association of the Company to serve the Group's LTIPs. The subscriber of the Bonus Shares is eDreams International Network, S.L. The new shares will be held by the Group as treasury stock and therefore both the economic and political rights of the new shares will be suspended.

In the year ended 31st March 2022, the Board of Directors resolved to deliver 2,692,899 treasury shares to the beneficiaries of the 2016 Long-term incentive plan (see note 23.1). The Group used the shares issued on 7th July 2020, owned by the subsidiary eDreams International Network, S.L.

As at 31st March 2022, the Group had 6,062,839 treasury shares, carried in equity at €3.8 million, at an average historic price of €0.63 per share. eDreams International Network, S.L. owned 4,981,373 shares valued at €0.10 each and the remaining 1,081,466 shares were in eDreams ODIGEO, S.A. valued at €3.07 each.

In the year ended 31st March 2023, the Board of Directors resolved to deliver 262,684 treasury shares to the beneficiaries of the 2016 Long-term incentive plan (see note 23.1) and 922,590 treasury shares to the beneficiaries of the 2019 Long-term incentive plan (see note 23.2). The Group used the shares issued on 7th July 2020, owned by the subsidiary eDreams International Network, S.L.

As at 31st March 2023, the Group had 4,877,565 treasury shares, carried in equity at €3.7 million, at an average historic price of €0.76 per share. eDreams International Network, S.L. owns 3,796,099 shares valued at €0.10 each and the remaining 1,081,466 shares are in eDreams ODIGEO, S.A. valued at €3.07 each.

The treasury shares have been fully paid.

22.6. Foreign currency translation reserve

The foreign currency translation reserve corresponds to the net amount of the exchange differences arising from the translation of the financial statements of eDreams, L.L.C., ODIGEO Hungary, Kft., GEO Travel Pacific, Pty. Ltd., Travellink, A.B. and eDreams Gibraltar Ltd. since they are denominated in currencies other than the Euro.

23. Share-based compensation

23.1. 2016 Long-term incentive plan

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

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

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

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

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

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

Following the transfer of the registered seat in March 2021, from Luxembourg (where a Company is permitted to issue shares at zero cost to employees as part of a long-term incentive plan) to Spain (where it is not permitted), delivery of shares under the LTIPs do not and will not generate any additional shareholder dilution. Future deliveries of shares under the plans are serviced from the stock of Treasury shares held by the Company.

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

As at 31st March 2023, 9,351,256 Potential Rights have been granted since the beginning of the plan under the 2016 LTIP (7,859,876 Potential Rights at 31st March 2022), of which 2,425,180 Potential Rights (the Fifth, Sixth and Seventh Tranches) are outstanding.

The First, Second, Third and Fourth Tranche, for which 6,926,076 rights 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);
- 882,096 shares in February 2022 (The Third Tranche, Third Delivery);
- 145,475 shares in August 2022 (The Fourth Tranche, First Delivery);
- 145,475 shares in November 2022 (The Fourth Tranche, Second Delivery); and
- 134,167 shares in February 2023 (The Fourth 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.

For the Fourth Tranche, First Delivery 145,475 gross shares were delivered to the beneficiaries, corresponding to 89,162 net shares and 56,313 shares withheld for tax purposes. The Group pays the corresponding tax on behalf of the beneficiaries but it will not sell any shares for this purpose.

For the Fourth Tranche, Second Delivery 145,475 gross shares were delivered to the beneficiaries, corresponding to 89,552 net shares and 55,923 shares withheld for tax purposes. The Group pays the corresponding tax on behalf of the beneficiaries but it will not sell any shares for this purpose.

For the Fourth Tranche, Third Delivery 134,167 gross shares were delivered to the beneficiaries, corresponding to 83,970 net shares and 50,197 shares withheld for tax purposes. The Group pays the corresponding tax on behalf of the beneficiaries but it will not sell any shares for this purpose.

The impact of the withholding tax on the deliveries, offset by the result from the sale of shares when applicable, has been accounted for against equity net of the tax effect amounting to a loss of €0.6 million and an income of €0.2 million for the years ended 31st March 2023 and 31st March 2022, respectively. The shares withheld were sold for tax purposes only up to the year ended 31st March 2022.

The 2016 LTIP continues to be classified in its entirety as an equity-settled share-based payment.

The movement of the Potential Rights during the years ended 31st March 2023 and 31st March 2022 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 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**
Potential Rights forfeited - leavers	(10,000)	(10,000)	**(20,000)**	—	—	**—**
Additional Potential Rights granted	755,690	755,690	**1,511,380**	—	—	**—**
Shares delivered	—	—	**—**	207,108	218,009	**425,117**
2016 LTIP Potential Rights - 31st March 2023	**4,675,628**	**4,675,628**	**9,351,256**	**2,535,676**	**3,464,401**	**6,000,077**

In the year ended 31st March 2023, the Group has granted 755,690 new potential PSR rights and 755,690 new potential RSU rights. The average market value of the share used to value these rights has been €5.2 per share, corresponding mainly to the market value of the shares as at 29th July 2022 when most of these rights were granted. The probability of compliance with conditions as at 31st March 2023 has been estimated at 67% for PSR and 74% for RSU.

The cost of the 2016 LTIP has been recorded in the Income Statement (Personnel expenses, see note 10.1) and against Equity (included in Equity-settled share based payments, see note 22.3), amounting to €3.9 million and €4.8 million for the years ended 31st March 2023 and 31st March 2022, respectively.

23.2. 2019 Long-term incentive plan

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

The 2019 LTIP 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.

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 Award, 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 2023, 7,701,254 Potential Rights have been granted since the beginning of the plan under the 2019 LTIP (5,878,860 Potential Rights as at 31st March 2022), of which 6,246,527 Potential Rights (the Second, Third and Fourth Award) are outstanding.

The First Award, for which 1,454,727 rights have been granted since the beginning of the 2019 LTIP, has been closed and the following deliveries have been made:

- 296,014 shares in August 2022 (The First Award, First Delivery);
- 634,531 shares in November 2022 (The First Award, Second Delivery); and
- 460,174 shares in February 2023 (The First Award, Third Delivery).

The Group delivers to the beneficiaries the Incentive Shares net of withholding tax.

For the First Award, First Delivery 296,014 gross shares were delivered to the beneficiaries, corresponding to 177,658 net shares and 118,356 shares withheld for tax purposes. The Group pays the corresponding tax on behalf of the beneficiaries but does not sell any shares for this purpose.

For the First Award, Second Delivery 634,531 gross shares were delivered to the beneficiaries, corresponding to 437,662 net shares and 196,869 shares withheld for tax purposes. The Group pays the corresponding tax on behalf of the beneficiaries but does not sell any shares for this purpose.

For the First Award, Third Delivery 460,174 gross shares were delivered to the beneficiaries, corresponding to 307,270 net shares and 152,904 shares withheld for tax purposes. The Group pays the corresponding tax on behalf of the beneficiaries but does not sell any shares for this purpose.

The impact of the withholding tax on the deliveries has been accounted for against equity net of the tax effect amounting to a loss of €1.8 million for the year ended 31st March 2023.

The 2019 LTIP continues to be classified in its entirety as an equity-settled share-based payment.

The movement of the Potential Rights during the years ended 31st March 2023 and 31st March 2022 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 2021	**2,134,306**	**2,134,306**	**4,268,612**	**—**	**—**	**—**
Potential Rights forfeited - leavers	(112,550)	(112,550)	**(225,100)**	—	—	**—**
Additional Potential Rights granted	917,674	917,674	**1,835,348**	—	—	**—**
Shares delivered	—	—	**—**	—	—	**—**
2019 LTIP Potential Rights - 31st March 2022	**2,939,430**	**2,939,430**	**5,878,860**	**—**	**—**	**—**
Potential Rights forfeited - leavers	(72,640)	(72,640)	**(145,280)**	—	—	**—**
Additional Potential Rights granted	983,837	983,837	**1,967,674**	—	—	**—**
Shares delivered	—	—	**—**	663,356	727,363	**1,390,719**
2019 LTIP Potential Rights - 31st March 2023	**3,850,627**	**3,850,627**	**7,701,254**	**663,356**	**727,363**	**1,390,719**

In the year ended 31st March 2023, the Group has granted 983,837 new potential PSR rights and 983,837 new potential RSU rights. The average market value of the share used to value these rights has been €5.2 per share, corresponding mainly to the market value of the shares as at 29th July 2022 when most of these rights were granted. The probability of compliance with conditions has been estimated at 76% for PSR and 80% for RSU.

The cost of the 2019 LTIP has been recorded in the Income Statement (Personnel expenses, see note 10.1) and against Equity (included in Equity-settled share based payments, see note 22.3), amounting to €7.3 million and €5.7 million for the years ended 31st March 2023 and 31st March 2022, respectively.

24. Financial liabilities

The Group debt and other financial liabilities at 31st March 2023 and 31st March 2022 are as follows:

	31st March 2023			31st March 2022		
	Current	Non-Current	Total	Current	Non-Current	Total
2027 Notes - Principal	—	375,000	**375,000**	—	375,000	**375,000**
2027 Notes - Financing fees capitalised	—	(5,889)	**(5,889)**	—	(6,942)	**(6,942)**
2027 Notes - Accrued interest	4,297	—	**4,297**	3,323	—	**3,323**
Total Senior Notes	**4,297**	**369,111**	**373,408**	**3,323**	**368,058**	**371,381**
Government sponsored loan - Principal	3,750	—	**3,750**	7,500	3,750	**11,250**
Government sponsored loan - Financing fees capitalised	(17)	—	**(17)**	—	(145)	**(145)**
Government sponsored loan - Accrued interest	49	—	**49**	77	—	**77**
Total Government sponsored loan	**3,782**	**—**	**3,782**	**7,577**	**3,605**	**11,182**
SSRCF - Principal	—	—	**—**	30,000	—	**30,000**
SSRCF - Financing fees capitalised	(3,594)	—	**(3,594)**	(4,412)	—	**(4,412)**
SSRCF - Accrued interest	—	—	**—**	29	—	**29**
SSRCF - Bank facilities and bank overdrafts	3,883	—	**3,883**	9,928	—	**9,928**
Total SSRCF - Bank facilities and bank overdrafts	**289**	**—**	**289**	**35,545**	**—**	**35,545**
Lease liabilities	2,527	5,698	**8,225**	1,611	4,544	**6,155**
Other financial liabilities	2,559	—	**2,559**	773	—	**773**
Total other financial liabilities	**5,086**	**5,698**	**10,784**	**2,384**	**4,544**	**6,928**
Total financial liabilities	**13,454**	**374,809**	**388,263**	**48,829**	**376,207**	**425,036**

Senior Notes – 2027 Notes

On 2nd February 2022, eDreams ODIGEO, S.A. issued €375.0 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 2023, €20.6 million have been accrued and €19.7 million have been paid for this concept (€3.3 million accrued and €0.0 million paid for the year ended 31st March 2022).

