



INTEGRATED ANNUAL REPORT FY 2020

eDreams ODIGEO

LETTER FROM THE CEO | A. MANAGEMENT REPORT | B. CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

LETTER FROM THE CEO



DANA DUNNE, CEO

The COVID-19 pandemic has had a devastating effect across the globe. It has dramatically reduced the global economy and brought much of the travel industry to a standstill, not to mention the loss of life and its effect on most people throughout the globe. Our primary concern has been to ensure the safety and wellbeing of our customers and employees; to protect our stakeholders interests and to treat all our key audiences fairly. In times of crisis, the quality and capability of a team really comes to the fore and I have been delighted with the collaborative, focused and effective approach that the whole of the team have adopted. I firmly believe that the measures we have taken in response to COVID-19 are appropriate and that they will stand us in good stead, ahead of many others in the sector, and we are using this as an opportunity to further strengthen our business.

eDreams ODIGEO is a cash generative business which had, prior to the crisis, been reducing its indebtedness for a period of time. Therefore, at the onset of the crisis eDreams ODIGEO was financially secure with sufficient liquidity (€144m in March) to endure the most pessimistic scenarios. We have not had to take some of the more dramatic financial actions that many of our competitors have had to enact.

eDreams ODIGEO is a market leader and an adaptable business that has weathered crises consistently, including the financial crisis of 2008, returning to growth rapidly due to the desire for travel, underlying growth fundamentals of the industry and the flexibility of our model and high proportion of variable costs. We have taken actions to make our Company and business more agile, dynamic

and flexible to take advantage of the opportunities that lie ahead and to prosper in the post virus environment.

Our European market leadership has been driven by the ambition and capability to innovate and evolve our offer through our focus on technology, delivering ever greater convenience and experience to our customers and providing them with a seamless journey be it on mobile, tablet or desktop. Our resilient, cash generative model delivers high margins; and we are continually developing and innovating our range of additional activities to give us the leading experience in the marketplace.

FY20

Prior to the pandemic, eDreams ODIGEO had been performing well and growing strongly utilizing its leading position in flights and sustainable scale advantages in attractive marketplaces. Due to our strong business model, Bookings to December 2019 were up strongly by 11% year-on-year and continued to grow significantly in January and early February before the crisis took hold - Q4 bookings were down 19%, resulting in a highly respectable 4% decline in Bookings for FY20. FY20 Group Adjusted EBITDA reduced slightly from €119.6m to €115.1m and Adjusted Earnings amounted to €34.7 million, delivering a compound annual growth rate of 21% since we implemented the change in strategy in 2015.

Much has been achieved over the past five years: we have moved from a purely transactional model to one which is customer focused, personalising and reducing the friction points in the customer

journey. More simply, we have transformed from a deal driven flight business, on a desktop and a basic online travel agent to an innovative technology driven e-commerce business with a diversified mobile focused end to end customer journey delivering a complete experience and offering the only subscription model on the market, Prime. These changes have delivered a market leading proposition and have expanded our revenue streams, lowered customer acquisition cost, lengthened the lifetime value of our customers and consequently achieved higher margins. Over the same five-year period, on a compound basis Revenue Margin has grown 4% and Adjusted EBITDA 5% annually.

During FY20 eDreams ODIGEO continued to evolve to take advantage of its market leadership and scale advantage in Europe and captured an increasing share of the €15bn European OTA flight market and the €1.3tn global travel market. eDreams has the most branded queries among main flight OTAs in Google in all European countries. eDreams ODIGEO has continued to maximise the potential of its powerful, unique and scalable platform that handles 1.7bn searches monthly and over 340,000 searches per second at peak, together with 36 billion pricing calculations per hour. eDreams ODIGEO takes advantage of the relationships it has with 664 airlines giving it the ability to, in a few seconds, compute the optimum flight route/cost across different airlines (virtual interlining), a differentiating feature of our ever-strengthening proposition. Real time flight

information, and further in-destination activities were introduced as well as providing customers with exclusive deals on products such as car hire, hotels, bags, and seat bookings. To demonstrate the scale of this and the speed and focus on innovation, eDreams ODIGEO delivered over 6,000 feature launches on its platform in FY20, upgrading and improving the speed and proposition for customers.

And we are getting even better and better at knowing what our customers want, utilizing AI and machine learning. Technologies such as these are improving our proposition and creating a more focused business delivering increased conversion across flights and a limitless number of hotels accessed across a number of channels as well as additional services. eDreams ODIGEO was quick to recognise and was an early adopter of mobile, the most popular and fastest growing channel which has now grown to 44% of our Bookings, up 5 percentage points year on year. Mobile, in an ever increasingly immediate environment, offers us more opportunity to personalise the proposition and therefore reduce the friction points for customers. Our aim is to develop a seamless journey for our customers.

eDreams ODIGEO is the only business to offer Prime, the first ever travel subscription program launched just 2 years ago. It is growing strongly in the countries where it has been launched: France, Germany, Spain and Italy. In FY20 the Prime membership grew by over 200% from 165,000 to 556,000 members. Prime membership brings loyalty and repeat customer bookings as well as increased lifetime value. eDreams ODIGEO continues to refine the core proposition of Prime, expand it to other products and services and test and roll out into other key territories.

As a sustainable business we are fully committed to improve the social, environmental, ethical and corporate governance (ESG) impact of our business in those societies, geographies and communities in which we operate. Although our core activities have a relatively low impact by virtue of the fact that we are an online business, we are nevertheless committed to finding ways of reducing any detrimental effects on the environment. We are proud to report that we have successfully reduced the carbon footprint

generated by our electricity consumption by 18% from FY19 to FY20, as well as cleanly passing energy efficiency audits at all our main office locations.

COVID-19 UPDATE

COVID-19 has had a tremendous impact on the travel sector, with an effective shutdown of the industry since March. While many travel companies have needed to raise more money or mothball their operations, eDreams ODIGEO is financially strong. We entered the crisis with a strong balance sheet and €144m of liquidity at the end of March. Even after the total shutdown and reductions of our Bookings of up to 95% year on year, we still at the end of June 30 have €144m of Pro-forma liquidity.

Our strong cash position and adaptable business model has enabled the business to endure the market closure to date and a further prolonged period of closure should that be the case. We have acted decisively to secure the appropriate liquidity for the business by drawing down partially the cash available to it through its Super Senior Revolving Credit Facility ("SSRCF", together with the Company's prudent approach to cash management which included swift actions to minimise costs; together with support from Governments where we operate and key business partners means that we have sufficient liquidity to see this through. This places eDreams ODIGEO in a very strong position.

To conserve cash and emerge from the crisis in a very strong position, the cost base has been reduced and operations reorganized to protect the future of employees. Savings of around 25% have been implemented due to reductions in personnel costs, gross IT, external fees, travel expenses and cessation of capex. Advantage has been taken of Government support (for example ERTE¹ in Spain with staff payroll costs temporarily reduced by 20% for most non-customer facing staff. All capex, opex and external costs have been reviewed and negotiations have successfully been held with suppliers.

¹ An ERTE is a temporary reduction of working hours, the Spanish acronym for an Expediente de Regulación Temporal de Empleo





Stress tests have been carried out assuming significant reduction in Bookings from now until the end of Fiscal Year 2021 (i.e. no recovery) and there are no debt repayments due until 2023. Lenders have waived the only covenant on our SSRCF achieving further flexibility for the Company. The scenario plans are prudent and may well be proven in the future to be too cautious.

Despite the reduction in Bookings of 53% in the last 5 weeks of 4Q FY20, showing reductions of up to 95% in Bookings at the end of March 2020, the group continues to have a strong balance sheet, with liquidity position at the trough of COVID-19 cash cycle in April of €81 million.

Management remains focused on continuing to take the right actions to maintain its cash and liquidity position, retaining its team members throughout and ensuring the business is primed to welcome customers back once it is safe for restrictions to be lifted. The Group has extremely strong products, services and customer relationships that will allow it to grow significantly when the activity returns.

COVID-19 has created immense challenges for our sector but as a result of the our quick actions to strengthen the Company's cash position through the drawdown of the SSRCF and decisive actions on cutting costs, we believe the Group has significantly mitigated the devastating effect and that it has preserved the ability to continue to have a winning business, providing customer with travel options required as restrictions continue to be lifted and markets reopened. It is encouraging that many Government's recent statements are concrete steps towards more normalized trading.

Our customers have been and continue to be our utmost priority. Given the exceptional level of cancelations caused by COVID-19, we invested in additional frontline people to handle the unprecedented volume of customer queries. We believe best in class omni channel customer service will be even more critical in a post COVID-19 world which is why we are fully committed to developing the industry leading OTA omni channel customer service experience. This is in development and will be progressively rolled out in fiscal year 2021. We are committed more than ever to continue to invest in building the best customer experience solutions and offer our customers best-in-class service.

Even during the darkest hours of the crisis our people continued to be creative and forward thinking, using this opportunity to further improve our proposition so over the longer term we will extend our market leadership. Some examples of work done during lockdown include:

- Our exclusive subscription product, Prime, has been enhanced further by now including limitless hotels on offer in all four markets in which Prime is offered. Additionally, new displays and propositions have been tested ensuring the best service to return to high levels of satisfaction following a period of inevitable cancellations. Following the success of Prime in the initial markets we also are close to launch in additional markets.
- Our platform is being further developed as a multi content platform integrating additional global distribution systems, enabling transactions between travel industry service providers such as airlines

- (interlining), hotels, car rental and other additional services. It will provide extremely rapid search and have unique functionality for customers.
- Customer service will be critical in a post COVID-19 world and our focus has been on developing a highly complex and efficient automated system. This is in development and will be progressively rolled out in fiscal year 2021.
 - Improved and enhanced offerings in broader geographies are in progress to expand our presence further in counties/regions where we are currently under represented.

In sum we have used this time to both service our existing customers as well as building capabilities for the longer term, adapting to the new world.

THE IMMEDIATE FUTURE

I would like to draw attention to our amazing set of eDOers and thank them personally and wholeheartedly for their support and commitment during this unprecedented period. I know that each of us as individuals have been challenged in this COVID-19 environment and they have done supremely well: looking after our customers; looking after fellow eDOers; and doing the right thing by the business. I am also grateful for the support and hard work of the leadership team in keeping the business on a strong footing in these extraordinary times, and for my Board colleagues experience and unified drive to do the right thing by customers, employees and shareholders. I have faced several significant challenges in my life, and firmly believe it is how one looks at the situation, and what actions one takes that defines them. eDreams ODIGEO is well financed, well run and will take its opportunities to emerge as an even greater force within our sector.

The travel industry is robust and has strong underlying growth drivers. Whilst COVID-19 may have been very disruptive, the desire to travel, explore

and experience is undiminished and will return. Even with the easing of restrictions now emerging we are seeing a marked increase in searches and healthy bookings for later dates for some destinations.

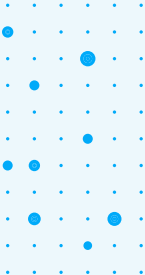
As with all crises, and this one will be no exception, there will be substantial change; safety and hygiene will come to the fore and be paramount, the longer trip may return, in the short-term domestic holidays will flourish, bookings cycles will shorten, the journey through the airport is likely to change again with more self-service, leisure will recover faster than business, a trend towards less crowded places and there will be a greater shift to digital.

eDreams ODIGEO is a versatile and agile business, a digital technology business that is prepared to meet these challenges head on and be at the forefront of the change to the travel sector that inevitably will occur.

My belief is, and I am confident that, eDreams ODIGEO's strengths will play strongly in the new environment: our proposition and brands lend themselves to the leisure market which will emerge quicker than the corporate market. Europe, our powerhouse, is most likely to manage the after effects of COVID-19 better than some other parts of the world - we are well positioned to thrive in these marketplaces and seize additional opportunity as customers migrate to our trusted brands characterized by end to end high quality service. Finally, eDreams ODIGEO is one of Europe's largest e-commerce businesses and will undoubtedly continue to reap the benefits of a digitalising world, a trend which will have only been accelerated by recent events.

With restrictions lifting and the first signs of consumers seeking to travel again, I am optimistic that, in time, we can return to and supersede the strong trading performances of 2019 and the first two months of 2020.