The transaction costs of the issuance of the 2027 Notes had been capitalised for a total amount of €7.2 million of which €1.2 million have been amortised during the year ended 31st March 2023 (€0.2 million amortised for the year ended 31st March 2022). They will be amortised during the life of the debt.

The 2027 Notes have been admitted to the Official List of the Luxembourg Stock Exchange for trading on the Euro MTF Market of the Luxembourg Stock Exchange.

The obligations under the 2027 Notes and the SSRCF are guaranteed by certain of the Company's subsidiaries and secured by certain assets of the Company (see note 28).

The 2023 Notes were redeemed in full on 2nd February 2022 (see note 24.3).

Government sponsored loan due 2023

On 30th June 2020, the Group's subsidiary Vacaciones eDreams, S.L. signed a syndicated loan for €15.0 million.

The Group received the €15.0 million funds on 7th July 2020. Transaction costs directly attributable to the issue of this loan were capitalised and are being amortised over the life of the loan.

The loan has a three-year term, with 25% biyearly repayments starting at 18 months. The first, second and third repayments for equal amounts of €3.8 million, have been made on 3rd January 2022, 1st July 2022 and 2nd January 2023.

The interest rate of the loan is the EURIBOR benchmark rate plus a margin of 2.75% and the interest is paid quarterly.

In the year ended 31st March 2023, €0.3 million have been accrued and €0.3 million have been paid for this concept (€0.4 million accrued and €0.4 million paid in the year ended 31st March 2022).

Super Senior Revolving Credit Facility

On 4th October 2016, the Group refinanced its Super Senior Revolving Credit Facility ("the SSRCF"), increasing the size to €147.0 million from the previous €130.0 million, and gaining significant flexibility as well versus the previous terms.

In May 2017, the Group obtained the modification of the SSRCF from 4th October 2016 increasing the commitment by €10.0 million to a total of €157.0 million.

In September 2018, the Group obtained another modification of the SSRCF increasing the commitment to €175.0 million, and extending its maturity until September 2023.

The SSRCF was amended on 2nd February 2022, increasing the commitment to €180.0 million and extending its maturity until 15th January 2027.

The Group considers that this amendment was 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 was less than 10% different from the discounted present value of the remaining cash flows of the original SSRCF.

The interest rate of the modified SSRCF is the benchmark rate (EURIBOR) plus a margin of 3.25% (previously, 3.00%). Though at any time after 2nd May 2022, and subject to certain conditions, the margin may decrease to be between 3.25% and 2.25%.

In addition to the increased commitment and extended maturity until 15th January 2027, the amended SSRCF also provides improved conditions regarding the Financial Covenant.

The amended SSRCF contains financial covenants that require the Group to ensure that the ratio of Gross Financial Indebtedness as at the end of each testing period to Cash EBITDA (previously, Adjusted EBITDA) as adjusted by the financial covenant definition (the "Adjusted Gross Leverage Financial Covenant") does not exceed 6.00.

The first testing period in respect of which the Adjusted Gross Leverage Financial Covenant could have been tested was the testing period ended 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. As at 31st March 2023 the Adjusted Gross Leverage Financial Covenant did not need to be tested as the SSRCF drawn amount (Principal and Bank facilities) was under the 40% limit.

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 €375.0 million 2027 Notes could accelerate those bonds. Likewise, there could also be an acceleration of the amounts drawn down under the €3.8 million Government sponsored loan.

The Group has converted €72.0 million from its SSRCF into ancillaries to SSRCF with certain Banks and €16.5 million into a facility specific for guarantees (€62.0 million and €11.9 million as at 31st March 2022, respectively). As at 31st March 2023, the Group had drawn €3.9 million under the ancillaries to SSRCF (€9.9 million as at 31st March 2022), included in the line SSRCF Bank facilities and bank overdrafts.

See below the detail of cash available under the SSRCF:

	31st March 2023	31st March 2022
SSRCF total amount	180,000	180,000
Guarantees drawn under SSRCF	(14,607)	(11,061)
Drawn under SSRCF	—	(30,000)
Ancillaries to SSRCF drawn	(3,883)	(9,928)
Remaining undrawn amount under SSRCF	**161,510**	**129,011**
Undrawn amount specific for guarantees	(1,900)	(789)
Remaining cash available under SSRCF	**159,610**	**128,222**

Lease liabilities

Lease liabilities includes the financial liability for the office leases under IFRS 16 Leases for an amount of €6.8 million as at 31st March 2023 (€6.1 million as at 31st March 2022) and hardware leases for an amount of €1.5 million as at 31st March 2023 (€0.1 million as at 31st March 2022).

The leased assets gross value and accumulated amortisation are detailed in note 17.

The maturity of contractual undiscounted cash flows for leasings is the following:

	31st March 2023	31st March 2022
Less than one year	2,761	1,790
One to two years	2,710	1,730
Two to three years	1,763	1,629
Three to four years	769	951
More than four years	738	464
Total undiscounted lease liabilities	**8,741**	**6,564**
Discounting impact (unaccrued interests)	(516)	(409)
Total Lease liabilities	**8,225**	**6,155**

The lease agreements for the Group's offices include extension and termination options, which provide flexibility to the Group. The Group has termination options with notice periods between 3 to 6 months.

The Group has included in the measurement of the lease liability the future cash flows for the periods it estimates that it will keep the contracts. However, for some of the lease contracts, the Group has extension options for additional periods, which can be freely exercised by the Group only, at any time. These extension options have not been considered in the value of the lease liability since the Group does not have reasonable certainty to exercise these options. Future cash flows of these options have been estimated at €0.4 million (undiscounted).

The increase in total lease liabilities as at 31st March 2023 is mainly due to the lease of the new offices in Milan for an amount of €1.6 million, to the lease of new hardware amounting to €1.6 million, to the modifications considered for certain office lease contracts amounting to €0.9 million and the accrual of interest of €0.2 million, offset by payments made during the year of €2.3 million.

The amounts paid during the year related to leasings are as follows:

	Year ended 31st March 2023	Year ended 31st March 2022
Principal	2,034	1,917
Interests	240	201
Total cash outflow for leases	**2,274**	**2,118**

The Group has not recorded expenses for variable payments that are not included in the initial measurement of the lease liability. Likewise, it has not recorded expenses for short-term or low-value leases given that the Group does not have contracts that meet these characteristics.

Other financial liabilities

Other financial liabilities mainly include the liability for customer tax refunds amounting to €2.6 million and €0.8 million as at 31st March 2023 and 31st March 2022, respectively. The increase during the year ended 31st March 2023 is due to the increase in volumes (see note 3).

The Group has no financing agreements with its suppliers.

24.1. Debt by maturity date

The maturity date of the financial liabilities based on undiscounted payments as at 31st March 2023 is as follows:

	<1 year	1 to 2 years	2 to 3 years	3 to 4 years	>4 years	Total
2027 Notes - Principal	—	—	—	375,000	—	**375,000**
2027 Notes - Accrued interest	4,297	—	—	—	—	**4,297**
Total Senior Notes	**4,297**	**—**	**—**	**375,000**	**—**	**379,297**
Government sponsored loan - Principal	3,750	—	—	—	—	**3,750**
Government sponsored loan - Accrued interest	49	—	—	—	—	**49**
Total Government sponsored loan	**3,799**	**—**	**—**	**—**	**—**	**3,799**
SSRCF - Principal	—	—	—	—	—	**—**
SSRCF - Accrued interest	—	—	—	—	—	**—**
SSRCF - Bank facilities and bank overdrafts	3,883	—	—	—	—	**3,883**
Total SSRCF - Bank facilities and bank overdrafts	**3,883**	**—**	**—**	**—**	**—**	**3,883**
Lease liabilities	2,761	2,710	1,763	769	738	**8,741**
Other financial liabilities	2,559	—	—	—	—	**2,559**
Total other financial liabilities	**5,320**	**2,710**	**1,763**	**769**	**738**	**11,300**
Trade payables	277,417	—	—	—	—	**277,417**
Employee-related payables	10,389	—	—	—	—	**10,389**
Total trade and other payables (see note 26)	**287,806**	**—**	**—**	**—**	**—**	**287,806**
Total	**305,105**	**2,710**	**1,763**	**375,769**	**738**	**686,085**

The maturity date of the financial liabilities based on undiscounted payments as at 31st March 2022 was as follows:

	<1 year	1 to 2 years	2 to 3 years	3 to 4 years	>4 years	Total
2027 Notes - Principal	—	—	—	—	375,000	**375,000**
2027 Notes - Accrued interest	3,323	—	—	—	—	**3,323**
Total Senior Notes	**3,323**	**—**	**—**	**—**	**375,000**	**378,323**
Government sponsored loan - Principal	7,500	3,750	—	—	—	**11,250**
Government sponsored loan - Accrued interest	77	—	—	—	—	**77**
Total Government sponsored loan	**7,577**	**3,750**	**—**	**—**	**—**	**11,327**
SSRCF - Principal	30,000	—	—	—	—	**30,000**
SSRCF - Accrued interest	29	—	—	—	—	**29**
SSRCF - Bank facilities and bank overdrafts	9,928	—	—	—	—	**9,928**
Total SSRCF - Bank facilities and bank overdrafts	**39,957**	**—**	**—**	**—**	**—**	**39,957**
Lease liabilities	1,790	1,730	1,629	951	464	**6,564**
Other financial liabilities	773	—	—	—	—	**773**
Total other financial liabilities	**2,563**	**1,730**	**1,629**	**951**	**464**	**7,337**
Trade payables	267,768	—	—	—	—	**267,768**
Employee-related payables	7,520	—	—	—	—	**7,520**
Total trade and other payables (see note 26)	**275,288**	**—**	**—**	**—**	**—**	**275,288**
Total	**328,708**	**5,480**	**1,629**	**951**	**375,464**	**712,232**

24.2. Fair value measurement of debt

		Fair value		
31st March 2023	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	35,933	35,933		
2027 Notes	373,408		339,012	
Government sponsored loan	3,782		3,712	
SSRCF - Bank facilities and bank overdrafts	3,883	3,883		

		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	45,929	45,929		
2027 Notes	371,381		332,455	
Government sponsored loan	11,182		10,612	
SSRCF	25,617		24,916	
SSRCF - Bank facilities and bank overdrafts	9,928	9,928		

The book value of current loans and receivables, trade and other receivables and trade and other payables is approximately their fair value.

Valuation techniques and assumptions applied for the purposes of measuring fair value

The fair values of financial assets and liabilities are determined as follows:

- The fair values of financial assets and liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices (includes listed redeemable notes, bills of exchange, debentures and perpetual notes).
- The fair values of other financial assets and liabilities (excluding those described above) are determined in accordance with generally accepted pricing models based on discounted cash-flow analysis.

The market value of financial assets and liabilities measured at fair value in the consolidated statement of financial position shown in the table above has been ranked based on the three hierarchy levels defined by IFRS 13:

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

24.3. Changes in liabilities arising from financing activities

The reconciliation showing the changes in liabilities arising from financing activities from 31st March 2022 until 31st March 2023 is as follows:

	31st March 2022	Cash flows	P&L accrual	Others	31st March 2023
2027 Notes - Principal	375,000	—	—	—	375,000
2027 Notes - Financing fees capitalised	(6,942)	(925)	1,178	800	(5,889)
2027 Notes - Accrued interest	3,323	(19,651)	20,625	—	4,297
Total Senior Notes	**371,381**	**(20,576)**	**21,803**	**800**	**373,408**
Government sponsored loan - Principal	11,250	(7,500)	—	—	3,750
Government sponsored loan - Financing fees capitalised	(145)	—	128	—	(17)
Government sponsored loan - Accrued interest	77	(282)	254	—	49
Total Government sponsored loan	**11,182**	**(7,782)**	**382**	**—**	**3,782**
SSRCF - Principal	30,000	(30,000)	—	—	—
SSRCF - Financing fees capitalised	(4,412)	(308)	864	262	(3,594)
SSRCF - Accrued interest	29	(366)	337	—	—
SSRCF - Bank facilities and bank overdrafts	9,928	(599)	599	(6,045)	3,883
Total SSRCF - Bank facilities and bank overdrafts	**35,545**	**(31,273)**	**1,800**	**(5,783)**	**289**
Lease liabilities	6,155	(2,274)	241	4,103	8,225
Other financial liabilities	773	—	—	1,786	2,559
Total other financial liabilities	**6,928**	**(2,274)**	**241**	**5,889**	**10,784**
Total financial liabilities	**425,036**	**(61,905)**	**24,226**	**906**	**388,263**
Other payables related to financial liabilities	5,537	(2,209)	2,538	(12)	5,854
Issue of shares	—	(3,714)	—	3,714	—
Total others	**5,537**	**(5,923)**	**2,538**	**3,702**	**5,854**
Total financing activities	**430,573**	**(67,828)**	**26,764**	**4,608**	**394,117**

The Cash Flows Statement caption "Borrowings drawdown" contains the proceeds from additional drawdowns of SSRCF during the year of €82.0 million.

The Cash Flows Statement caption "Reimbursement of borrowings" contains the SSRCF principal repayment of €112.0 million, the Government sponsored loan repayment of €7.5 million and the lease liabilities principal repayment of €2.0 million.

In the previous table, the cash flows shown for the lease liabilities include principal repayments of €2.0 million and interest payments of €0.2 million (see note 24 Lease liabilities).

The Cash Flows Statement caption "Interest paid" contains €19.7 million of interest paid on the 2027 Notes, €0.4 million of interest paid on the SSRCF, €0.3 million of interest paid on the Government sponsored loan, €0.6 million of interest paid on the bank facilities and bank overdrafts and €0.2 million of interest paid on leases; for a total of €21.1 million.

The Cash Flows Statement caption "Other financial expenses paid" mainly contains the financing fees capitalised paid on the 2027 Notes and the modification of the SSRCF of €0.9 million and €0.3 million, respectively.

The amounts shown in the column "Others" in the reconciliation table correspond mainly to:

- The invoices pending to be paid at 31st March 2022 and paid during the year ended 31st March 2023, related to the 2027 Notes and the modification of the SSRCF of €0.8 million and €0.3 million respectively, that impact the total of "2027 Notes - Financing fees capitalised" and "SSRCF - Financing fees capitalised", with an offset in "Other payables related to financial liabilities";
- The transaction costs of the share capital increase carried out on 31st March 2022 of €3.7 million, that is included in the Cash Flow Statement but it is booked in Equity;
- The variation of bank facilities and bank overdrafts of €6.0 million;
- The modifications and additions to the lease agreements of €4.1 million (see note 17); and
- The tax refund movement of €1.8 million.

The reconciliation showing the changes in liabilities arising from financing activities from 31st March 2021 until 31st March 2022 is as follows:

	31st March 2021	Cash flows	P&L accrual	Others	31st March 2022
2027 Notes - Principal	—	375,000	—	—	375,000
2027 Notes - Financing fees capitalised	—	(6,293)	181	(830)	(6,942)
2027 Notes - Accrued interest	—	—	3,323	—	3,323
2023 Notes - Principal	425,000	(425,000)	—	—	—
2023 Notes - Financing fees capitalised	(3,612)	—	3,612	—	—
2023 Notes - Accrued interest	1,948	(21,557)	19,609	—	—
Total Senior Notes	**423,336**	**(77,850)**	**26,725**	**(830)**	**371,381**
Government sponsored loan - Principal	15,000	(3,750)	—	—	11,250
Government sponsored loan - Financing fees capitalised	(375)	—	230	—	(145)
Government sponsored loan - Accrued interest	96	(413)	394	—	77
Total Government sponsored loan	**14,721**	**(4,163)**	**624**	**—**	**11,182**
SSRCF - Principal	55,000	(25,000)	—	—	30,000
SSRCF - Financing fees capitalised	(1,613)	(3,290)	755	(264)	(4,412)
SSRCF - Accrued interest	45	(1,612)	1,596	—	29
SSRCF - Bank facilities and bank overdrafts	16,647	(356)	356	(6,719)	9,928
Total SSRCF - Bank facilities and bank overdrafts	**70,079**	**(30,258)**	**2,707**	**(6,983)**	**35,545**
Lease liabilities	5,098	(2,118)	203	2,972	6,155
Other financial liabilities	11	—	—	762	773
Total other financial liabilities	**5,109**	**(2,118)**	**203**	**3,734**	**6,928**
Total financial liabilities	**513,245**	**(114,389)**	**30,259**	**(4,079)**	**425,036**
Other payables related to financial liabilities	526	(7,585)	7,865	4,731	5,537
Issue of shares	—	70,903	—	(70,903)	—
Total others	**526**	**63,318**	**7,865**	**(66,172)**	**5,537**
Total financing activities	**513,771**	**(51,071)**	**38,124**	**(70,251)**	**430,573**

On 19th January 2022 the Group priced an offering of €375.0 million 2027 Notes due July 2027 at a coupon of 5.5%. The settlement date for the offering was 2nd February 2022.

The net proceeds of the offering, along with part of the proceeds of the Company's capital increase carried out in the year ended 31st March 2022 (see notes 2.1 and 22.4 of the consolidated financial statements for the year ended 31st March 2022), were used to redeem in full the Company's outstanding €425.0 million 2023 Notes.

The Cash Flows Statement caption "Borrowings drawdown" contains the proceeds from the 2027 Notes of €375.0 million and the proceeds from additional drawdowns of SSRCF during the year of €51.0 million.

The Cash Flows Statement caption "Reimbursement of borrowings" contains the 2023 Notes repayment of €425.0 million, the SSRCF principal repayment of €76.0 million, the Government sponsored loan repayment of €3.8 million and the lease liabilities principal repayment of €1.9 million.

In the previous table, the cash flows shown for the lease liabilities include principal repayments of €1.9 million and interest payments of €0.2 million (see note 24 Lease liabilities).

The Cash Flows Statement caption "Interest paid" contains €21.6 million of interest paid on the 2023 Notes, €1.6 million of interest paid on the SSRCF, €0.4 million of interest paid on the Government sponsored loan, €0.4 million of interest paid on the bank facilities and bank overdrafts and €0.2 million of interest paid on leases; for a total of €24.1 million.

The Cash Flows Statement caption "Other financial expenses paid" mainly contains the expenses associated with the early redemption of the 2023 Notes paid for an amount of €5.8 million, the financing fees capitalised paid on the 2027 Notes and the modification of the SSRCF of €6.3 million and €3.3 million, respectively.

The amount shown in "Other payables related to financial liabilities" includes €5.8 million of the expense accrued and paid for the early redemption of the 2023 Notes (see note 24 Senior Notes – 2027 Notes), as well as other financial expenses accrued and paid.

The amounts shown in the column "Others" in the reconciliation table correspond mainly to:

- The financing fees capitalised pending to be paid on the 2027 Notes and on the modification of the SSRCF of €0.8 million and €0.3 million respectively, that impact the total of "2027 Notes - Financing fees capitalised" and "SSRCF - Financing fees capitalised", with an offset in "Other payables related to financial liabilities";
- The share capital increase of €75.0 million excluding the transaction costs paid of €4.1 million, that is included in the Cash Flow Statement but it is booked in Equity;
- The capital issue costs pending to be paid of €3.6 million, that are considered in "Other payables related to financial liabilities";
- The variation of bank facilities and bank overdrafts of €6.7 million;
- The modifications and additions to the lease agreements of €3.0 million (see note 17); and
- The tax refund movement of €0.8 million.

25. Provisions

	31st March 2022	Utilisation	Reversal	Increase	Reclass	31st March 2023
Provision for tax risks	3,196	—	(967)	155	—	2,384
Provision for pensions and other post employment benefits	339	(79)	—	131	—	391
Provision for others	3,373	—	(3,519)	168	—	22
Total non-current provisions	**6,908**	**(79)**	**(4,486)**	**454**	**—**	**2,797**
Provision for litigation risks	2,732	(1,289)	(674)	1,608	—	2,377
Provision for pensions and other post employment benefits	5	—	—	28	—	33
Provision for operating risks and others	5,161	(4,147)	(1,310)	11,079	—	10,783
Total current provisions	**7,898**	**(5,436)**	**(1,984)**	**12,715**	**—**	**13,193**

As at 31st March 2023 the Group has a provision of €2.4 million for tax risks (€3.2 million as at 31st March 2022). In certain cases, the Group applied a tax treatment, which, if challenged by the tax authorities, may probably result in a cash outflow (see note 30). The decrease compared to 31st March 2022 is mainly due to the reversal of certain indirect tax provisions without payments made by the Group.

The Group has a provision related to the earn-out for the Business Combination of Waylo of €22 thousand booked under "Provision for others" as at 31st March 2023 (€3.4 million booked as "Provision for others" and 0.1 million included inside "Provision for operating risks and others" as at 31st March 2022).

On 4th October 2021, the Group signed an amendment to the original Purchase Agreement of Waylo dated 12th February 2020 to establish a new process for the calculation of the earn-out to be paid to the Seller.The amendment extends the earn-out period from the 3 years ending 31st December 2022, to 31st March 2024.

The value of the future cash payments under the earn-out agreement was estimated to be €3.5 million as at 31st March 2022. During the year, the discounting impact has been accounted for as other financial expense of €0.2 million.

The Waylo's platform usage has been put on hold and therefore the earn-out provision has been accordingly adjusted. The decrease in the provision of €3.7 million has been booked as adjusted operating expenses (see note 12).

The "Provision for litigation risks" as at 31st March 2023 is mainly related to customer litigations, as well as the litigations explained in notes 30.5 and 30.6.

"Provisions for operating risks and others" mainly includes the provision for chargebacks and the provision related to the services of Cancellation for any reason and Flexiticket.