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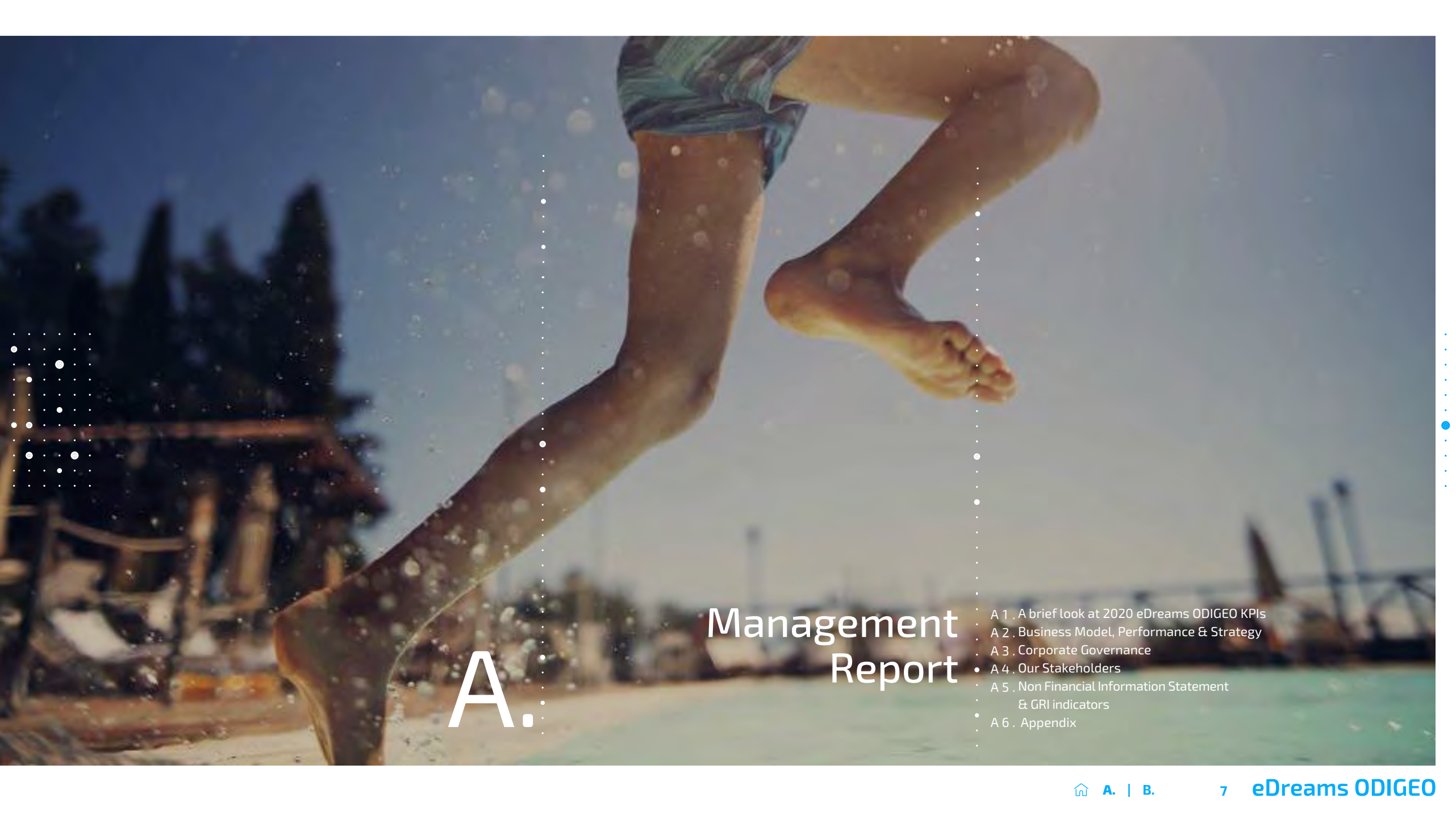
Management Report

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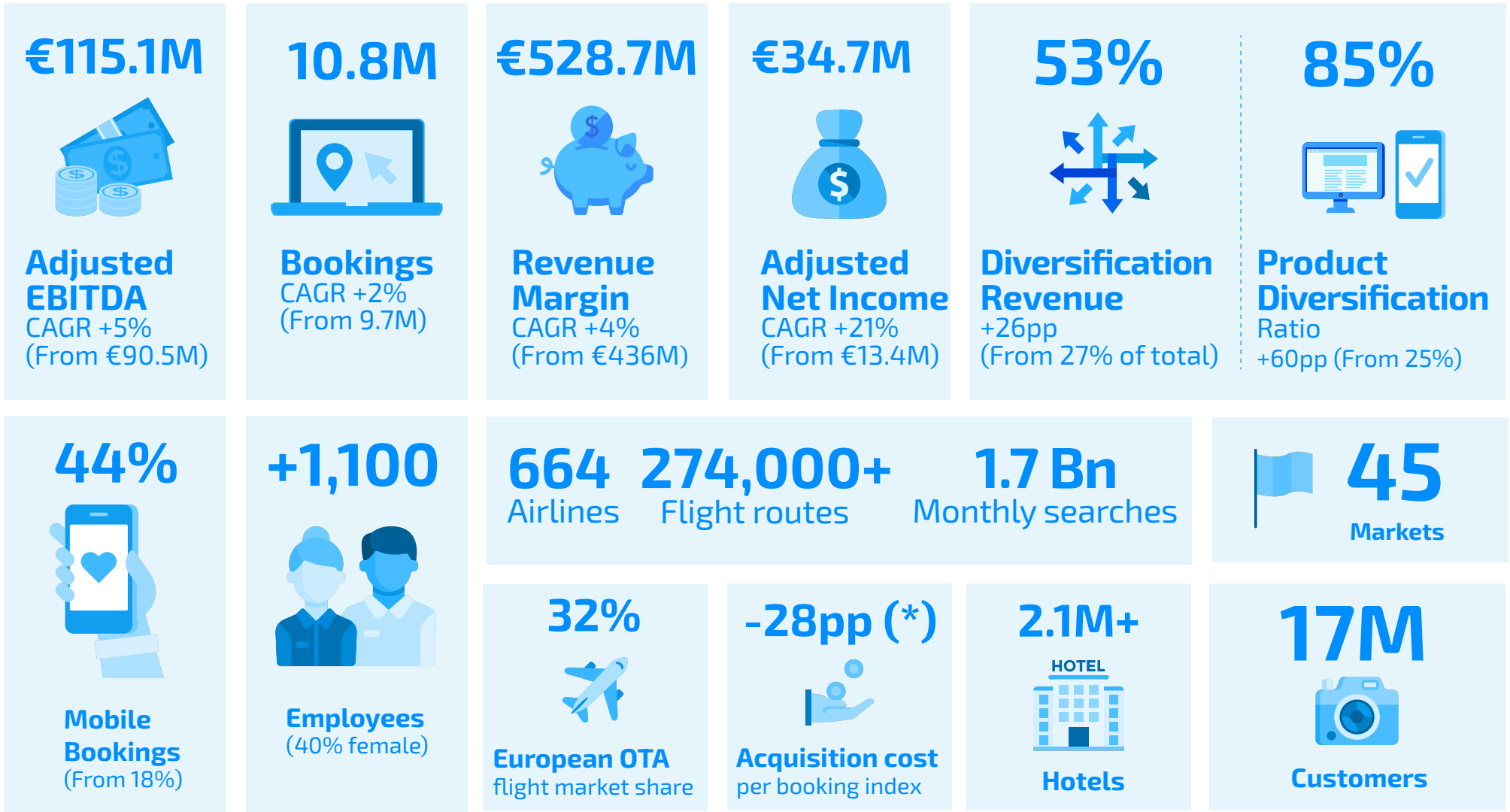
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A1. A BRIEF LOOK AT 2020 EDREAMS
● ODIGEO KPIS



A BRIEF LOOK AT 2020 EDREAMS ODIGEO KPIS



CAGR and comparative figures presented based on FY15/FY20.
(*) Percentage point reduction since FY15.

A2. BUSINESS MODEL, PERFORMANCE & STRATEGY

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2.1 Purpose, mission and values

OUR PURPOSE

"To help people discover their world through travel". We aim to help customers reach their destination and return, uniquely combining best prices and the greatest convenience in the shortest possible time. People are unique so we enable them to travel to their world. We, at eDreams ODIGEO offer people the possibility to travel, to visit the parts of the world they want to explore. We open the door to new experiences, as everyone has their own personal idea of where they want to travel to. We are enablers, we help people explore their world and we connect them through travel, making it easier for them to broaden their horizon.

"Help people discover the world through travel"

OUR MISSION

We are passionate about travel. We aim to make travel easier, more accessible and better value for our customers through our consumer insight, innovative technology and market leadership. We have a clear strategy to achieve this – we use industry leading technology and data, capitalizing on our air travel and customer expertise, and maximizing the strength of the airline and hotel brands that sell through our site.

We have access to a huge wealth of consumer insights and data that our user experience experts leverage to develop products that directly benefit our customers throughout their journey with us. From designing new mobile features to safer ways of booking online, our customer-centric approach is applied in all that we do, and in everything that we create.

CULTURE AND VALUES

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 45 markets, is the result of the efforts and dedication of our employees.

Our Company culture is driven by our four corporate values:

"We are passionate about travel"



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.



Share openly what works and what does not always **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 **recognize each other's contribution** based on merit



Celebrate and cultivate our diversity

A2. BUSINESS MODEL,
PERFORMANCE & STRATEGY

2.1 Purpose, mission and values
2.2 Industry update and outlook

2.3 Geographies and brands
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2.5 eDreams ODIGEO strategy & achievements over the past 5 years
2.6 Adaptability of the business model, strategy and innovation

 A. | B.

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2.2 Industry update and outlook



Strong long-term underlying growth fundamentals of the holiday industry remain. Recent history provides a guide with the recovery from 9/11 and the dislocation to air travel afterwards demonstrated the traveller's willingness to travel and withstand considerable change and disruption to normal practices. COVID-19 may have been more disruptive than any other situation previously experienced but the desire to travel, explore and experience the world is undiminished and will return.

We have already seen some positive steps as key European countries such as Spain, Italy and Greece reopen, potentially laying the ground for a summer holiday season in Europe this year. Customers are beginning to look to the future with searches rising, albeit from a low base, and we anticipate that this will accelerate as more countries ease restrictions. Coordination between governments and industry continues to be key to ensuring a smooth exit to the lockdown.

There will be substantial change, development and innovation to mitigate the issues surrounding the pandemic. This plays to the strength of eDreams ODIGEO. We innovate and move fast, with the customer in mind. This will place more pressure on the trips they do take, meaning the customer service and experience must be exemplary. The ability to guide customers through all stages of their journey, from curb to gate, booking hotels to booking activities from their mobile, will allow eDreams ODIGEO to remain our customers trusted travel partner. At eDreams ODIGEO we are agile, identifying market trends and seizing opportunity rapidly. Customer feedback is at the core of our decision-making process, a key learning being booking cycles have shortened and the requirement for additional services has risen. 75% of our product development has been redirected on new priorities such as integrating other transportation alternatives onto our platform extending our market leading virtual interlining (the ability for customers to travel on multiple forms of transport across multiple organizations) beyond airlines to rail networks too.

The journey through airports will alter dramatically with more and more self-service and increased checks driven by technological advance - eDreams ODIGEO technology/mobile led approach will be crucial in helping guide customers through this new journey. The dynamics of the airline industry will create appetite for cheap air travel - our leading position and ability to combine flights will serve us well and enable us to capture significant share of any new demand.

It is anticipated that there will be a greater shift towards digital and mobile in light of COVID-19 - ours is a technology led business and well-placed to benefit from this shift. Leisure will recover faster than business travel. We expect the destination mix of domestic travel and less crowded places to be the fastest to recover - we are already adapting offering to other transportation alternatives across our platform as well as hotels. Customers will continue to be able to achieve best value as this temporarily becomes a key market in individual countries.

2.2 Industry update and outlook

We are very conscious that COVID-19 has caused an unparalleled level of flight cancellations resulting in delayed refunds or the offer of vouchers by partner airlines and our customers have not always received the award-winning service that they have come to expect and deserve from us. The sheer volume and financial uncertainty have left airlines unable to cope. From the beginning of the crisis eDreams ODIGEO sought solutions recognizing an unprecedented requirement to deliver customer service. We made that a priority training an additional 200 internal employees, redirecting 30% of our development resources to better service our customers. We implemented an automated refund status update tool, allowed customers to initiate change and cancellation requests and enhanced the accuracy and display of flight status across all platforms and touchpoints. Making the customer journey frictionless and pain-free is our goal.

Through these actions three quarters of our customers during COVID-19 are rating our service as satisfactory or very satisfactory, and our NPS scores have reached new highs with 10pp improvements vs the same period of last year. Our efforts to make the customer journey frictionless and pain-free is increasing long-term loyalty from our customers and growing the lifetime value of our business

The benefit of our business model is that we are flexible, adaptive and innovative, seizing opportunities as they arise. The markets evolving and eDreams ODIGEO will adapt to meeting demand with products and services fit for purpose and customer's needs. Our business remains financially strong, we have kept our teams intact and motivated to resume as soon as restrictions are lifted. Should the market re-open this summer or later on, we are prepared to meet the new challenges head on and be at the forefront of the change that is inevitably going to occur.

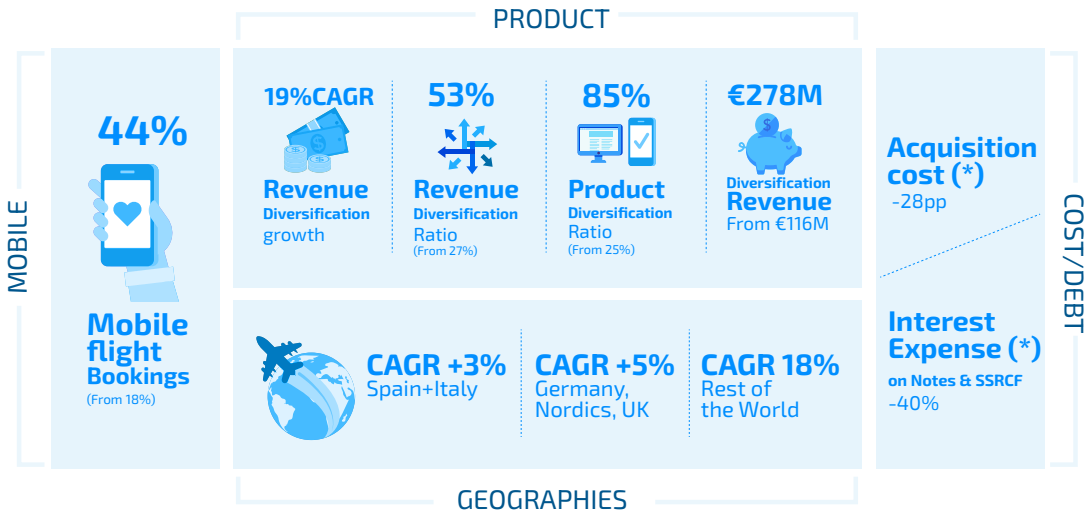


**STRONG PRESENCE IN 45
MARKETS, COVERING 80%
OF THE TOTAL TRAVEL
MARKET**

We are operating five leading brands



2.4 Financial performance



CAGR presented based on FY15-FY20.
(*) Percentage point reduction since FY15.

BUSINESS REVIEW

Financial Information Summary

	FY15	FY19	FY20	CAGR
Bookings ('000)	9,724	11,182	10,768	2%
Revenue Margin (in € Million)	436.0	533.0	528.7	4%
Adjusted EBITDA (in € Million)	90.5	119.6	115.1	5%
Adjusted Net Income (in € Million)	13.4	40.2	34.7	21%

CAGR presented based on FY15- FY20.



2.4 Financial performance

During FY20 we have seen continued progress. Prior to the COVID-19 crisis eDreams ODIGEO had been performing well and growing strongly utilizing its leading position in flights and sustainable scale advantages in an attractive marketplace. Due to our strong business model, monthly Bookings in December 2019 were up 11% year-on-year and continued to grow significantly in January and early February before the pandemic took hold. At the year end bookings were only 4% below the previous year, a highly respectable result at the end of March considering a year-on-year reduction in Bookings of 53% in the last 5 weeks of FY20 due to the spread of COVID-19.

Our business is proven to be robust and adaptable. More than 80% of costs are variable together with a well-diversified product portfolio, the benefit of scale and well spread geography. As demonstrated by the decrease of 17% in our 4Q FY20 Revenue Margin Pro-Forma (excluding €9.2 million COVID-19 impact) resulted in a reduction in variable costs also Pro-Forma of 23% (excluding €12.3 million COVID-19 impact). Full detail in note 3.2 to the Consolidated Financial Statements.

Adjusted EBITDA was down 4% to €115.1 million in FY20.

Our revenue diversification initiatives are delivering results. Diversification revenues continue to grow, up 18% year-on-year, and now represent 78% more than Classic Customer Revenue. As planned and as a consequence of our revenue model shift, Product Diversification Ratio and Revenue Diversification Ratio have increased to 85% and 53% in the fourth quarter, up from 25% and 27% in 4Q FY15, growing 60 and 26 percentage points respectively in just five years.

Overall, we are pleased by the continued rapid progress of revenue diversification and product diversification. In FY20 our dynamic packages and ancillaries continued to grow strongly, with revenues increased over 20% year-on-year in both categories. In addition, we have been able to significantly grow the hotels inventory that we source directly (from 19% of our dynamic packages sales on average in FY19 to 29% average in FY20) and we have now successfully integrated Waylo (acquired in February 2020) which enables through AI improved hotels sourcing capabilities.

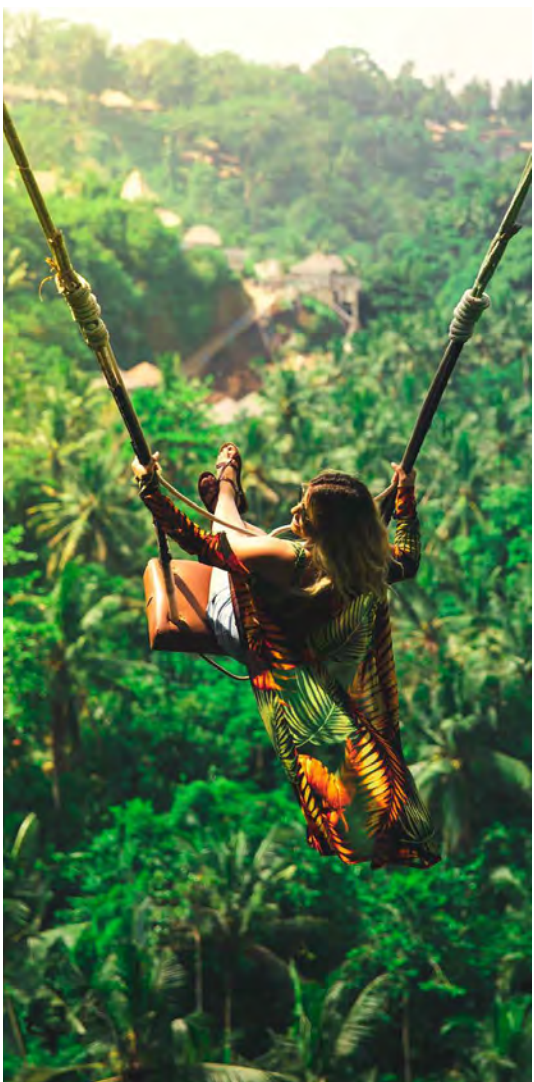
Our industry-leading subscription programme Prime, launched just two years ago, has continued its success. The number of subscribers have increased to 556,000, 391,000 more than in 4Q FY19. We now operate Prime in four of our largest markets: Spain, Italy, Germany and France. Additionally, mobile bookings continue to grow and account for 44% of our total flight bookings in FY20, rising 26 percentage points from FY15.

Adjusted Net Income stood at €34.7 million, down 14%. We believe that Adjusted Net Income better reflects the real ongoing operational performance of the business.

In FY20, despite a significant reduction in Bookings in March 2020, due to the spread of COVID-19, which resulted in working capital outflow of €201.8 million, the Group continued to have a strong balance sheet, with a current liquidity position of €144 million at the end of March, including the €60.5 million undrawn from our SSRCF. This places us in a position of strength as soon as normal activity resumes. Consequently, due to COVID-19 impact, leverage ratios have been impacted with the Net Leverage ratio increased from 2.4x in March 2019 to 3.9x in 2020 and Gross Leverage ratio increasing from 3.7x to 4.9x.

On the 21st of April we announced that successful discussions with our lenders resulted in our Super Senior Revolving Credit Facility ("SSRCF") covenant of Gross Leverage Ratio being waived for Fiscal Year 2021, achieving further financial flexibility for the Group.

Due to our prudent approach to our cost base and capital expenditure and, with the benefit of our cash generative model eDreams ODIGEO has maintained a strong financial position, and would have reduced by 49% over the past 5 years its Net Leverage ratio, from 3.7 in March 2015 to 1.9 in March 2020, had the impact of COVID-19 not occurred. This highlights eDreams ODIGEO robust deleveraging profile while at the same time creating an option for substantial long-term growth through investments such as the shift in our revenue model since November 2016.



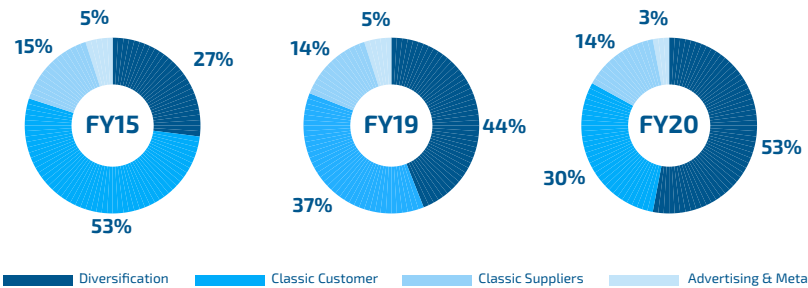
2.4 Financial performance

DIVERSIFICATION
REVENUE CONTINUES
STRONG GROWTH, NOW
78% LARGER THAN OUR
CLASSIC CUSTOMER
REVENUE

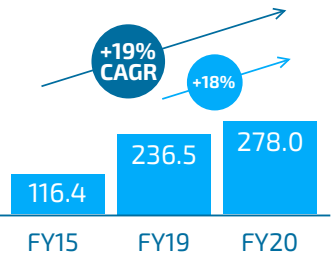
Revenue margin
(In € million)

	FY15	FY19	FY20	CAGR
Diversification	116.4	236.5	278.0	19%
Classic Customer	230.1	195.1	156.5	(7%)
Classic Supplier	66.3	74.3	76.3	3%
Advertising & Meta	23.1	27.1	17.9	(5%)
Total	436.0	533.0	528.7	4%

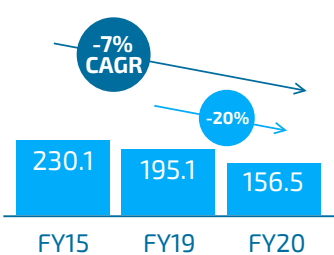
CAGR presented based on FY15-FY20.



Diversification



Classic customer

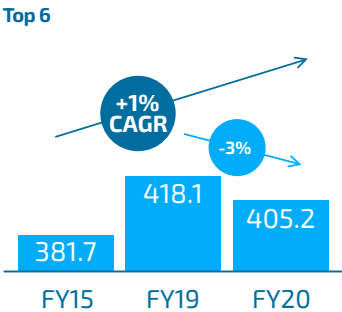
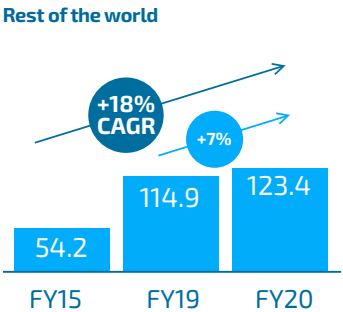
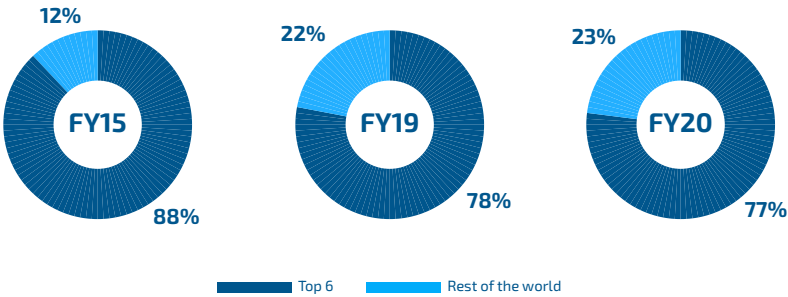


2.4 Financial performance

REVENUE
DIVERSIFICATION DRIVES
GROWTH IN THE REST OF
THE WORLD MARKETS,
18% CAGR OVER THE PAST
5 YEARS

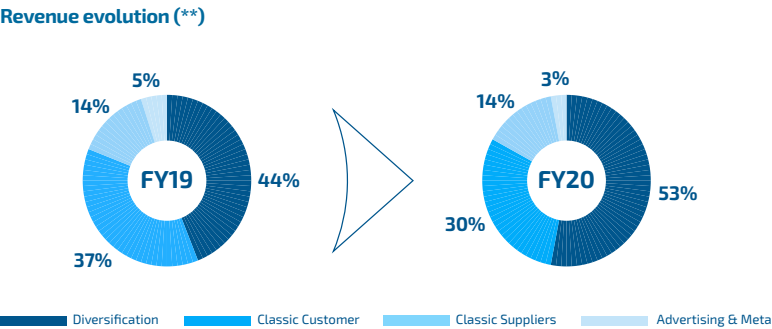
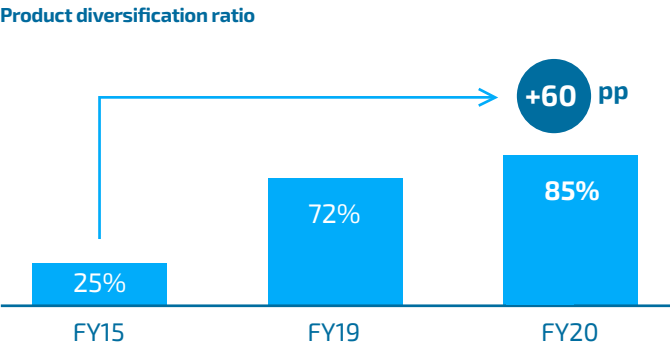
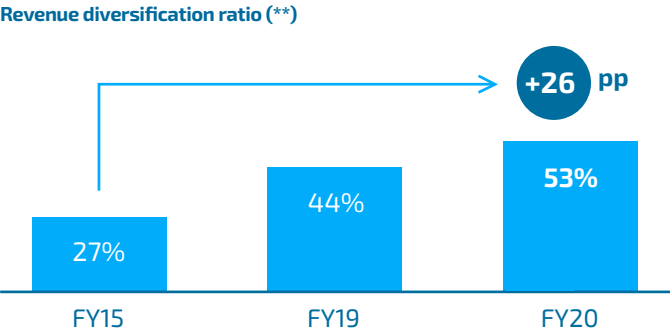
Revenue margin				
(In € million)				
	FY15	FY19	FY20	CAGR
France	167.7	138.2	141.3	(3%)
Southern Europe (Spain + Italy)	88.2	111.4	100.6	3%
Northern Europe (Germany + Nordics + UK)	125.9	168.5	163.4	5%
Total Top 6 Markets	381.7	418.1	405.2	1%
Rest of the world	54.2	114.9	123.4	18%
Total	436.0	533.0	528.7	4%

CAGR presented based on FY15-FY20.