Chargebacks are payments rejected by customers for amounts collected by the Group or fraud attacks in relation to the booking of travel services. The provision for chargebacks amounted to €6.1 million as at 31st March 2023 (€3.9 million as at 31st March 2022). The increase in this provision is mainly driven by significant increase in amounts collected from customers mainly due to the growth in trading volumes and the increase in projected risk, as a result of the analysis of actual historical expenses, which reflects the most recent behaivour of the cost for chargebacks. The provision covers the risk of future cash outflows for amounts that have been collected but that may result in a payment if the customer executes a chargeback. The provision is only for the part of the amount that the Group will not recover from the travel supplier.

The chargeback provision explained above includes a specific provision to cover the risk that customers will return the payment of a Booking, mostly for cases where the flight is cancelled. This specific provision was historically low (see note 4) and had increased during the years within the COVID-19 context, however it is still not below pre-Covid levels (31st March 2019). This provision represents as at 31st March 2023 and 31st March 2022 a 0.4% and 0.4%, respectively, of the amounts collected from customers for flights with departures since the beginning of the COVID-19 pandemic, minus the refunds for cancelled flights already executed.

The caption "Provisions for operating risks and others" also includes the provisions for Cancellation for any reason and Flexiticket. These products allow the customer to cancel or modify without cost their flight Bookings if they pay an additional fee at the time of booking. The provision covers the payment obligation of the Group towards the customers that have contracted this service and that execute their right to cancellation or modification. The provision for Cancellation for any reason and Flexiticket is €4.6 million as at 31st March 2023 (€0.7 million as at 31st March 2022). The variation is due to the increase in the sales of this product.

26. Trade and other payables

	31st March 2023	31st March 2022
Trade payables	277,417	267,768
Employee-related payables	10,389	7,520
Total Trade and other current payables	**287,806**	**275,288**

As at 31st March 2023, trade payables have increased compared to 31st March 2022 mainly due to the increase in trading volumes (see note 3).

As at 31st March 2023 and 31st March 2022 employee-related payables corresponds mainly to the accrual of the yearly annual bonus. This increase is mainly related to the growth in the number of employees (see note 10.2).

26.1. Information on average payment period to suppliers

Pursuant to the Spanish legislation in force[1], the disclosure on the average period of payment to trade suppliers as of 31st March 2023 and 31st March 2022 for the Spanish subsidiaries is set forth in the table below:

	Year ended 31st March 2023	Year ended 31st March 2022
Number of days		
Average period of payment to trade suppliers [2]	25	28
Ratio of transactions paid [3]	25	27
Ratio of outstanding payments [4]	41	45
Thousands of euros		
Total transactions paid	832,714	496,933
Total outstanding payments	32,180	29,218
Monetary volume of invoices paid in a period less than the maximum established in the delinquency regulations	795,348	N/A
Percentage that payments less than said maximum represent over the total payments made	96%	N/A
Number of invoices		
Total invoices paid in a period less than the maximum established in the regulation	7,679	N/A
Percentage of total invoices	91%	N/A

(1) As at 19th October 2022, Law 18/2022 came into force, of 28th September, on the creation and growth of companies, which modifies the third additional provision of Law 15/2010. The new standard establishes the obligation to publish in annual accounts, in addition to the information already required, the monetary volume and number of invoices paid in a period less than the maximum established in the delinquency regulations, and the percentage they represent of the total number of invoices and on the total monetary payments to your suppliers.

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

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

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

27. Deferred revenue

	31st March 2023	31st March 2022
Prime	114,629	63,214
Cancellation and modification for any reason	6,435	1,590
Other deferred revenue	243	299
Total deferred revenue - current	**121,307**	**65,103**

All deferred revenue of the Group relates to contracts with customers.

The deferred revenue on Prime corresponds to the Prime fee collected and pending to be accrued. The increase during the period is mainly due to the increase in Prime members from 2.7 million as at 31st March 2022 to 4.3 million as at 31st March 2023, due to the strategy of the Group to focus on Prime, the expansion of Prime in new countries as well as the overall increase in demand for leisure travel.

The deferred revenue on the service of Cancellation and modification for any reason corresponds to the amounts collected for these products and pending to be accrued. The increase in deferred revenue for Cancellation and modification for any reason is due to the increase in the sales of this product.

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities from previous year-end:

	Year ended 31st March 2023	Year ended 31st March 2022
Prime	63,214	22,017
Cancellation and modification for any reason	1,590	136
Other deferred revenue	299	39
Total	**65,103**	**22,192**

28. Off-balance sheet commitments

	31st March 2023	31st March 2022
Guarantees to package travel	7,800	8,461
Other guarantees	7,014	2,827
Total off-balance sheet commitments	**14,814**	**11,288**

Guarantees to package travel are guarantees required in certain regions to sell packages of travel services.

Other guarantees mainly include two guarantees related with appeals presented in front of the Italian tax authorities for a total of €6.8 million. The last appeal was lodged in August 2022 to the Italian Supreme Court, with a €4.2 million guarantee, which mainly explains the variation during the year ended 31st March 2023 (see note 30.4).

As at 31st March 2023, from the total amount of guarantees included in the detail above, €14.6 million have been issued under the SSRCF (€11.1 million as at 31st March 2022), see note 24.

All the shares held by eDreams ODIGEO, S.A. in Opodo Ltd. as well as the receivables under certain intra-group funding loans made by eDreams ODIGEO, S.A., have been pledged in favour of the holders of the 2027 Notes and the secured parties under the Group's SSRCF dated 2nd February 2022 (see note 24).

29. Transactions and balances with related parties

There have been no transactions with related parties during the years ended 31st March 2023 and 31st March 2022 and no balances with related parties as at 31st March 2023 and 31st March 2022, other than those detailed below.

29.1. Key management

The compensation accrued by the key management of the Group (CSM: "CEO Staff Members", plus the Director of Internal Audit and General Counsel) during the years ended 31st March 2023 and 31st March 2022 amounted to €5.3 million and €4.8 million, respectively.

The key management has also been granted since the beginning of the long-term incentive plans with 4,996,932 Potential Rights of the 2016 LTIP and 3,984,574 Potential Rights of the 2019 LTIP plan as at 31st March 2023 (4,361,932 Potential Rights of the 2016 LTIP and 3,126,147 Potential Rights of the 2019 LTIP plan as at 31st March 2022) to acquire a certain number of shares of the parent company eDreams ODIGEO, S.A. at no cost.

The valuation of the rights of the 2016 LTIP amounts to €14.5 million of which €11.6 million have been accrued in equity as at 31st March 2023 since the beginning of the plan (€12.2 million of which €10.3 million accrued as at 31st March 2022), see note 23.1.

The valuation of the rights of the 2019 LTIP amounts to €13.2 million of which €8.4 million have been accrued in equity as at 31st March 2023 since the beginning of the plan (€9.8 million of which €4.8 million have been accrued in equity as at 31st March 2022), see note 23.2.

As at 31st March 2023, there are outstanding pending to vest 1,050,000 Potential Rights under the 2016 LTIP and 3,088,427 Potential Rights under the 2019 LTIP.

Regarding the 2016 LTIP, the First, Second, Third and Fourth Tranche, for which 3,946,932 rights have been granted since the beginning of the 2016 LTIP, have been closed and the following deliveries have been made to key management:

- 266,550 shares in August 2018 (The First Tranche, First Sub-tranche, First Delivery);
- 266,550 shares in November 2018 (The First Tranche, First Sub-tranche, Second Delivery);
- 266,550 shares in February 2019 (The First Tranche, First Sub-tranche, Third Delivery);
- 260,960 shares in August 2019 (The First Tranche, Second Sub-tranche, First Delivery);
- 248,224 shares in November 2019 (The First Tranche, Second Sub-tranche, Second Delivery);
- 248,224 shares in February 2020 (The First Tranche, Second Sub-tranche, Third Delivery);
- 143,014 shares in August 2020 (The Second Tranche, First Delivery);
- 143,014 shares in November 2020 (The Second Tranche, Second Delivery);
- 143,014 shares in February 2021 (The Second Tranche, Third Delivery);
- 433,542 shares in September 2021 (The Third Tranche, First Delivery);
- 453,848 shares in November 2021 (The Third Tranche, Second Delivery);
- 413,236 shares in February 2022 (The Third Tranche, Third Delivery);
- 16,452 shares in August 2022 (The Fourth Tranche, First Delivery);
- 16,452 shares in November 2022 (The Fourth Tranche, Second Delivery); and
- 16,452 shares in February 2023 (The Fourth Tranche, Third Delivery).

Regarding the 2019 LTIP, the First Award, for which 896,147 rights have been granted since the beginning of the 2019 LTIP, have been closed and the following deliveries have been made to key management:

- 115,040 shares in August 2022 (The First Award, First Delivery);
- 456,106 shares in November 2022 (The First Award, Second Delivery); and
- 285,573 shares in February 2023 (The First Award, Third Delivery).

The Group has contracted a civil liability insurance scheme (D&O) for Directors and Managers with a yearly cost of €76 thousand.

29.2. Board of Directors

During the year ended 31st March 2023 the independent members of the Board received a total remuneration for their mandate of €315 thousand (€315 thousand during the year ended 31st March 2022). See more details in the Annual Report on Corporate Governance for the year ended 31st March 2023 in section C1.

Some members of the Board are also members of the key management of the Group and, consequently, their remuneration has been accrued based on their executive services, not for their mandate as members of the Board and, therefore part of this information is included in the key management retribution section above.

Remuneration for management services during the years ended 31st March 2023 and 31st March 2022 amounted to €2.0 million and €1.7 million, respectively.

Executive Directors have also been granted since the beginning of the long-term incentive plans with 2,336,191 Potential Rights of the 2016 LTIP and 2,774,164 Potential Rights of the 2019 LTIP plan as at 31st March 2023 (2,336,191 Potential Rights of the 2016 LTIP and 2,008,147 Potential Rights of the 2019 LTIP plan as at 31st March 2022) to acquire a certain number of shares of the parent company eDreams ODIGEO, S.A. at no cost.

The valuation of these rights of the 2016 LTIP amounts to €5.8 million of which €5.8 million have been accrued in equity as at 31st March 2023 since the beginning of the plan (€5.8 million of which €5.8 million have been accrued in equity as at 31st March 2022), see note 23.1.

The valuation of the rights of the 2019 LTIP amounts to €9.2 million of which €5.4 million have been accrued in equity as at 31st March 2023 since the beginning of the plan (€6.4 million of which €3.1 million have been accrued in equity as at 31st March 2022), see note 23.2.

As at 31st March 2023, there are outstanding 2,216,017 Potential Rights under the 2019 LTIP pending to vest (none under the 2016 LTIP).

Regarding the 2016 LTIP, the First, Second and Third Tranche, for which 2,336,191 rights 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, the First Award, for which 558,147 rights have been granted since the beginning of the 2019 LTIP, have been closed and the following deliveries have been made to Executive Directors:

- 0 shares in August 2022 (The First Award, First Delivery);
- 355,726 shares in November 2022 (The First Award, Second Delivery); and
- 177,863 shares in February 2023 (The First Award, Third Delivery).

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

Neither the Company's directors nor any persons related to them were party to any conflicts of interest requiring disclosure in these notes pursuant to the provisions of article 229 of the consolidated text of the Spanish Corporate Enterprises Act.

30. Contingencies and provisions

30.1. License fees

The Group considers that there is a possible risk of reassessment by tax authorities in respect of license fees charged between entities of the Group for the use of self-developed software. Tax authorities may take the view that there was an undercharge of such license fees to Group companies. This contingency is estimated at €0.1 million as at 31st March 2023. The Group believes that it has made the appropriate charges of license fees to Group companies. The Group considers that this risk is only possible, not probable, according to the definitions in IAS 37 (it is more probable that an outflow of resources will not materialise) and for this reason it has not recognised a liability in the consolidated statement of financial position as at 31st March 2023 (no change compared with 31st March 2022).

30.2. Payroll tax

The Group considers that there is a possible risk of assessment by tax authorities in respect of salary tax (“taxe sur les salaires”) due by the French entity. The Company takes the view that only the salary cost of part of the French entity’s employees are subject to this salary tax, whereas the French tax authorities may take the view that the salary cost of all employees should be included in the taxable basis. This contingency is estimated at €0.6 million as at 31st March 2023. The Group believes that it has paid payroll taxes in accordance with French tax laws and regulations. The Group considers that this risk is only possible, and not probable, according to the definitions in IAS 37 (it is more probable that an outflow of resources will not materialise) and for this reason it has not recognised a liability in the consolidated statement of financial position as at 31st March 2023, except for an amount of €0.1 million which the Group considers the appropriate amount of underpaid "taxe sur les salaires" (no change compared with 31st March 2022).

30.3. Retro-active effect of the migration to Spain for Spanish tax

The Group considers that there is a possible risk of assessment by tax authorities in respect of the deduction for Spanish tax of the tax losses of the year ended 31st March 2021 generated by eDreams ODIGEO, S.A. ("the Company") prior to the effective date of the Company's redomiciliation from Luxembourg to Spain. The Spanish tax authorities may take the view that such tax losses may not be deducted for Spanish tax. This contingency is estimated at €1.8 million. The Group believes that it has included those tax losses in the Spanish tax group's taxable profits in accordance with Spanish law. The Group considers that this risk is only possible, not probable, according to the definitions in IAS 37 (it is more probable that an outflow of resources will not materialise) and for this reason it has not recognised a liability in the consolidated statement of financial position as at 31st March 2023 (no change compared with 31st March 2022).

30.4. Pending tax disputes with tax authorities

The Group has the following pending disputes with tax authorities, some of which are still in the phase of an administrative claim, whereas other disputes have been appealed to the court.

Spain

The Spanish tax group has undergone two consecutive VAT audits related to calendar years 2015- 2017 and 2018-2021, respectively. The Spanish tax authorities have issued their final assessment notice for the period 2015-2017 in June 2021 based on which they have assessed the Spanish company for VAT. The Spanish tax authorities have rejected the method applied by the Spanish company to determine the recoverable part of the input VAT on part of its operating expenses. This has resulted in a total VAT correction amounting to €3.1 million for the audited period of which €0.5 million has already been assessed and paid. The Group believes that it has appropriate arguments against this VAT correction and has appealed this VAT assessment to the Spanish first tier Tribunal. On the date of the publication of the consolidated financial statements and notes for the period ended as at 31st March 2023 this appeal is still pending. The tax authorities have issued their provisional tax audit report related to the period 2018-2021 which reveals that the tax authorities intend to assess the Company for VAT relating to the period 2018-2021 on the same grounds as for the period 2015-2017. The expected 2018-2021 VAT assessment concerns an estimated amount of €8.5 million. In that case the Company will also appeal the assessment to the first-tier Tribunal on the same grounds as its appeal relating to 2015-2017. The Group considers that the VAT risk related to the period 2015-2017 and 2018-2021 is remote, not probable, according to the definitions in IAS 37 (it is more probable that an outflow of resources will not materialise) and for this reason it has not recognised a liability in the consolidated statement of financial position as at 31st March 2023 (no change compared with 31st March 2022).

Further, the Spanish tax authorities have assessed, in the June 2021 notice, the Spanish companies for VAT and income tax relating to two additional corrections in connection with the Spanish tax audit. The Group has agreed with these assessments amounting to €0.3 million and €0.4 million respectively, and settled both amounts with the tax authorities in 2021. As the Group recognised adequate provisions for these assessments in its consolidated financial statements for the year ended 31st March 2021, these assessments did not impact the Group's consolidated income statement for the year ended 31st March 2022. As at 31st March 2023, no new liability has been recognised in the consolidated statement of financial position (no change compared with 31st March 2022).

Portugal

Following a tax audit regarding income tax and VAT (fiscal years 2015/16-2017/18), the Portuguese company has been assessed by the Portuguese tax authorities for an amount of €5.2 million (€5.1 million income tax and €0.1 million VAT) against which the Company filed an administrative claim with the Portuguese tax authorities. In July 2021 the Portuguese tax authorities rejected this administrative claim based on pure formal grounds. The Group has, therefore, appealed the decision of the Portuguese tax authorities to the first tier Portuguese court. On the date of the publication of the consolidated financial statements and notes for the period ended as at 31st March 2023 this appeal is still pending. The Group believes that it has appropriate arguments against the Portuguese tax authorities' decision and, therefore, considers that this risk is only possible, not probable, according to the definitions in IAS 37 (it is more probable that an outflow of resources will not materialise) and for this reason it has not recognised a liability in the consolidated statement of financial position as at 31st March 2023 (no change compared with 31st March 2022).

Italy

The Italian company has been assessed by the Italian tax authorities for withholding tax amounting to €9.3 million (including penalties) on dividends paid to its direct Spanish shareholder. Following the rejection of the Company's appeal by the first and second-tier Italian courts, the Company appealed to the Italian Supreme Court. The appeal concerns two identical cases relating to dividends paid in 2013 and 2015. On the date of the publication of the consolidated financial statements and notes for the period ended as at 31st March 2023 this appeal is still pending. The Group takes the position that the Italian company has correctly applied the Italian withholding tax exemption to these dividends.

The Group considers that this risk is only possible, not probable, according to the definitions in IAS 37 (it is more probable that an outflow of resources will not materialise) and for this reason it has not recognised a liability in the consolidated statement of financial position as at 31st March 2023, except for an amount of €0.4 million which the Group considers an appropriate compromise for which it would be willing to settle this dispute with the Italian tax authorities (no change compared with 31st March 2022).

Luxembourg

Following two consecutive VAT audits, the Luxembourg tax authorities assessed the Company for VAT related to the calendar years 2016-2018 and 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 which is still pending as at the date of the publication of the consolidated statement of financial position as at 31st March 2023. The Company submitted an administrative claim against the 2019-2021 VAT assessment with the Luxembourg tax authorities which is still pending as at the date of the publication of the consolidated statement of financial position as at 31st March 2023.

The appeal, respectively the administrative claim concerns two separate 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 tax authorities claim that the Company did not provide sufficient proof that it recharged these expenses and, therefore, rejected the recovery of part of the Company's input VAT on these expenses. The Group considers that this risk is only possible, not probable, according to the definitions in IAS 37 (it is probable that an outflow of resources will not materialise) and for this reason it has not recognised a liability on the consolidated statement of financial position as at 31st March 2023 (no change compared with 31st March 2022).

The other dispute, amounting to €0.45 million (2016-2018), and €0.45 million (2019-2021) relates to the interpretation of the Luxembourg VAT pro rata rules. The Group estimates that there is a probable risk of outflow of resources amounting to €0.9 million for which a provision has been recognised in the consolidated statement of financial position as at 31st March 2023 (no change compared with 31st March 2022).

Other matters

Due to different interpretations of tax legislation, adverse positions may be taken by tax authorities in connection with a future tax audit. However, the Group considers that any such positions would not materially affect the consolidated financial statements.

30.5. Investigation by the Italian consumer protection authority (AGCM)

On 18th January 2018, the Italian consumer protection authority (AGCM) rendered three decisions against Go Voyages, S.A.S., eDreams, S.R.L. and Opodo Italia, S.R.L. in relation to alleged unfair commercial practices based on the three following grounds (i) lack of transparency, (ii) surcharging practice, and (iii) non-authorised use of premium-rate numbers.

The amounts of fines issued by the AGCM are as follows: Go Voyages, S.A.S. (€0.8 million), eDreams, S.R.L. (€0.7 million) and Opodo Italia, S.R.L. (€0.1 million). A provision for this was booked on the statement of financial position for €1.6 million at 31st March 2018, of which the main part has already been paid.

An appeal was lodged before the TAR Lazio in order to challenge the legal grounds invoked by the AGCM and the amount of fines. In April and May 2019, the appeal judgements were notified. The TAR reduced the amount of fines as follows: Go Voyages, S.A.S. (€0.2 million), eDreams, S.R.L. (€0.3 million) and Opodo Italia, S.R.L. (€0.1 million). The TAR Lazio judgement was not final because the AGCM had lodged an appeal before the Consiglio di Stato (the Italian Supreme Administrative Court).

On 18th November 2021 the Consiglio di Stato (the Italian Supreme Administrative Court) issued the sentence for eDreams, S.R.L and accepted AGCM's appeal, compensating for the legal costs. So the reduction obtained in the first instance before the TAR was annulled. For Go Voyages, S.A.S. the first hearing of the second instance had been scheduled on 20thApril 2023 and now is still waiting for the State Council's judgement, but considering the sentence issued for eDreams, S.R.L, the Group considers it probable that it will have to pay the remaining €0.2 million from the original fines for which the Group has a provision for litigation on the consolidated statement of financial position as at 31st March 2023 (no change compared with 31st March 2022).

30.6. Litigation with a supplier

The Group has been sued related to an alleged breach of contract. In December 2020, the Group was sued in the Court of Paris with an emergency writ of summons requesting a payment of €0.1 million. On March 2021, this request was dismissed. In May 2021, the suer launched an action on the merits of the case before the Paris Court asking for €0.4 million penalty based on an alleged contract violation. A provision for €0.4 million has been booked for litigation risks in the liabilities of the Group (no change compared with 31st March 2022).

31. Auditor's remuneration

The costs accrued by the Group in respect of the fees for services rendered by the Group's auditors are as follows:

	Year ended 31st March 2023	Year ended 31st March 2022
Audit Services	347	330
Services in connection with Corporate transactions	—	386
Others	52	38
Total Audit	**399**	**754**
Ernst & Young, S.L.	287	612
EY Network	112	142
Total Audit	**399**	**754**

Others corresponds to other verification services performed by Ernst & Young, such as the verification of the Group's non-financial information report.