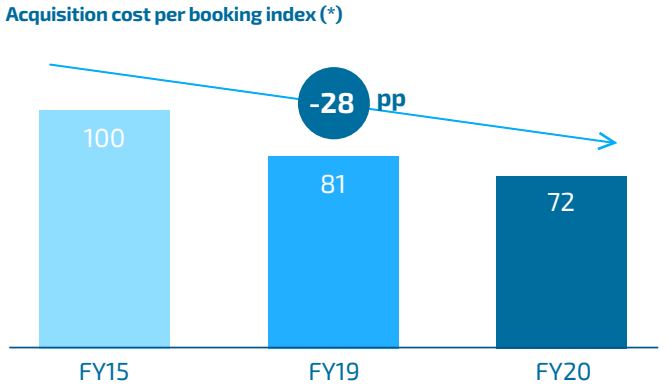
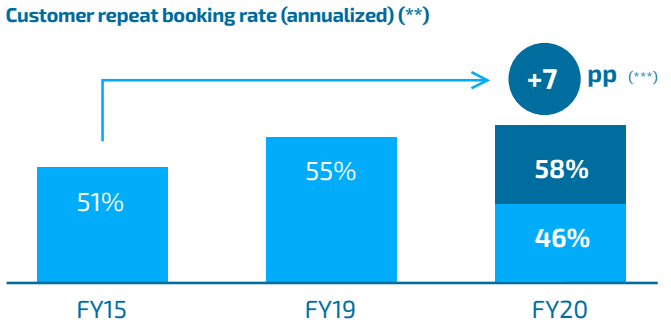
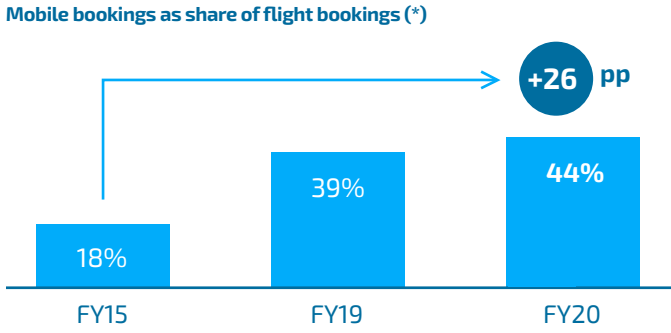
2.4 Financial performance

REVENUE DIVERSIFICATION ON TRACK AND THE LARGEST CONTRIBUTOR TO REVENUES



(*) Definitions non-GAAP measures can be found in section B5 Reconciliation of APM & Other Defined Terms.
(**) Note: Ratios are calculated on last twelve month basis ending on the displayed quarter.

CONTINUED STRATEGIC PROGRESS AS EVIDENCED BY OUR KPIs



(***) If we exclude COVID-19 data, starting since last week of February, and we follow the trend from that point until the end of the quarter, 4Q FY20 results in a 58% customer repeat booking rate.

2.4 Financial performance

SUMARY INCOME STATEMENT

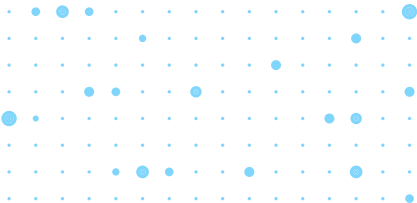
(in € million)	4Q FY20	Var FY20 vs FY19	4Q FY19	12M FY20	Var FY20 vs FY19	12M FY19
Revenue margin	115.7	(24%)	151.4	528.7	(1%)	533.0
Variable costs	(82.8)	(10%)	(91.9)	(350.8)	4%	(337.9)
Fixed costs	(4.6)	(76%)	(19.1)	(62.8)	(17%)	(75.6)
Adjusted EBITDA	28.3	(30%)	40.5	115.1	(4%)	119.6
Adjusted items	(0.4)	N.A	(0.1)	(14.4)	N.A	(3.1)
EBITDA	27.9	(31%)	40.4	100.7	(14%)	116.4
D&A incl. Impairment	(87.7)	N.A	(8.5)	(109.9)	N.A	(26.1)
EBIT	(59.8)	N.A	31.8	(9.2)	N.A	90.4
Financial result	(8.8)	14%	(7.7)	(29.8)	(55%)	(66.6)
Income tax	(1.3)	N.A	(5.2)	(1.4)	N.A	(14.2)
Net income	(69.9)	N.A	18.9	(40.5)	N.A	9.5
Adjusted net income	3.3	(83%)	18.7	34.7	(14%)	40.2

Source: Consolidated Financial Statements, audited.
(*) FY19 Variable and Fixed costs have been restated to reflect a reclassification. Full detail on note 7 to the Consolidated Financial Statements.

Highlights FY20

- **Revenue Margin** decreased by 1%, to €528.7 million, principally due to increase of revenue margin per booking driven by revenue diversification initiatives but offset by lower bookings of 4% following a 53% year-on-year decrease in the last 5 weeks of FY20 due to the spread of COVID-19.
- **Variable costs** grew 4% driven by one-off provision of €12.3 million related to the COVID-19 impact, as well as new variable costs related to the sales of new ancillaries. Please note that Variable and Fixed costs have been restated from 1Q FY20, with our new reporting classification for Cloud, customers' check-in cost and call center telecommunications costs, proforma variable cost for 4Q FY20 amounted €70.5 million.
- **Fixed costs** decreased by 17% due to decrease of personnel costs, fixed cost savings and lower FX impact this year.
- **Adjusted EBITDA** amounted to €115.1 million, down 4% year-on-year.

- **Adjusted items** items increased by €11.3 million mainly due to the expense and provision related to restructuring costs regarding the closing of Milan and Berlin call centres for a total amount of €9.0 million. Cost savings expected from 4Q FY20 onwards.
- **D&A and impairment** increased, relating to €74 million of impairment on Goodwill and Brand, and the increase of the capitalized software completed.
- **Financial loss** decreased by €36.8 million, mainly due to the cost in FY19 related to the refinancing of 2021 notes for €31.4 million and the variation between the interest expense of 2023 Senior Notes (5.50%) and 2021 Senior Notes (8.50%), with an impact of €5.9 million.
- The **income tax expense** decreased by €12.8 million from €14.2 million in FY19 to €1.4 million in FY20 due to (a) the recognition of foreign tax credits which revived as a result of new US regulations (€9.7 million lower income tax expenses), (b) the utilization of tax credits for qualifying investments in Spain (€2 million lower tax expenses), (c) variation of taxable profits in FY20 compared with FY19 (€3 million lower income tax expenses), (d) non-recognition of deferred tax assets for UK tax losses (€1.4 million more income tax expenses) and (e) other effects (€0.5 million more income tax expenses).
- **Net income** totalled a loss of €40.5 million, which compares with a profit of €9.5 million in FY19, as a result of all of the explained evolution of revenue and costs.
- **Adjusted Net Income** stood at €34.7 million, down 14%, we believe that Adjusted Net Income better reflects the real ongoing operational performance of the business and full disclosure of the Adjusted Net Income can be found in section B within the Consolidated Financial Statements and Notes.



2.4 Financial performance

SUMMARY BALANCE SHEET

(in € million)	31 st March 2020	31 st March 2019
Total fixed assets	982.7	1,057.4
Total working capital	(98.5)	(298.7)
Deferred tax	(30.9)	(36.2)
Provisions	(25.3)	(18.5)
Other non current assets / (liabilities)	-	-
Financial debt	(537.6)	(434.3)
Financing costs capitalized on SSRCF	-	2.8
Cash and cash equivalents	83.3	148.8
Net financial debt	(454.3)	(282.7)
Net assets	373.8	421.3

Source: Consolidated Financial Statements, audited.

Highlights FY20

Compared to last year, main changes relate to:

- Decrease in total **fixed assets** mainly as a result of the impairment booked on Goodwill and Brand for €74 million.
- Increase of **provisions** due to additional operational provisions recognized by the Group for €9.2 million related to the COVID-19 pandemic, a new provision for the earn-out payment of the Waylo business combination for €3 million, offset by the decrease in provision for our products of Cancellation and Modification for any reason for €4 million and the reclassification of €2.7 million of income tax uncertain liabilities from provisions to deferred tax
- The net **deferred tax** liability decreased by €5.3 million from €36.2 million to €30.9 million due to (a) the recognition of a deferred tax asset due to the revival of foreign tax credits in the US (€9.7 million lower deferred tax liability), (b) the non-recognition of a deferred tax asset for UK tax losses (€1.4 million more deferred tax liability), (c) the reclassification of the provision for tax contingencies as a deferred tax liability (€2.3 million more

deferred tax liability) and (d) the total effect of temporary differences in FY20 (€0.7 million more deferred tax liability).

- Decrease in negative **working capital** mainly reflecting a reduction in Bookings of around 53% in the last 5 weeks of FY20 due to the spread of COVID-19.
- Increase of **net financial debt** due to the utilization of cash and the SSRCF to finance the decrease of negative working capital.



2.4 Financial performance

SUMMARY CASH FLOW STATEMENT

(in € million)	4Q FY20	4Q FY19	12M FY20	12M FY19
Adjusted EBITDA	28.3	40.5	115.1	119.6
Adjusted items	(0.4)	(0.1)	(14.4)	(3.1)
Non cash items	14.7	1.7	17.9	(3.4)
Change in working capital	(104.6)	114.0	(207.4)	(23.8)
Income tax paid	0.6	(0.6)	(12.6)	(13.8)
Cash flow from operating activities	(61.4)	155.5	(101.4)	75.5
Cash flow from investing activities	(15.7)	(7.3)	(36.2)	(28.8)
Cash flow before financing	(77.1)	148.2	(137.6)	46.7
Acquisition of treasury shares	(5.6)	(0.4)	(6.0)	(0.4)
Other debt issuance/ (repayment)	108.8	(35.9)	106.4	(6.7)
Financial expenses (net)	(12.2)	(11.0)	(25.5)	(61.4)
Cash flow from financing	91.0	(47.3)	74.9	(68.5)
Net increase / (decrease) in cash and cash equivalents	13.9	100.9	(62.7)	(21.8)
Cash and cash equivalents at end of period (net of bank overdrafts)	83.3	148.8	83.3	148.8

Source: Consolidated Financial Statements, audited.

Highlights FY20

- **Net cash from operating activities decreased by €176.8 million**, mainly reflecting:
 - Working capital outflow of €207.4 million was due to significant decrease of Bookings in March 2020 vs. March 2019 due to the spread of COVID-19 and the very significant impact across the global travel industry.
 - Income tax paid decreased by €1.2 million from €13.8 million to €12.6 million due to (a) lower taxable profits which are the basis for the payments of advance income tax compared with FY19 (€0.1 million lower income tax paid), (b) no payment by the Spanish company Opodo SL in FY20 (€0.4 million lower income tax paid)

and (c) receipt of a refund of French income tax (€ 0.7 million lower income tax paid).

- Decrease in Adjusted EBITDA by €4.5 million.
- Better non-cash items: items accrued but not yet paid, increased by €21.3 million mainly due to the increase of provisions.
- We have **used cash for investments** of €36.2 million in FY20, an increase by €7.4 million mainly due to the payment done for the acquisition of Waylo (€6.5 million).
- Cash **used in financing** amounted to €74.9 million, compared to €68.5 million used in financing activities in the same period of last year. The variation by €143.3 million in financing activities mainly relates to the drawdown of €109.5 million under the SSRCF, higher financial expenses in FY19 in relation to refinancing of 2021 Senior Notes, as well as the variation between the interests of the two bonds, offset by the net payments for acquisition of treasury shares for €6 million.



2.4 Financial performance

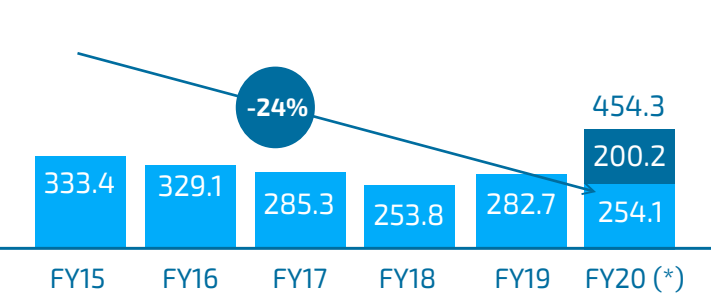
EFFICIENT DEBT
MANAGEMENT

In FY20, despite a significant reduction in Bookings in March 2020 due to the spread of COVID-19, the Group continued to have a strong balance sheet, with current liquidity position of €144 million at the end of March, including the €60.5 million still to be drawn from our SSRCF, placing us in a position of strength as soon as normal activity resumes. As a result Leverage ratios have been impacted, and look as follows:

Gross Leverage ratio (*) increased from 3.7x in March 2019 to 4.9x in 2020, due to COVID-19 impact.

Net leverage ratio (*) increased from 2.4x in March 2019 to 3.9x in 2020, due to COVID-19 impact.

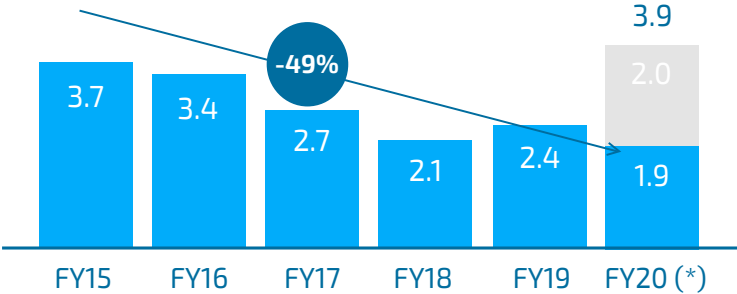
Net debt (€ in millions)



(*) For FY20 Net Leverage calculation ex-COVID-19 we have used the implied FY20 adjusted EBITDA result we would have achieved (€134.9 million), a €15.1 million positive impact in NWC due to an expected 4% increase in Bookings, (-€30) million due to IATA change in payment terms, and no use of the SSRCF, resulting in a cash position at the end of March 2020 of €174 million.

On the 21st of April we announced that successful discussions with our lenders resulted in our Super Senior Revolving Credit Facility ("SSRCF") only covenant of Gross Leverage Ratio being waived for FY21, achieving further financial flexibility for the Group. Due to prudent approach to our cost base and capital expenditure and, with the benefit of our cash generative model eDreams ODIGEO has maintained a strong financial position, and would have reduced by 49% over the past 5 years its **Net Leverage ratio if we exclude COVID-19 impact in FY20**. This shows eDreams ODIGEO robust deleveraging profile while creating an option for substantial long-term growth through investments like the shift in our revenue model since November 2016.