32. Environmental matters

eDreams ODIGEO, S.A. recognises that businesses have a responsibility towards the environment. Although the Group's core activities have a relatively low impact, by virtue of the fact that the Group is primarily an online business, it is nevertheless committed to finding ways in which it can reduce any environmental footprint.

The Group has not been subject to any claims, fines, or actions relating to its environmental impact during the year ended 31st March 2023. The Group has not accrued any provisions for environmental risks as at 31st March 2023.

Where possible, the Group incorporates sustainability practices, both in the office and outside the office, in procurement and purchasing processes, in the use of energy and water, waste management, travel, and in each of our business processes (see note B.4 The environment of section B. Non-financial information).

33. Subsequent events

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

34. Consolidation scope

As at 31st March 2023 the companies included in the consolidation are as follows:

Name	Location / Registered Office	Line of business	% interest	% control
eDreams ODIGEO, S.A.	Calle López de Hoyos 35, 2. 28002 (Madrid)	Holding Parent company	100%	100%
Opodo Ltd.	26-28 Hammersmith Grove, W6 7BA (London)	On-line Travel agency	100%	100%
Opodo, GmbH.	Hermannstraße 13, 20095 (Hamburg)	Marketing services	100%	100%
Travellink, A.B.	Birger Jarlsgatan 57B, 3tr 113 56 (Stockholm)	On-line Travel agency	100%	100%
eDreams, Inc.	1209 Orange Street, Wilmington (New Castle), 19801 Delaware	Holding company	100%	100%
Vacaciones eDreams, S.L.	Calle de Manzanares, nº 4, Planta 1º, Oficina 108, 28005 (Madrid)	On-line Travel agency	100%	100%
eDreams International Network, S.L.	Calle López de Hoyos 35, 2. 28002 (Madrid)	Admin and IT consulting	100%	100%
eDreams, S.R.L.	Via Fara, 26 piano 1, 20124 (Milán)	On-line Travel agency	100%	100%
Viagens eDreams Portugal - Agência de Viagens, Lda.	Rua Heróis e Mártires de Angola, 59, Piso 4, B400, 4000-285 Porto, Uniao de Freguesias de Cedofeita, Santo Ildefonso, Sé Miragaia, Sao Nicolau e Vitória, concelho de Porto (Porto)	On-line Travel agency	100%	100%
eDreams, L.L.C.	2035 Sunset Lake Road Suite B-2, 19702 (Newark) Delaware	On-line Travel agency	100%	100%
GEO Travel Pacific, Pty. Ltd.	Level 2, 117 Clarence Street (Sydney)	On-line Travel agency	100%	100%
Go Voyages, S.A.S.	11, Avenue Delcassé, 75008 (Paris)	On-line Travel agency	100%	100%
Go Voyages Trade, S.A.S.	11, Avenue Delcassé, 75008 (Paris)	On-line Travel agency	100%	100%
Liligo Metasearch Technologies, S.A.S.	11, Avenue Delcassé, 75008 (Paris)	Metasearch	100%	100%
ODIGEO Hungary, Kft.	Nagymezo ucta 44, 1065 (Budapest)	Admin and IT consulting	100%	100%
Tierrabella Invest, S.L.	Calle López de Hoyos 35, 2. 28002 (Madrid)	Holding company	100%	100%
Engrande, S.L.	Calle Conde de Peñalver 5, 1 Ext. Izq. 28006 (Madrid)	On-line Travel agency	100%	100%
eDreams Gibraltar Ltd.	21 Engineer Lane, GX11 1AA (Gibraltar)	On-line Travel agency	100%	100%

On 30th September 2022, eDreams Inc., the Sole Shareholder of Vacaciones eDreams, S.L. approved the merger by absorption of its 100% owned Spanish subsidiaries Opodo, S.L., Traveltising, S.A. and eDreams Business Travel, S.L. into the absorbing company Vacaciones eDreams, S.L. The merger became effective on the 25th November 2022.

C

Consolidated Financial Statements & Notes

C.4. Alternative Performance Measures

C.4. Alternative Performance Measures

In addition to the financial information prepared under IFRS, the Group also uses and presents a series of alternative performance measures ("APMs") that provide additional information useful to assess the Group's performance, solvency and liquidity.

APMs are useful for users of financial information as they are the measures employed by Management to evaluate the Group's financial performance, cash flows or financial position when making operational or strategic decisions.

The Group considers that these measures are useful in evaluating the business, however this information should be considered as supplemental in nature and it is not meant as a substitute of IFRS measures.

Definitions of APMs

APMs Non-Reconcilable to GAAP

Gross Bookings refers to the total amount paid by customers for travel products and services booked through or with the Group (including the part that is passed on to, or transacted by, the travel supplier), including taxes, service fees and other charges and excluding VAT. Gross Bookings include the gross value of transactions, booked under both agency and principal models. It also includes transactions made under white label arrangements and transactions where the Group acts as a ''pure'' intermediary, whereby the Group serves as a click-through and pass the reservations made by the customer to the relevant travel supplier. Gross Bookings provide to the reader a view about the economic value of the services that the Group mediates.

APMs Reconcilable to GAAP

Adjusted EBITDA means operating profit / loss before depreciation and amortisation, impairment and profit / loss on disposals of non-current assets, as well as adjusted items corresponding to certain share-based compensation, restructuring expenses and other income and expense items which are considered by Management to not be reflective of the Group's ongoing operations. Adjusted EBITDA provides to the reader a better view about the ongoing EBITDA generated by the Group. See section "Reconciliation of APMs", subsection "1.6. EBIT, EBITDA, Adjusted items, Adjusted EBITDA and Adjusted EBITDA Margin".

Adjusted EBITDA Margin means Adjusted EBITDA divided by Revenue Margin. See section "Reconciliation of APMs", subsection "1.6. EBIT, EBITDA, Adjusted items, Adjusted EBITDA and Adjusted EBITDA Margin".

Adjusted EBITDA per Booking means Adjusted EBITDA divided by the number of Bookings. See definitions of "Adjusted EBITDA" and "Bookings". See section "Reconciliation of APMs", subsection "3. Per Booking measures".

Adjusted Items refers to share-based compensation, restructuring expenses and other income and expense items which are considered by Management to not be reflective of the Group's ongoing operations. It corresponds to the sum of adjusted personnel expenses and adjusted operating expenses.

- **Adjusted personnel expenses** refers to adjusted items that are included inside personnel expenses.
- **Adjusted operating expenses** refers to adjusted items that are included inside other operating expenses.

See section "Reconciliation of APMs", subsection "1.6. EBIT, EBITDA, Adjusted items, Adjusted EBITDA and Adjusted EBITDA Margin".

Adjusted Net Income means the IFRS net income less certain share-based compensation, restructuring expenses and other income and expense items which are considered by Management to not be reflective of the Group's ongoing operations. Adjusted Net Income provides to the reader a better view about the ongoing results generated by the Group. See section "Reconciliation of APMs", subsection "1.7. Adjusted Net Income".

Capital Expenditure ("CAPEX") represents the cash outflows incurred during the period to acquire non-current assets such as property, plant and equipment, certain intangible assets and capitalisation of certain development IT costs, excluding the impact of any business combination. It provides a measure of the cash impact of the investments in non-current assets linked to the ongoing operations of the Group. See section "Reconciliation of APMs", subsection "5.2. Capital Expenditure".

Cash EBITDA means "Adjusted EBITDA", plus the variation of the Prime deferred revenue corresponding to the Prime fees that have been collected and that are pending to be accrued. The Prime fees pending to be accrued are non-refundable and will be booked as revenue based on usage, which refers to each instance the customer uses Prime to make a Booking with a discount, or when the Prime contracted period expires. Cash EBITDA provides to the reader a view of the sum of the ongoing EBITDA and the full Prime fees generated in the period. The Group's main sources of financing (the 2027 Notes and the SSRCF) consider Cash EBITDA as the main measure of results and the source to meet the Group's financial obligations. Additionally, under the SSRCF, the Group is subject to the Adjusted Gross Leverage Financial Covenant (see note 24), that is a Financial Covenant based on Gross Financial Debt divided by Cash EBITDA, further adjusted by certain corrections. See section "Reconciliation of APMs", subsection "2.5. Cash EBITDA".

Cash EBITDA Margin means Cash EBITDA divided by Cash Revenue Margin. See section "Reconciliation of APMs", subsection "2.6. Cash EBITDA Margin".

Cash EBITDA per Booking means Cash EBITDA divided by the number of Bookings. See definitions of "Cash EBITDA" and "Bookings". See section "Reconciliation of APMs", subsection "3. Per Booking measures".

Cash Marginal Profit means "Marginal Profit" plus the variation of the Prime deferred revenue corresponding to the Prime fees that have been collected and that are pending to be accrued. The Prime fees pending to be accrued are non-refundable and will be booked as revenue based on usage, which refers to each instance the customer uses Prime to make a Booking with a discount, or when the Prime contracted period expires. Cash Marginal Profit provides a measure of the sum of the Marginal Profit and the full Prime fees generated in the period. See section "Reconciliation of APMs", subsection "2.3. Cash Marginal Profit".

Cash Marginal Profit per Booking means Cash Marginal Profit divided by the number of Bookings. See definitions of "Cash Marginal Profit" and "Bookings". See section "Reconciliation of APMs", subsection "3. Per Booking measures".

Cash Marginal Profit Margin means Cash Marginal Profit divided by Cash Revenue Margin. See definitions of "Cash Marginal Profit" and "Cash Revenue Margin". See section "Reconciliation of APMs" subsection "2.4. Cash Marginal Profit Margin".

Cash Revenue Margin means "Revenue Margin" plus the variation of the Prime deferred revenue corresponding to the Prime fees that have been collected and that are pending to be accrued. The Prime fees pending to be accrued are non-refundable and will be booked as revenue based on usage, which refers to each instance the customer uses Prime to make a Booking with a discount, or when the Prime contracted period expires. Cash Revenue Margin provides a measure of the sum of the Revenue Margin and the full Prime fees generated in the period. See section "Reconciliation of APMs", subsection "2.2. Cash Revenue Margin".

Cash Revenue Margin per Booking means Cash Revenue Margin divided by the number of Bookings. See definitions of "Cash Revenue Margin" and "Bookings". See section "Reconciliation of APMs", subsection "3. Per Booking measures".

EBIT means operating profit / loss. This measure, although it is not specifically defined in IFRS, is generally used in the financial markets and is intended to facilitate analysis and comparability. See section "Reconciliation of APMs", subsection "1.6. EBIT, EBITDA, Adjusted items, Adjusted EBITDA and Adjusted EBITDA Margin".

EBITDA means operating profit / loss before depreciation and amortisation, impairment and profit / loss on disposals of non-current assets. This measure, although it is not specifically defined in IFRS, is generally used in the financial markets and is intended to facilitate analysis and comparability. See section "Reconciliation of APMs", subsection "1.6. EBIT, EBITDA, Adjusted items, Adjusted EBITDA and Adjusted EBITDA Margin".

Fixed Costs includes IT expenses net of capitalisation write-off, personnel expenses which are not Variable Costs, external fees, building rentals and other expenses of fixed nature. The Group's Management believes the presentation of Fixed Costs may be useful to readers to help understand its cost structure and the magnitude of certain costs that it has the ability to reduce in response to changes affecting the number of transactions processed. See section "Reconciliation of APMs", subsection "1.4. Fixed costs, Variable costs and Adjusted items".

(Free) Cash Flow before financing means cash flows from operating activities plus cash flows from investing activities. The Group believes that this measure is useful as it provides a measure of the underlying cash generated by the Group before considering the impact of debt instruments. See section "Reconciliation of APMs", subsection "5.1. Free Cash Flow Before Financing".

Gross Financial Debt or Gross Debt means total financial liabilities including financing cost capitalised plus accrued interests pending to be paid and overdraft. It includes both non-current and current financial liabilities. This measure offers to the reader a global view of the Financial Debt without considering the payment terms. See section "Reconciliation of APMs", subsection "4.1. Gross Financial Debt and Net Financial Debt".

Gross Leverage Ratio means the total amount of outstanding Gross Financial Debt on a consolidated basis divided by "Cash EBITDA". This measure offers to the reader a view about the capacity of the Group to generate enough resources to repay the Gross Financial Debt. Management considers that Gross Leverage Ratio calculated based on Cash EBITDA provides a more accurate view of the capacity to generate resources to repay its debt. The Group's main sources of financing (the 2027 Notes and the SSRCF) consider Cash EBITDA as the main measure of results and the source to meet the Group's financial obligations. Additionally, under the SSRCF the Group is subject to the Adjusted Gross Leverage Financial Covenant (see note 24), that is a Financial Covenant based on Gross Financial Debt divided by Cash EBITDA, further adjusted by certain corrections. See section "Reconciliation of APMs", subsection "4.2. Gross Leverage Ratio".

Liquidity Position means the total amount of cash and cash equivalents, and remaining cash available under the SSRCF. This measure provides to the reader a view of the cash that is available to the Group. See section "Reconciliation of APMs", subsection "4.4. Liquidity Position".

Marginal Profit means "Revenue Margin" less "Variable Costs". It is the measure of profit that Management uses to analyse the results by segments. See section "Reconciliation of APMs", subsection "1.5. Marginal Profit".

Marginal Profit per Booking means Marginal Profit divided by the number of Bookings. See definitions of "Marginal Profit" and "Bookings". See section "Reconciliation of APMs", subsection "3. Per Booking measures".

Net Financial Debt or Net Debt means "Gross Financial Debt" less "cash and cash equivalents". This measure offers to the reader a global view of the Financial Debt without considering the payment terms and reduced by the effects of the available cash and cash equivalents to face these future payments. See section "Reconciliation of APMs", subsection "4.1. Gross Financial Debt and Net Financial Debt".

Net Leverage Ratio means the total amount of outstanding Net Financial Debt on a consolidated basis divided by "Cash EBITDA". This measure offers to the reader a view about the capacity of the Group to generate enough resources to repay the Net Financial Debt, also considering the available cash in the Group. Management considers that Net Leverage Ratio calculated based on Cash EBITDA provides a more accurate view of the capacity to generate resources to repay its debt. The Group's main sources of financing (the 2027 Notes and the SSRCF) consider Cash EBITDA as the main measure of results and the source to meet the Group's financial obligations. See section "Reconciliation of APMs", subsection "4.3. Net Leverage Ratio".

Prime ARPU means the Cash Revenue Margin generated from Prime users on a last twelve months basis. It is calculated considering all the Cash Revenue Margin elements linked to the bookings done by Prime members (such as, but not limited to, the Prime fees collected, GDS incentives, commissions, ancillary services, etc.) divided by the average number of Prime members during the same period. Management considers this is a relevant measure to follow the Prime performance. As Prime is a yearly programme, this measure is calculated on a last twelve months basis. See section "Reconciliation of APMs", subsection "2.8. Prime ARPU".

Revenue Diversification Ratio is a ratio representing the amount of Diversification Revenue earned in a twelve-month period as a percentage of total revenue. The Group's Management believes that the presentation of the Revenue Diversification Ratio measure may be useful to readers to help understand the results of the Group's revenue diversification strategy. See section "Reconciliation of APMs", subsection "1.3. Revenue Diversification Ratio".

Revenue Margin means the IFRS revenue less cost of supplies. The Group's Management uses Revenue Margin to provide a measure of its revenue after reflecting the deduction of amounts payable to suppliers in connection with the revenue recognition criteria used for products sold under the principal model (gross value basis). Accordingly, Revenue Margin provides a comparable revenue measure for products, whether sold under the agency or principal model.

Revenue Margin is split by source into the following four categories, that the Group's Management believes may be useful to readers to help understand the results of its revenue diversification strategy:

- **Diversification Revenue** represents Revenue Margin other than Classic Customer Revenue, Classic Supplier Revenues or Advertising and Metasearch Revenue, earned through vacation products (including car rentals, hotels and Dynamic Packages), flight ancillaries (including reserved seats, additional check-in luggage, travel insurance and additional service options), travel insurance, as well as certain commissions, and incentives directly received from airlines.
- **Classic Customer Revenue** represents customer Revenue Margin other than Diversification Revenues earned through flight service fees, cancellation and modification fees, tax refunds and mobile application revenue. This category includes the revenue for the Prime fees and the Prime discounts.
- **Classic Supplier Revenue** represents supplier Revenue Margin earned through GDS incentives for Bookings mediated by the Group through GDSs and incentives received from payment service providers.
- **Advertising and Metasearch Revenue** represents Revenue Margin from other ancillary sources, such as advertising on the Group's websites and revenue from metasearch activities.

See section "Reconciliation of APMs", subsections "1.1. Revenue Margin" and "1.2. Revenue Margin by source".

Revenue Margin per Booking means Revenue Margin divided by the number of Bookings. See definitions of "Revenue Margin" and "Bookings". See section "Reconciliation of APMs", subsection "3. Per Booking measures".

Variable Costs includes all expenses which depend on the number of transactions processed. These include acquisition costs, merchant costs and other costs of a variable nature, as well as personnel costs related to call centers as well as corporate sales personnel. The Group's Management believes the presentation of Variable Costs may be useful to readers to help understand its cost structure and the magnitude of certain costs. The Group has the ability to reduce certain costs in response to changes affecting the number of transactions processed. See section "Reconciliation of APMs", subsection "1.4. Fixed costs, Variable costs and Adjusted items".

Other definitions

Bookings refers to the number of transactions under the agency model and the principal model as well as transactions made under white label arrangements. One Booking can encompass one or more products and one or more passengers.

Mobile bookings (as share of flight bookings) means the number of flight Bookings done on a mobile device over the total number of flight Bookings, on a last twelve months basis.

Prime members means the total number of customers that have a paid Prime subscription in a given period.

Prime / Non Prime. The Group presents certain profit and loss measures split by Prime and Non Prime. In this context, Prime means the profit and loss measure generated from Prime users. Non Prime means the profit and loss measure generated from non Prime users.

For instance, in the case of Prime Cash Revenue Margin, it includes elements such as, but not limited to, the Prime fees collected, GDS incentives, commissions, ancillary services, etc.

As Prime is a yearly programme, Prime / Non Prime profit and loss measures are presented on a last twelve months basis.

See section "Reconciliation of APMs", subsection "2.7. Cash Revenue Margin and Cash Marginal Profit by Prime / Non Prime".

Top 6 Markets and Top 6 Segments refers to the Group's operations in France, Spain, Italy, Germany, United Kingdom and Nordics.

Reconciliations of APMs

1. Measures of Profit and Loss

1.1. Revenue Margin.

	Year ended 31st March 2023	Year ended 31st March 2022
BY NATURE:		
Revenue	587,758	398,282
Cost of sales	(18,165)	(15,704)
Revenue Margin	**569,593**	**382,578**
BY SEGMENTS (see note 8):		
Top 6	415,263	284,751
Rest of the World	154,330	97,827
Revenue Margin	**569,593**	**382,578**

1.2. Revenue Margin by source

	Year ended 31st March 2023	Year ended 31st March 2022
BY SOURCE (see note 9):		
Diversification revenue	386,356	281,024
Classic revenue - customer	97,463	37,837
Classic revenue - supplier	73,955	55,765
Advertising & Metasearch	11,819	7,952
Revenue Margin	**569,593**	**382,578**

1.3. Revenue Diversification Ratio

	Year ended 31st March 2023	Year ended 31st March 2022
Diversification revenue	386,356	281,024
/ Revenue Margin	569,593	382,578
Revenue Diversification ratio	**68%**	**73%**

1.4. Fixed costs, Variable costs and Adjusted items

				Year ended 31st March 2023
	Variable costs	Fixed costs	Adjusted items	Total
Personnel expenses (see note 10)	(3,740)	(55,896)	(11,342)	**(70,978)**
Impairment (loss) / reversal on bad debts	310	—	—	**310**
Other operating expenses (see note 12)	(452,925)	(24,385)	2,588	**(474,722)**
Total Operating costs	**(456,355)**	**(80,281)**	**(8,754)**	**(545,390)**

				Year ended 31st March 2022
	Variable costs	Fixed costs	Adjusted items	Total
Personnel expenses (see note 10)	(2,650)	(43,463)	(10,524)	**(56,637)**
Impairment (loss) / reversal on bad debts	(707)	—	—	**(707)**
Other operating expenses (see note 12)	(312,990)	(19,811)	(385)	**(333,186)**
Total Operating costs	**(316,347)**	**(63,274)**	**(10,909)**	**(390,530)**

1.5. Marginal Profit

	Year ended 31st March 2023	Year ended 31st March 2022
Revenue Margin	**569,593**	**382,578**
Variable costs	(456,355)	(316,347)
Marginal Profit (see note 8)	**113,238**	**66,231**

1.6. EBIT, EBITDA, Adjusted items, Adjusted EBITDA and Adjusted EBITDA Margin

	Year ended 31st March 2023	Year ended 31st March 2022
Operating profit / (loss) = EBIT	**(9,804)**	**(30,861)**
(-) Depreciation and amortisation (see note 11)	(33,834)	(33,694)
(-) Impairment (loss) / reversal (see note 11)	(197)	10,785
(-) (Loss) / gain arising from assets disposals (see note 11)	24	—
EBITDA	**24,203**	**(7,952)**
Long-term incentives plan expenses (see note 23)	(11,223)	(10,524)
Other adjusted personnel expenses	(119)	—
Adjusted personnel expenses (see note 10)	**(11,342)**	**(10,524)**
M&A Projects (Waylo earn-out modification) (see note 25)	3,688	(191)
Redomicile to Spain	—	(18)
Government funds application process	(131)	(87)
Other adjusted operating expenses	(969)	(89)
Adjusted operating (expenses) / income (see note 12)	**2,588**	**(385)**
(-) Adjusted items	**(8,754)**	**(10,909)**
Adjusted EBITDA	**32,957**	**2,957**
/ Revenue Margin	569,593	382,578
Adjusted EBITDA Margin	**5.8%**	**0.8%**