Net leverage ratio (*)



Rating and Issues

Issues

Issuer	ISIN Code	Issue date (*)	Issue Amount (€million)	Coupon	Due date
eDreams ODIGEO S.A.	XS1879565791	25/9/18	425	5.5%	1/9/23

Rating

Agency	Corporate	2023 Notes	Outlook	Evaluation date
Moody's	B3	Caa1	Negative	1/7/20
Standard & Poors	B	B	Negative	20/3/20

(*) Definitions non-GAAP measures can be found in section B4. Glossary of definitions.



2.5 eDreams ODIGEO strategy & achievements over the past 5 years

EDREAMS ODIGEO
STRATEGY &
ACHIEVEMENTS

FROM

Flight-centric,
Transactional
Service

Excel in online flights with best prices and flight options.
Followed industry-wide transactional model, though dependent on customer acquisition channels / economics.
Significant scale advantages derived from number of providers and search technology. Focus on search and choice most suited for desktop experience not mobile.
Significant customer needs / pain points unaddressed.
Industry-wide transaction model unable to address travel value However, traveler price sensitivity reinforced.
Classic flight revenues the most important.

TO

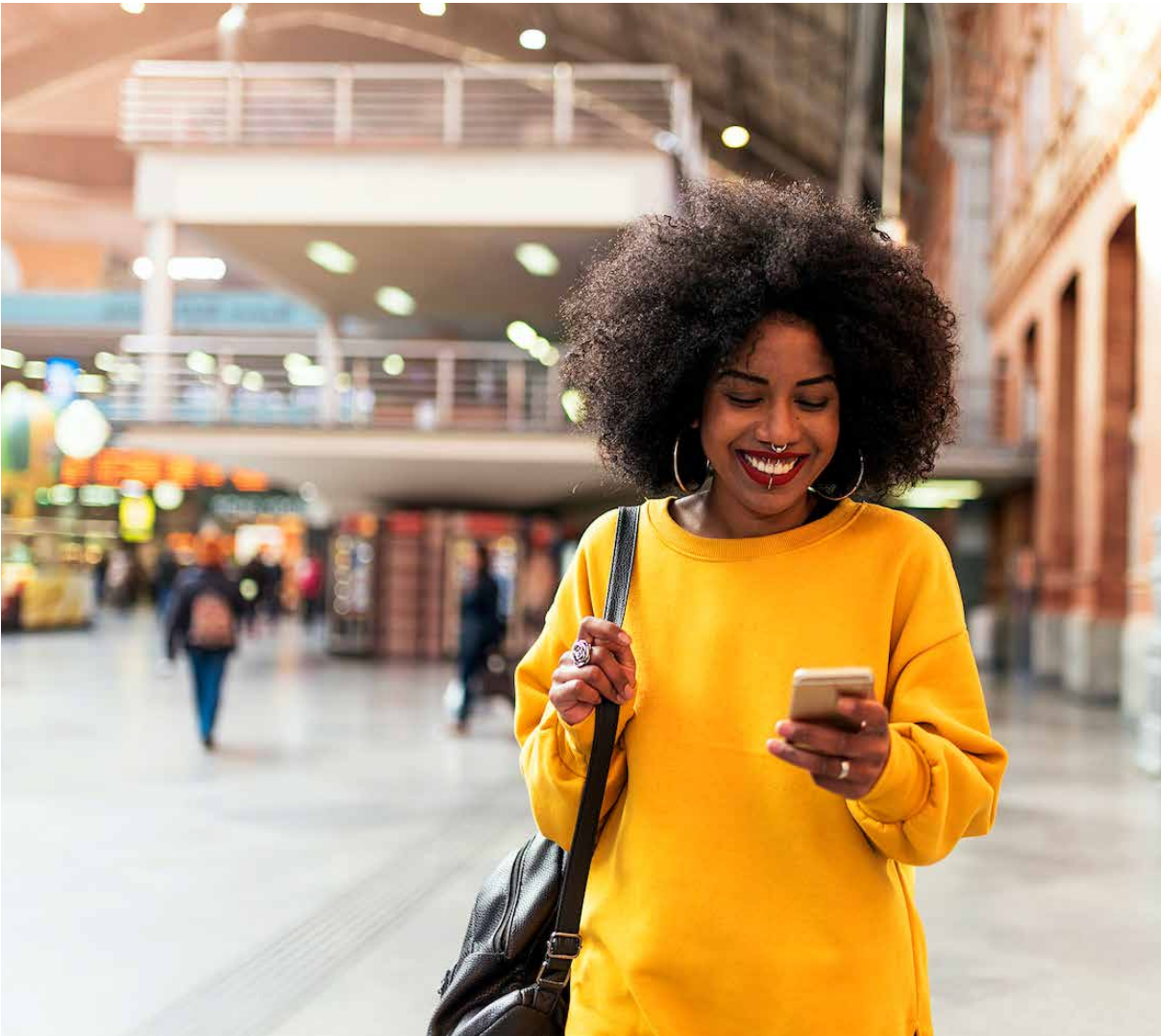
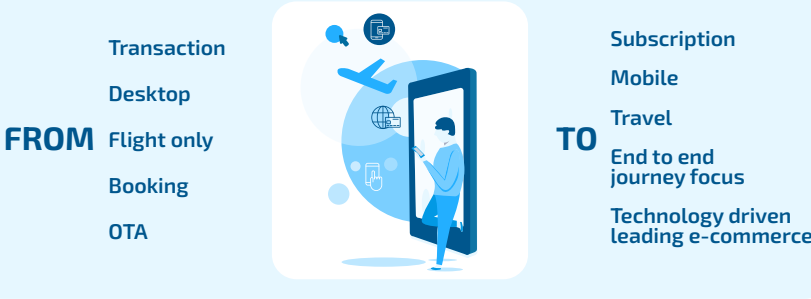
Flight-centric,
Travel
Relationships

Leverage strategic flights position to engage with customers through full travel journey.
Deliver best end to end mobile exp.
Move customer focus from flight price to travel value, expanding upsell and bundling opportunities.
Build long-term customer relationships with Prime subscription membership program.
Lowest price positioning takes price "off the table", further shifting focus to travel value. Significantly reduce customer acquisition costs.
Diversification revenue, including ancillaries and other travel products, the most important.

VISION

"Your
Trusted
Travel
Companion"

Leverage customers relationships and best end to end mobile experience to address complete leisure travel needs.
Significantly expand market and share of travel wallet by increasing attachment of hotels, cars and travel ancillaries.
More stable revenues through Prime and app usage, lower customer acquisition costs.
Reinvest strong FCF to grow EBITDA through M&A and organically.
Expand scale in new product categories and regions.
Extend technology superiority.
Substantial EBITDA accretion potential through tuck-in / bolt-ons.

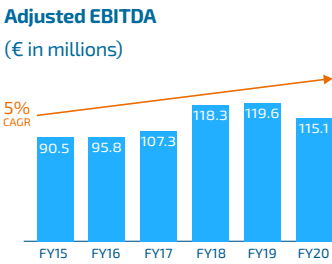
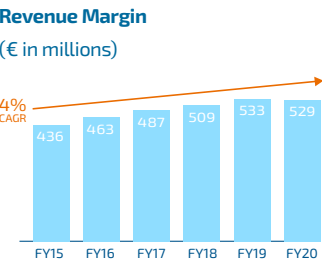


2.6 Adaptability of the business model, strategy and innovation

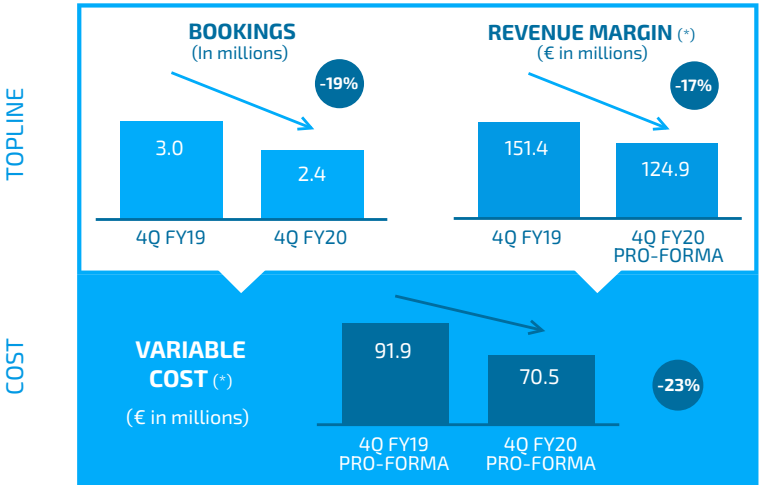
ADAPTABILITY OF THE BUSINESS MODEL

1. Solid Revenue and EBITDA growth

eDreams ODIGEO delivered solid compound annual growth rates over the past 5 years. Revenue margin and Adjusted EBITDA, grew 4% and 5%, respectively.

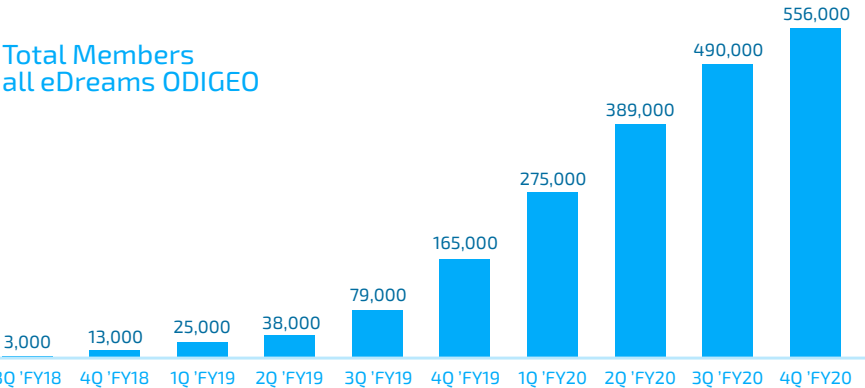


3. More than 80% of our costs are variable with ability to adapt and rapidly reduce fixed costs & CAPEX



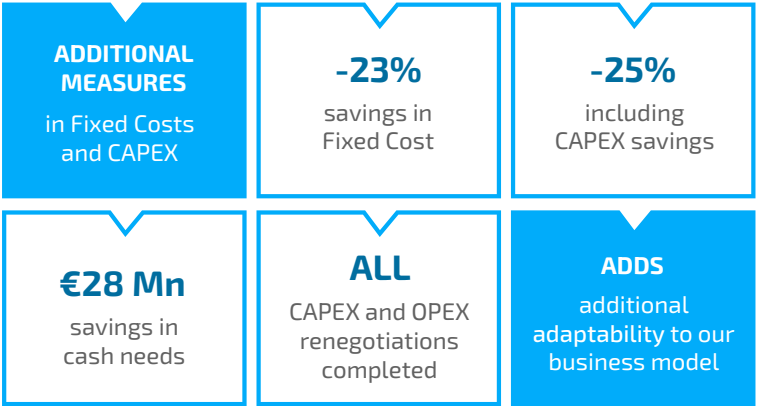
(*) Full detail on note 3.2 to the Consolidated Financial Statements.

2. Prime subscription program provides a fixed revenue stream



Source: Central platform database.

Additional measures in fixed costs and capex adds additional adaptability to our business model



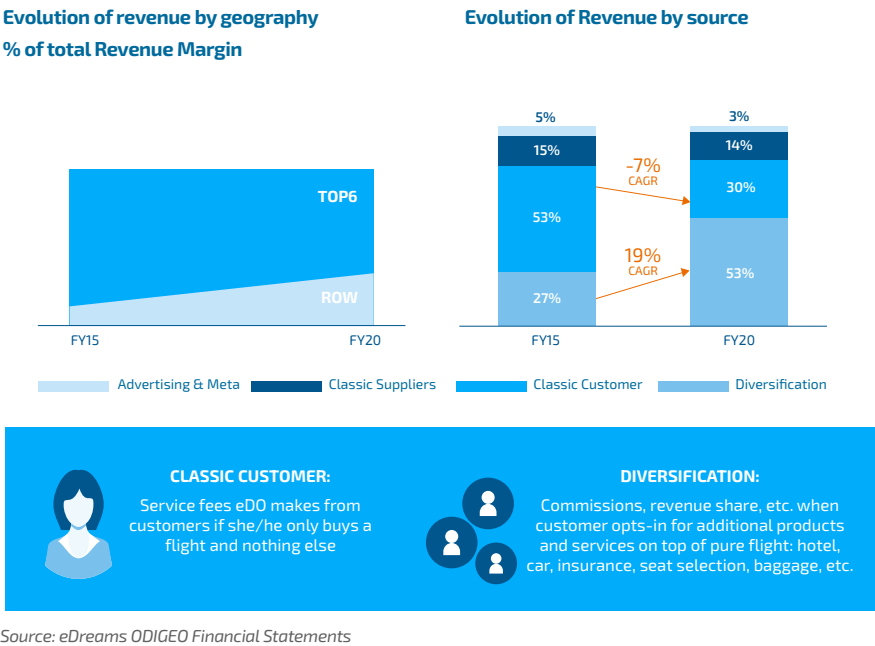
Note: Already implemented measures which are expected to decrease our annualized FY21 fixed costs, capex and cash needs vs 3Q FY20 levels.

2.6 Adaptability of the business model, strategy and innovation

ADAPTABILITY OF THE BUSINESS MODEL

Diversification Revenues continue to drive growth as the largest revenue contributor, with revenues increasing at a CAGR of 19% between FY15 and FY20. This impressive growth more than offset our intentional reduction in Classic Customer Revenue, which has decreased. This increase in diversification as well as the revenues in the rest of the world markets is contributing to the adaptability of our business.