1.7. Adjusted Net Income

	Year ended 31st March 2023	Year ended 31st March 2022
Net income	**(43,337)**	**(65,869)**
Adjusted items (included in EBITDA)	8,754	10,909
2023 Notes Repayment[1]	—	8,269
Modification of the SSRCF[2]	—	86
Impairment loss / (reversal) on brands (see note 16)	169	(10,840)
Tax effect of the above adjustments	(241)	(931)
Impact of change in tax rate in the UK[3]	—	6,124
Adjusted net income	**(34,655)**	**(52,252)**
Adjusted net income per share (€)	**(0.28)**	**(0.46)**
Adjusted net income per share (€) - fully diluted basis	**(0.28)**	**(0.46)**

[1] *The impact of the 2023 Notes repayment corresponds to early redemption expenses amounting to €5.8 million and the write off of financing fees capitalised on the 2023 Notes amounting to €2.4 million (see note 13).*

[2] *The impact of the modification of the SSRCF corresponds to €0.1 million of adjustment to the value of the liability due to the modification (see note 13).*

[3] *Deferred tax mainly on the value of the Opodo Brand.*

2. Measures of Profit and Loss related to Prime

2.1. Variation of Prime deferred revenue

	Year ended 31st March 2023	Year ended 31st March 2022
Prime deferred revenue at period end (see note 27)	114,629	63,214
Prime deferred revenue at period start (see note 27)	63,214	22,017
Variation of Prime deferred revenue	**51,415**	**41,197**

2.2. Cash Revenue Margin

	Year ended 31st March 2023	Year ended 31st March 2022
Revenue Margin	**569,593**	**382,578**
Variation of Prime deferred revenue	51,415	41,197
Cash Revenue Margin	**621,008**	**423,775**

2.3. Cash Marginal Profit

	Year ended 31st March 2023	Year ended 31st March 2022
Marginal Profit (see note 8)	**113,238**	**66,231**
Variation of Prime deferred revenue	51,415	41,197
Cash Marginal Profit	**164,653**	**107,428**

2.4. Cash Marginal Profit Margin

	Year ended 31st March 2023	Year ended 31st March 2022
Cash Marginal Profit	164,653	107,428
Cash Revenue Margin	621,008	423,775
Cash Marginal Profit Margin	**27%**	**25%**

2.5. Cash EBITDA

	Year ended 31st March 2023	Year ended 31st March 2022
Adjusted EBITDA	**32,957**	**2,957**
Variation of Prime deferred revenue	51,415	41,197
Cash EBITDA	**84,372**	**44,154**

2.6. Cash EBITDA Margin

	Year ended 31st March 2023	Year ended 31st March 2022
Cash EBITDA	84,372	44,154
Cash Revenue Margin	621,008	423,775
Cash EBITDA Margin	**13.6%**	**10.4%**

2.7. Cash Revenue Margin and Cash Marginal Profit by Prime / Non Prime

	Year ended 31st March 2023			Year ended 31st March 2022		
	Prime	Non-Prime	Total	Prime	Non-Prime	Total
Revenue Margin	**232,127**	**337,466**	**569,593**	**129,603**	**252,975**	**382,578**
Variation of Prime deferred revenue	51,415	—	**51,415**	41,197	—	**41,197**
Cash Revenue Margin	**283,542**	**337,466**	**621,008**	**170,800**	**252,975**	**423,775**
Variable costs	(191,716)	(264,639)	**(456,355)**	(117,511)	(198,836)	**(316,347)**
Cash Marginal Profit	**91,826**	**72,827**	**164,653**	**53,289**	**54,139**	**107,428**

2.8. Prime ARPU

	Year ended 31st March 2023	Year ended 31st March 2022
Cash Revenue Margin from Prime customers	**283,542**	**170,800**
Average Prime members	3,773,945	1,941,842
Prime ARPU (euros)	**75.1**	**88.0**

3. Per Booking measures

	Year ended 31st March 2023	Year ended 31st March 2022
Revenue Margin	569,593	382,578
/ Number of Bookings	16,152,199	12,530,448
Revenue Margin per Booking (euros)	**35.3**	**30.5**
Cash Revenue Margin	621,008	423,775
/ Number of Bookings	16,152,199	12,530,448
Cash Revenue Margin per Booking (euros)	**38.4**	**33.8**
Marginal Profit	113,238	66,231
/ Number of Bookings	16,152,199	12,530,448
Marginal Profit per Booking (euros)	**7.0**	**5.3**
Cash Marginal Profit	164,653	107,428
/ Number of Bookings	16,152,199	12,530,448
Cash Marginal Profit per Booking (euros)	**10.2**	**8.6**
Adjusted EBITDA	32,957	2,957
/ Number of Bookings	16,152,199	12,530,448
Adjusted EBITDA per Booking (euros)	**2.0**	**0.2**
Cash EBITDA	84,372	44,154
/ Number of Bookings	16,152,199	12,530,448
Cash EBITDA per Booking (euros)	**5.2**	**3.5**

4. Measures of Financial Position

4.1. Gross Financial Debt and Net Financial Debt

	31st March 2023	31st March 2022
Non-current financial liabilities (see note 24)	374,809	376,207
Current financial liabilities (see note 24)	13,454	48,829
Gross Financial Debt	**388,263**	**425,036**
Cash and cash equivalents (see note 21)	(35,933)	(45,929)
Net Financial Debt	**352,330**	**379,107**

4.2. Gross Leverage Ratio

	31st March 2023	31st March 2022
Gross Financial Debt	388,263	425,036
/ Cash EBITDA	84,372	44,154
Gross Leverage Ratio	**4.6**	**9.6**

4.3. Net Leverage Ratio

	31st March 2023	31st March 2022
Net Financial Debt	352,330	379,107
/ Cash EBITDA	84,372	44,154
Net Leverage Ratio	**4.2**	**8.6**

4.4. Liquidity Position

	31st March 2023	31st March 2022
Cash and cash equivalents (see note 21)	35,933	45,929
Remaining cash available under SSRCF (see note 24)	159,610	128,222
Liquidity position	**195,543**	**174,151**

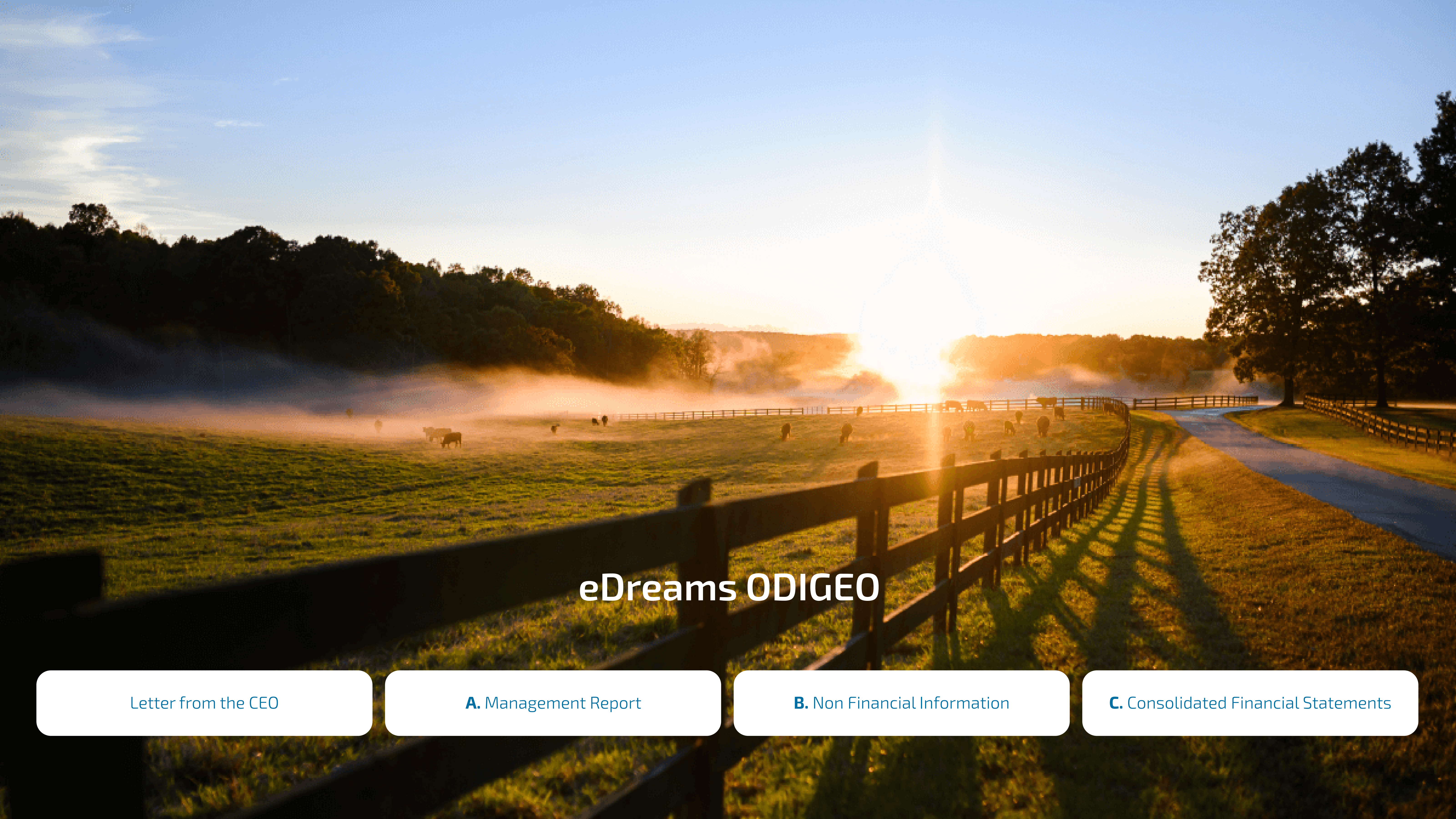
5. Measures of Cash Flow

5.1. Free Cash Flow Before Financing

	Year ended 31st March 2023	Year ended 31st March 2022
Net cash from / (used in) operating activities	102,534	119,146
Net cash from / (used in) investing activities	(38,147)	(26,917)
Free Cash Flows before financing activities	**64,387**	**92,229**

5.2. Capital Expenditure

	Year ended 31st March 2023	Year ended 31st March 2022
Net cash from / (used in) investing activities	(38,147)	(26,917)
Business combinations net of cash acquired	—	—
Capital expenditure	**(38,147)**	**(26,917)**



eDreams ODIGEO

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