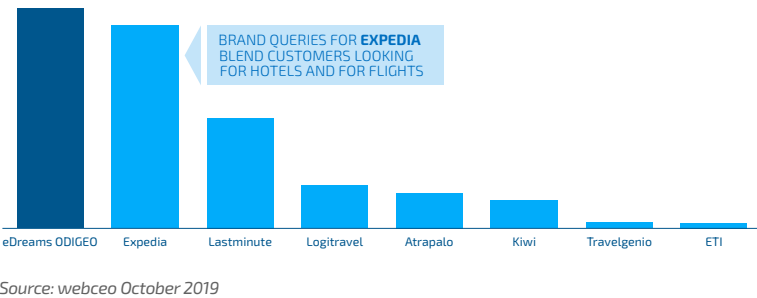
4. Increasing diversification contributing to adaptability



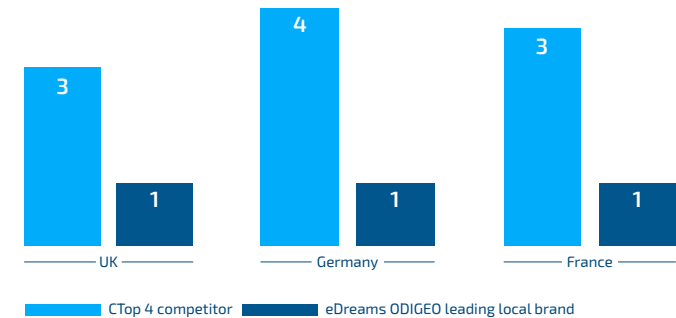
5. Brand strength allow non-reliance on expensive paid channels

Our **scale advantages** make us both a **better partner** and less reliant long-term on the metasearch versus competition.

eDreams has the most branded queries among main flight OTAs in Google in all European countries



Meta dependency by market, indexed





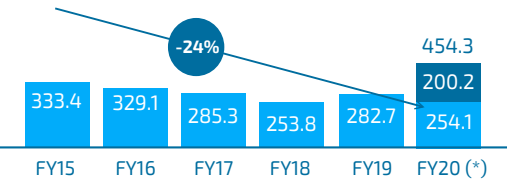
ADAPTABILITY OF THE BUSINESS MODEL

6. Strong balance sheet – Robust deleveraging profile

Net leveraging reduced by 49% over the past 5 years if we exclude COVID-19 impact in FY20. This shows eDreams ODIGEO robust deleveraging profile while creating an option for substantial long-term growth through investments such as the shift in our revenue model since November 2016.

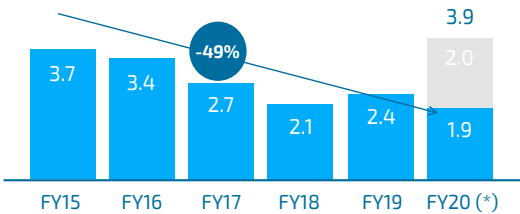
Robust deleveraging profile.

Net debt (€M)



Super Senior Revolving Credit Facility (“SSRCF”) only covenant of Gross Leverage Ratio being waived for Fiscal Year 2021

Net leverage ratio (*)



No short-term financial debt payments. Our Senior notes are due in 2023

Source: eDreams ODIGEO Financial Statements
(*) Net Leverage Ratio: means the total amount of outstanding Net Financial Debt on a consolidated basis divided by “Adjusted EBITDA”. This measure offers to the reader a view about the capacity of the Group to generate enough resources to repay the Gross Financial Debt, also considering the available cash in the Group.
(**) For FY20 Net Leverage calculation ex- COVID-19 we have used the implied FY20 adjusted EBITDA result we would have achieved (€134.9 million), a €15.1 million positive impact in NWC due to an expected 4% increase in Bookings, (-€30) million due to IATA change in payment terms, and no use of the SSRCF, resulting in a cash position at the end of March 2020 of €174 million.

2.6 Adaptability of the business model, strategy and innovation

STRATEGY & INNOVATION

Our top priority in FY20 and onwards is to **continue to innovate** and be best-in-class in online flights and leverage that strategic position to adapt, change rapidly, and capture market trends to grow organically and through M&A, driving strong profitable growth in the medium term, while creating an option for substantial long-term growth.

“eDreams ODIGEO is the scale player in flights in Europe, and one of the largest worldwide”

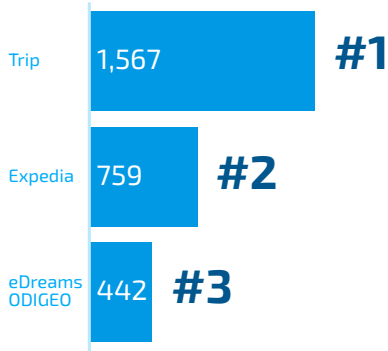
Scale really does matter

eDreams ODIGEO is the scale player in flights in Europe, and one of the largest worldwide

eDreams ODIGEO is strategically positioned in the enormous online travel market. eDreams ODIGEO's leadership in the €15B European online flight sector positions it strongly for growth in the €1.3T global travel market in 2019

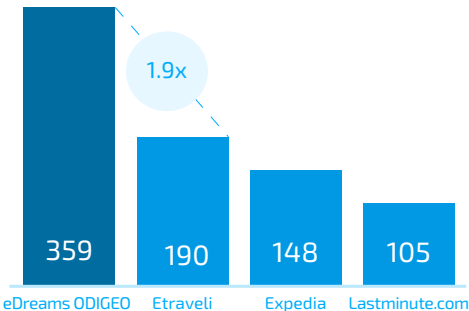
ONLY 3 BIG GLOBAL PLAYERS IN FLIGHTS WITH EXPEDIA AND TRIP, VERY LARGE IN THE US AND CHINA

Global flight revenue
Estimated, latest fy (€m)

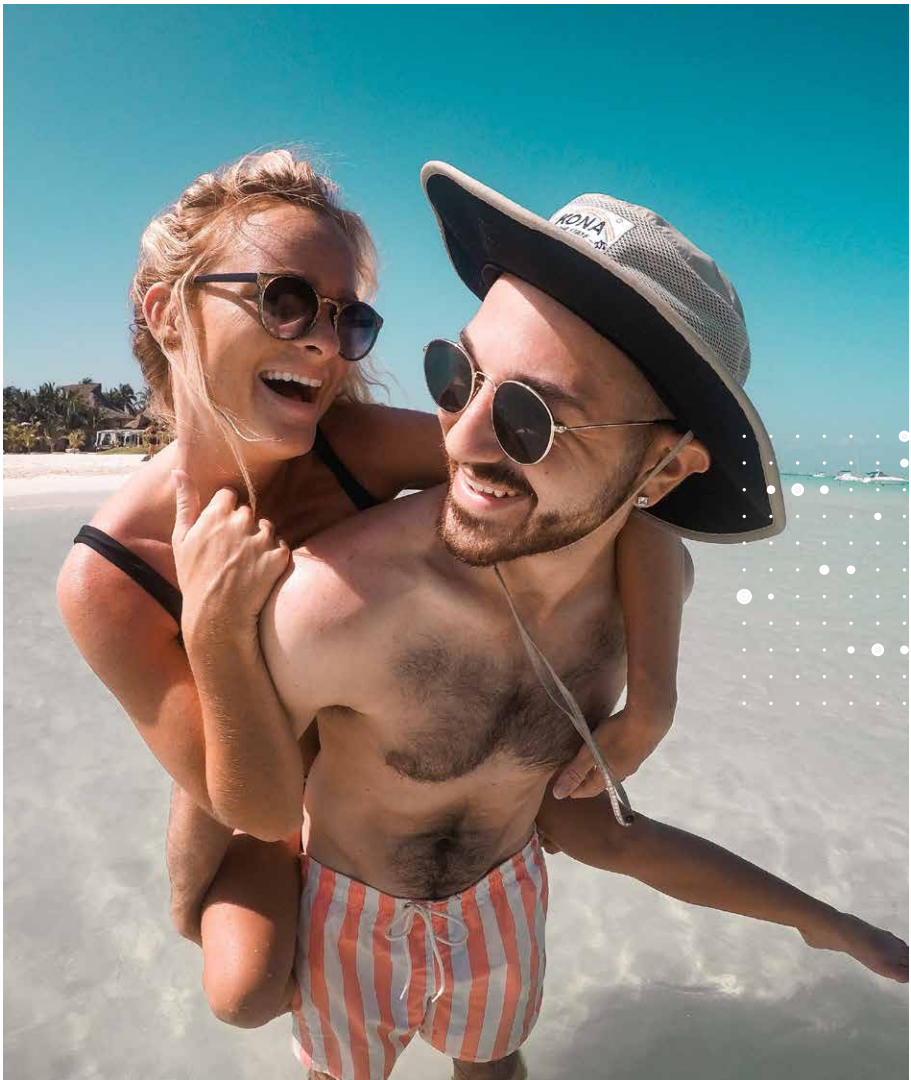


eDreams ODIGEO UNRIVALLED SCALE WITH 1.9X MORE EUROPEAN FLIGHT REVENUE THAN THE #2 PLAYER

European flight revenue
estimated, latest fy (€m)



Source: Phocuswright, Company data, eDreams ODIGEO analysis



2.6 Adaptability of the business model, strategy and innovation



“We continue to innovate and evolve our offer through our focus on industry leading technology in product development delivering ever greater convenience and experience to our customers and providing them with a seamless journey”

Sustainable scale advantages relative to competition

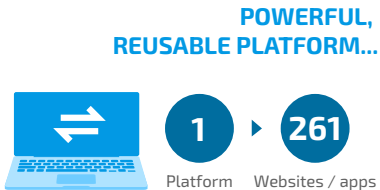
Scale translating to advantages in classic flights and diversification



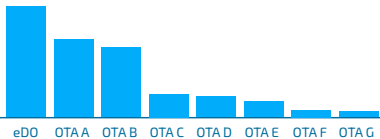
- 1. PRODUCT DEVELOPMENT STRENGTH
- 2. END TO END JOURNEY EXPERIENCE
- 3. BRAND STRENGTH
- 4. AI/ML INDIVIDUALIZED MODELS & EXPERIENCES

Industry-leading technology

1. Product development strength



...AND INDUSTRY LEADING TEAM...



...ARE POWERING REAL SCALE ADVANTAGES

1.7 BILLION Monthly searches 340,000 PEAK Searches per second

160 MILLION Supplier searches per day 664 AIRLINES

36 BILLION Pricing calculations per hour



2.6 Adaptability of the business model, strategy and innovation

1. Product development strength

Industry-leading technology in product development

+6,000

Feature launches per year

Prime	+1,000 AB tests since launch +27,000 customer interviews
Revenue Diversification	Most comprehensive seats & bags coverage in the industry 19 products and services offered
Customer Experience	Fastest and most intuitive funnel 2x the speed than next player to complete a booking in below 1:40min
Air Content	+664 airline connections More flight combinations than any other OTA or airline on Metas

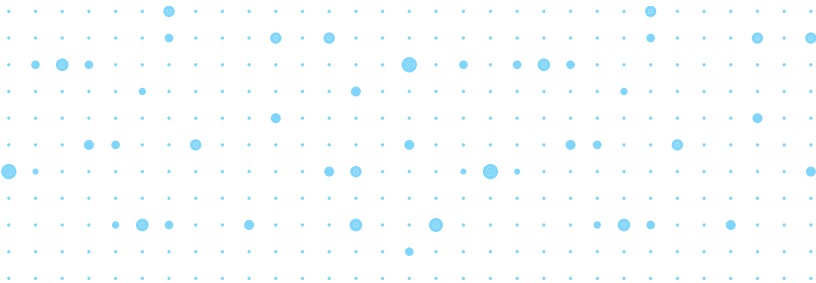
2. End to end journey experience



2.6 Adaptability of the business model, strategy and innovation

3. Brand strength

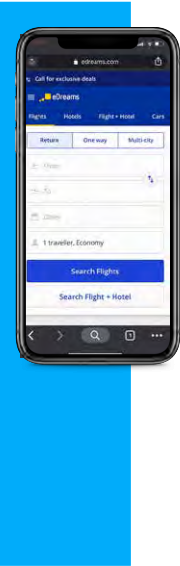
- Our scale advantages make us both a better partner and less reliant long-term on the metas versus competition.
- eDreams has the most branded queries among main flight OTAs in Google in all European countries.
- As a result this makes eDreams ODIGEO less meta dependency by market, which allows non-reliance.



4. AI/ML individualized models & experiences

Continuous learning and fast iterations to deliver a smooth and intuitive funnel experience

Artificial Intelligence powers personalized experience across the funnel

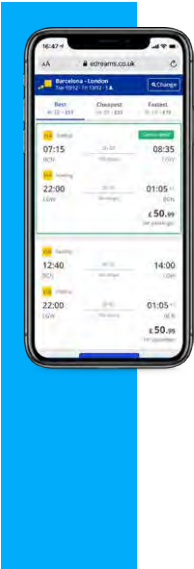


INDUSTRY LEADING FLIGHT FUNNEL

Implementing newest technologies reduces time to market and **increases site speed by 25%**
Significant reduction in cognitive load for users by allowing to launch search and select flight in a **smooth flow in 50% less clicks**
Continuance to passenger page **increased by +10%**

DOUBLED PERFORMANCE OF DP MOBILE FUNNEL

Increased conversion by over 25% in DP mobile funnel in last 12 months
+50 tests in UX lab and AB on site to enhance customer experience

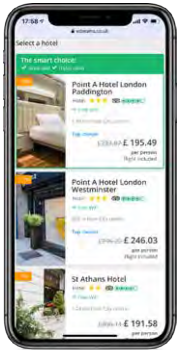


PERSONALISED FLIGHTS SORTING

60 million times a day our sorting algorithm evaluates in real time **50+ criteria** in **less than 100 milliseconds**
Already delivered **+10% of conversion gain**

PERSONALISED HOTEL SORTING

Our internal hotel sorting algorithm has outperformed an industry leading hotel sort solution on many dimensions:
12% conversion upside
10% more hotels selected from first page
limitless amount of hotels vs. prior cap at **2,000 hotels**



2.6 Adaptability of the business model, strategy and innovation

STRATEGIC PRIORITIES

eDreams ODIGEO goals are to strengthen and grow online flights offering to build strong travel relationships, serve customers' full travel needs and become their trusted travel companion.

We believe there will be a greater shift towards digital and mobile in light of COVID-19 – ours is a technology led business and well-placed to benefit from this shift. The benefit of our business model is that we are flexible, adaptive, innovative and driven by change, seizing opportunities as they arise, and we are seizing opportunities arising from COVID-19.

We are seeing change and eDreams ODIGEO will adapt to meet demand with products and services fit for purpose and customer’s needs.

Priorities	Goals	Vision
#1 Expand Prime membership subscription program	Strengthen and grow online flights offering to build strong travel relationships	"YOUR TRUSTED TRAVEL COMPANION"
#2 Deliver most innovative, mobile end-to-end experience		
#3 Diversify and grow revenue / products sold around flights	Leverage strong travel relationships to serve customers' full travel needs	
#4 Continue to increase relative scale		

1. Expand Prime membership program

Prime is the first ever travel subscription program.

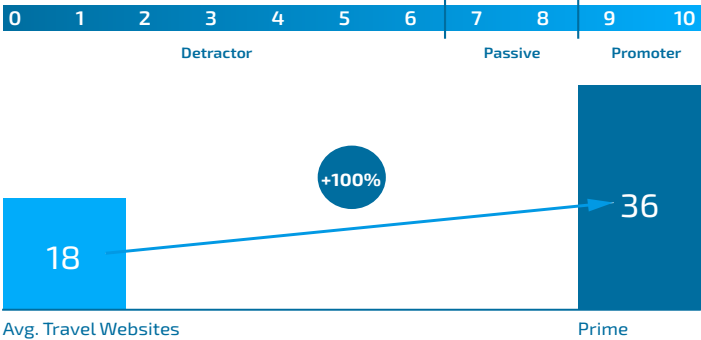


Great for customers

- Prime customers have higher NPS vs average travel websites - Ranking high among industry comparable.

The NET promoter question

On a scale of 0-10, how likely would you be to recommend (brand) to a friend or colleague?



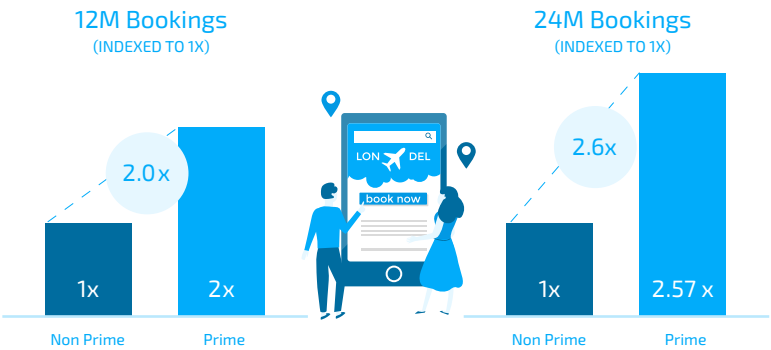
Source: NICE Satmetrix (co-developer of NET Promoter®), internal NPS survey (Last 3 months average across Prime markets, measured at confirmation)

2.6 Adaptability of the business model, strategy and innovation

STRATEGIC PRIORITIES

More repeat customers

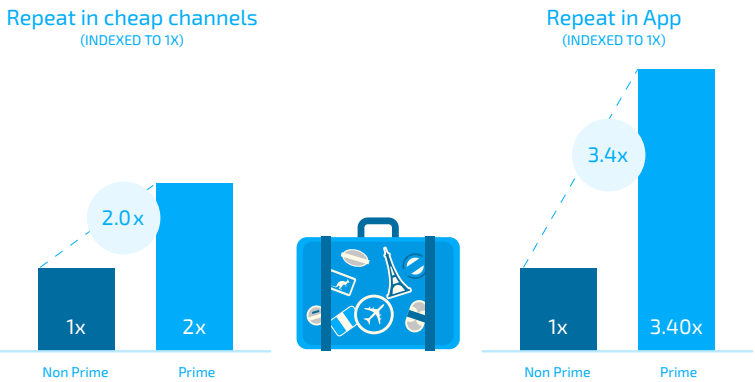
- Prime members repeating more than non-prime over their lifetime.
- 2x more bookings in first 12 months.



Source: Opodo France data. Extrapolation from Data Science team based on 18M historical datapoints.

Lower marketing costs

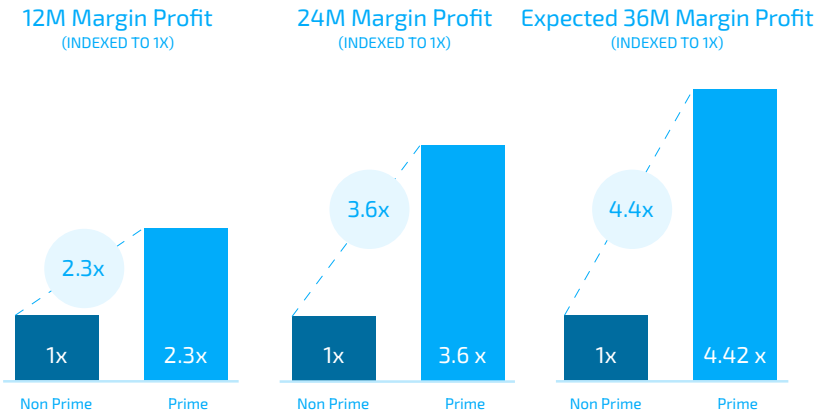
- Repeat bookings are made mostly in cheap channels.
- Share of cheap channel repeat 2x more vs non-prime; share of app repeat 3x vs. non-prime.



Source: Internal BI, FY 2020.

Much higher lifetime value (LTV)

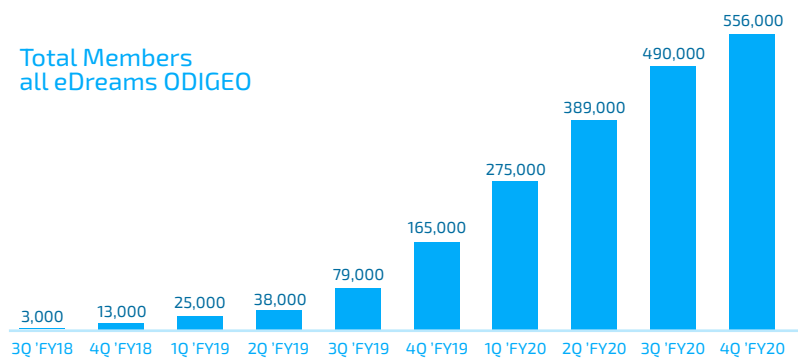
- Prime customers are up to 4.4x more profitable in 36 months.



Source: Internal BI, Data science extrapolation, internal analysis.

Results so far!

- The programme is **growing strongly and accelerating**. We have reached 556,000 members since launching 2 years ago.



Source: Central platform database.

2.6 Adaptability of the business model, strategy and innovation

STRATEGIC PRIORITIES

- Prime share of total bookings DOUBLED in FY20 vs same period last year.
 - Ambition is to grow Prime to 2 million members by 2023.



What's coming next.



Product

Continue to test and refine core proposition. Iterate around duration & price point trial periods, etc.

Expand to other products and services: e.g hotels (just launched), Dynamic Packages, Car rentals.



Geography

Continue to test and rollout product across geographies.



Customer segment

Starting to test and develop more segmented propositions across various customer segments: Exploring business customers and Family plans.

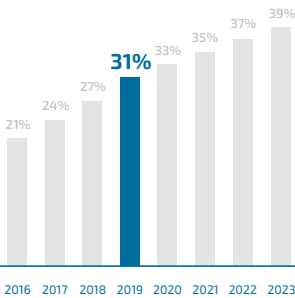
2. Deliver most innovative end-to-end mobile experience

Mobile has become even more important to customers

eDreams ODIGEO is the strongest company for Mobile in Europe, providing comprehensive mobile solutions for customer pain points. eDreams ODIGEO is best positioned to fuel this growth opportunity. We have one of the highest app ratings and in FY20 over 44% of our Bookings were made via mobile devices.

Mobile is becoming more and more important

Mobile booking share %



Source: Mobile booking share in European online travel. Phocuswright Europe Online Travel Overview 2019

In FY20 44% of our flight Bookings are already done via mobile device

APP RATINGS

Booking.com	4,6	Lufthansa	2,7
Opodo	4,5	Omio	2,7
GoVoyages	4,5	Vueling	2,5
eDreams	4,4	Kiwi	2,3
Kayak	4,3	Ryanair	2,2
Lastminute	3,7	British Airways	2,0
Easyjet	3,5	Air France	1,8
Expedia	3,0		
Skyscanner	2,9		
Iberia	2,7		

Source: App Rating Average for the Reviews (Aug to Oct 2019)

2.6 Adaptability of the business model, strategy and innovation

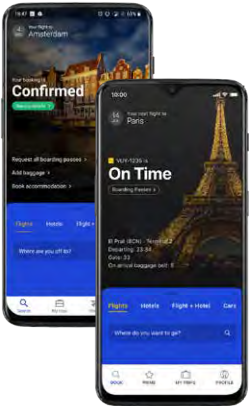
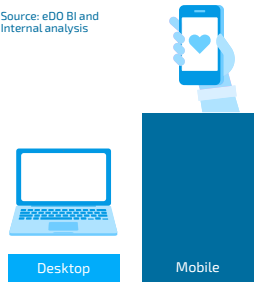
STRATEGIC PRIORITIES

Mobile offers more personalization opportunities, which is key to providing a comprehensive mobile solution for customer pain points

4x
Logged in users

Higher logged-in users in mobile allow for much higher personalisation

Source: eDO BI and Internal analysis



We have a **higher return and logged in** users share than on desktop

We can offer **better, smoother and personalized experience on mobile** vs. desktop

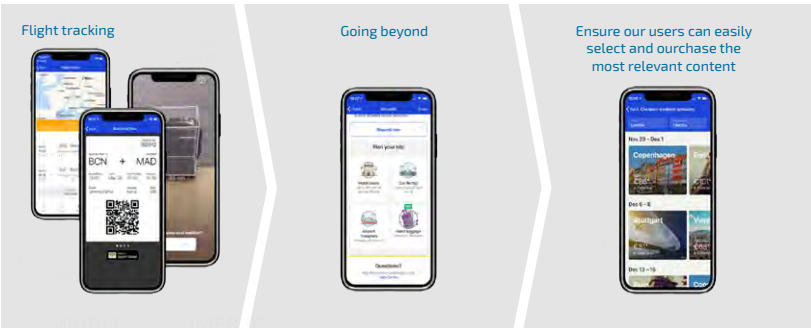
Catering for the **user need and create unique experiences**

Covering the whole customer journey as online travel goes mobile

Provide innovative mobile solution for customer pain points

Cover all product related needs

Leading search experience and conversion



WHOLE CUSTOMER JOURNEY

PLAN - BOOK - PREPARE - TRAVEL

3. Diversify and grow revenue / products sold around flights

a. Significant progress to date.

In FY20 our **dynamic packages and ancillaries** continued to show very strong performance, with revenues increasing over 25% year-on-year in both categories. In addition, we have been able to **significantly grow the hotels inventory** that we source directly from hoteliers (from 19% of our dynamic packages sales on average in FY19 to 29% average in FY20) and we have now **successfully integrated Waylo** (company acquired in February 2020) which enables us to get access to improved hotels sourcing capabilities leveraging AI.

We have been able to almost **double our volumes of airport transfers** in FY20 versus FY19, by adding some new touchpoints and improving the customer experience. And we have further increased the number of **travel activities** that are available to our customers, and **in FY20 have introduced new products such as restaurants and airport parking**.



	FY2016	FY2020	
Additional products Sold per 100 flight Bookings (*)	37	85	+24% CAGR
Diversification Revenue margin	€124 Mn	€278 Mn	+22% CAGR
Share of company Revenue from revenue diversification	27%	53%	7pp Annually

(*) Product Diversification Ratio

2.6 Adaptability of the business model, strategy and innovation

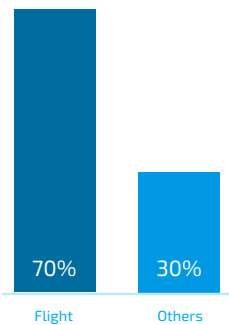
STRATEGIC PRIORITIES

b. Leveraging strong flight position to gain large share of travel consumer spend.

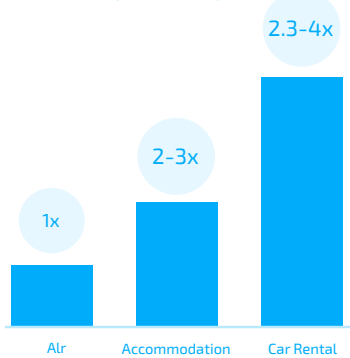
Leisure travelers typically begin their travel planning process with the most time sensitive element –flights– and book other items around this.

- Recent survey conducted by eDreams ODIGEO suggests that 70% of the customers first purchase in travel planning process is the flight.
- In addition the cost per click to search a flight vs other travel products is 2-4 times lower, which implies that having a strong flight customer base would allow use to increase faster and at a lower cost other travel products like, accommodation, car rental, bus & rail and other travel activities.

First Purchase in Travel Planning Process



Global Search CPC per Product (INDEXED TO 1X)

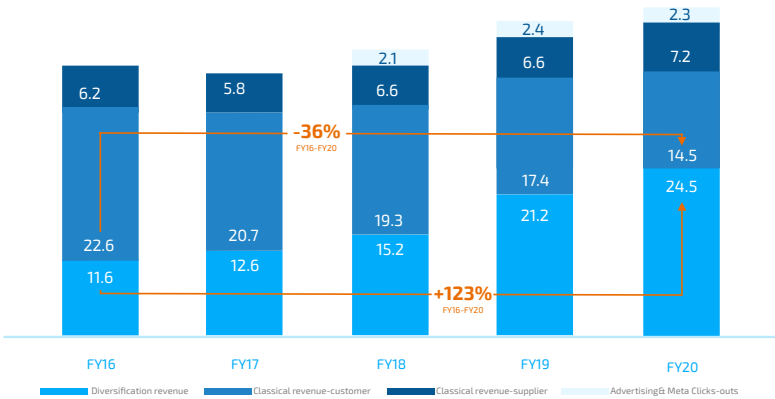


Source: Survey conducted in 5 countries (Fr, It, UK, De, Es). n = 2,080

c. Increase our competitiveness in flights.

- Over the recent years we have focused on providing more and better product / service to our customers.
- This has been instrumented through strong investments in revenue diversification which have resulted in i) an improvement of our competitiveness in flights via reduction of services fees and ii) higher value for our customers as the increase in the RM per booking (+€6) proves.

Revenue distribution on a € per booking basis



2.6 Adaptability of the business model, strategy and innovation

STRATEGIC PRIORITIES

d. Continue to expand ancillaries revenues across relevant touchpoints.

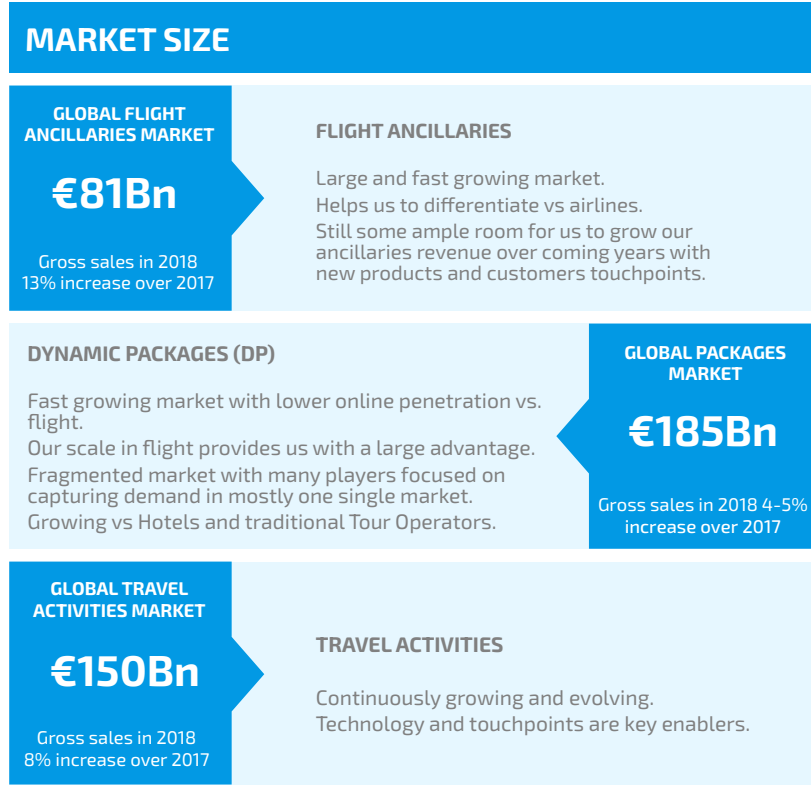
- We have a large opportunity to expand ancillaries revenue across relevant touch points.

Many opportunities remain across key customer journey stages

	BOOKING PATH	POST-BOOKING	CHECK-IN	AT-DESTINATION
Baggage	✓	✓	OPPORTUNITY	
Seats	✓	✓	✓	
Car hire	✓	✓	OPPORTUNITY	✓
Transfers, Taxis & VTC	✓	✓	OPPORTUNITY	OPPORTUNITY
Cancellation insurance	✓			
Cancellation & medical assistance	✓	✓	OPPORTUNITY	
Customer premium service	✓	OPPORTUNITY	OPPORTUNITY	
Lost baggage assistance	✓	OPPORTUNITY	OPPORTUNITY	
Flight delay compensation	OPPORTUNITY	✓	OPPORTUNITY	OPPORTUNITY
Medical assistance	✓	✓	OPPORTUNITY	
SMS flight confirmation & details	✓	OPPORTUNITY	OPPORTUNITY	
Visas	✓	✓	OPPORTUNITY	OPPORTUNITY
Restaurants	OPPORTUNITY	OPPORTUNITY	OPPORTUNITY	✓
Tours Events & Activities	✓	✓	OPPORTUNITY	OPPORTUNITY
Cancel for any reason	✓			
Flexible flight dates	✓			
Automated check-in & mobile pass	✓	✓		
Airport Parking	OPPORTUNITY	✓	OPPORTUNITY	OPPORTUNITY
Airport Lounges	OPPORTUNITY	OPPORTUNITY	OPPORTUNITY	OPPORTUNITY

e. Substantial market opportunity

The **Flight Ancillaries, Dynamic packages and travel activities** markets continues to grow for companies who are well-positioned in flight business.



Source 1: IdeaWorks Company.com
Source 2: Statista
Source 2: Phocuswright

2.6 Adaptability of the business model, strategy and innovation

IN SUMMARY

Due to the strength of our finances, the adaptability of our business model, with the vast majority of cost being variable, and the mitigating actions taken during the pandemic **our business will emerge strongly and well positioned from the crisis.**

It is anticipated that there will be a **greater shift towards digital and mobile** in light of coronavirus – **eDreams ODIGEO is a technology led business and well-placed to benefit from this shift.**

We will have **sufficient funding available** to increase marketing spend to meet the anticipated increase in demand and to capitalise on commercial opportunities that present themselves. **Even in more pessimistic scenarios we will be able to protect our leading market position for any speed of recovery in demand.**

We have a **liquidity position of €142 million** at the end of June, which

could be used if needed in periods of slowing demand. **Gross Leverage Ratio being waived for Fiscal Year 2021**, give us further financial flexibility. We have **no short term financial debt payments** and **our Senior Notes are due in 2023.**

Our business remains financially strong, we have kept our teams intact and motivated to resume as soon as restrictions are lifted. Should the market re-open this summer or later on, **we are prepared to meet the new challenges head on and be at the forefront of the change that is inevitably going to occur.** We continue to **invest in the future to come out as a winner from the crisis.**

eDreams ODIGEO is **agile and nimble**, which allows to **adapt quickly as necessary.** We are really **confident** we will **continue to lead** through product development and innovation the **transformation of the travel industry.**





A3. CORPORATE GOVERNANCE

- 3 . 1 eDreams ODIGEO Corporate Governance structure
- 3 . 2 Ethical framework and main policies applied by the Group
- 3 . 3 Risk management
- 3 . 4 Sustainability and Corporate Social Responsibility management



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

“eDreams ODIGEO continuously strives to achieve best practice in corporate governance, committed to transparency, rigour and accountability”

The by-laws of eDreams ODIGEO relating to corporate governance were drawn up for the Company's IPO in April 2014. Some of these rules have been adapted in recent years to stay aligned with amendments

to the Spanish Companies Act, and with Luxembourg legislation. They are set out in the following documents:

Company by-laws (updated in 31st October 2019)

Internal Rules of Procedure of the Board of Directors

Regulations for the General Shareholder's Meeting

Internal rules of conduct relating to the securities markets (updated in November 2016)

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

<http://www.edreamsodigeo.com/investors/corporate-governance/rules-of-organization/>

3.1 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 by-laws. 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 Luxembourg law and the Company by-laws confer upon Shareholder Meetings the exclusive power of adopting other important resolutions, such as by-law modifications, mergers, decisions on critical business transactions that could result in the liquidation of the Company, as well as on the remuneration policy of the Board of Directors.

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

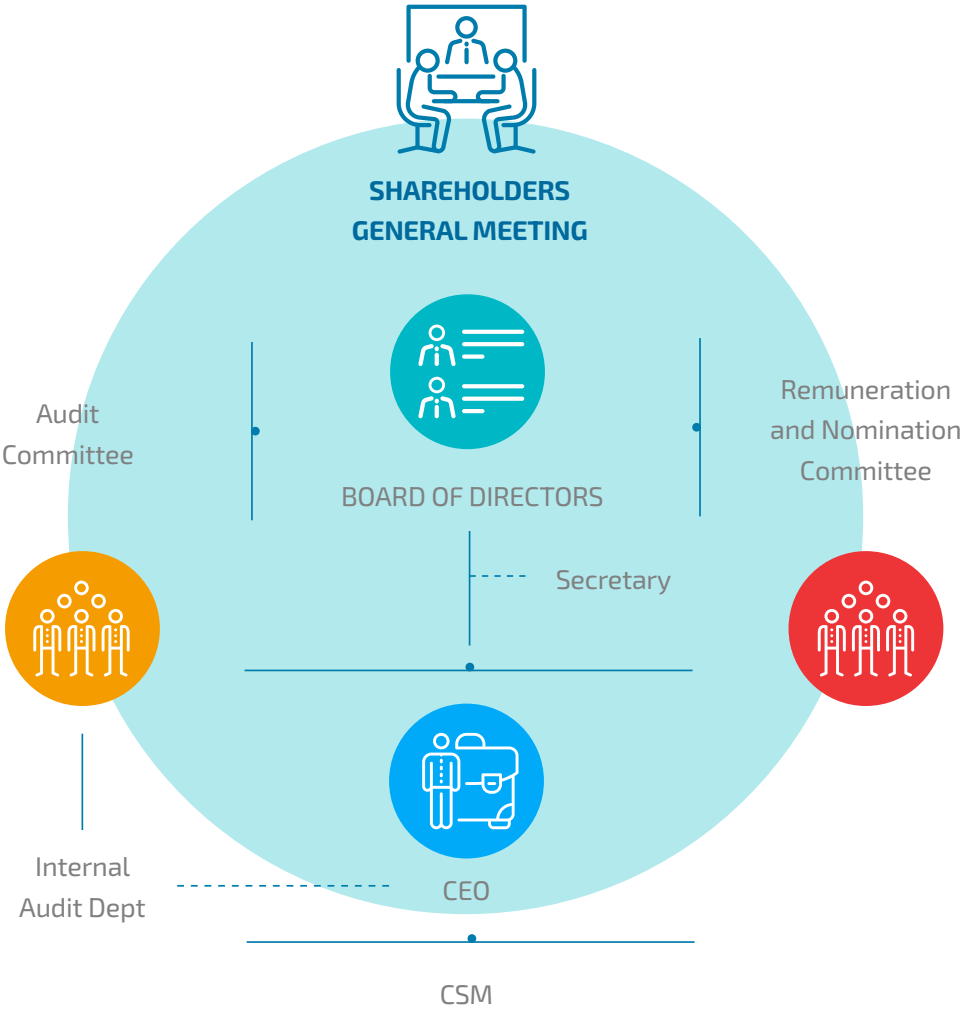
In this regard, the Board of Directors is the body responsible for policies on: Remuneration and Hiring, Business Conduct on Security Markets, Corporate Social Responsibility, Risk Management and Control and Corporate Governance.

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

For the fiscal year ending on 31st March 2020, two of the nine Board members were women (22%).

However from 1st April 2020 eDreams ODIGEO announced the appointment of Carmen Allo Perez as Independent Director and Audit Chair, (subject to shareholder approval at the next Annual General Meeting due to be held in September), replacing Robert A Gray whose mandate as Independent Director, Audit Chair, and Vice-Chair had expired.

With this appointment the objective of having at least 30% of the Board represented by female Directors was achieved.



3.1 eDreams ODIGEO Corporate Governance structure

BIOS BOARD MEMBERS

THOMAS VOLLMOELLER
Chair (Independent Director)*



Born in Tübingen, Germany in 1960, Thomas was Chief Executive Officer at New Work SE (until 31st May 2020), a leading professional business network with over 17 million users, in the DACH region (Germany, Austria and Switzerland). He is also currently Board Member at both Ravensburger AG and Conrad Electronic SE.

Previously, Thomas Vollmoeller held several key executive and non-executive positions such as Chief Executive Officer at Valora Holding AG, a publicly-traded international

ROBERT APSEY GRAY
Vice-Chair (Independent Director) **



Born in New Mexico, USA in 1957, Robert was Chief Executive Officer of PR Newswire, the global leader in innovative communications and marketing services until July 2016.

From 2009–2015 he was Executive Director and CFO of UBM plc, a U.K. B2B media group listed on the London Stock Exchange. Before joining UBM's Board in 2009, he was CFO of Codere S.A. Previously he served in a number of investment banking roles with J.P. Morgan & Co. and Deutsche Bank.

trading company; and - among other functions - as Chief Financial Officer at Tchibo GmbH, one of Germany's largest retail chains.

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

Thomas was appointed as Independent Director by the Shareholders Meeting held on 30th September 2019, his mandate effective as of 1st January 2020.

He is a graduate of Dartmouth College (BA) and Harvard Business School (MBA).

As at 31st March 2020, he held 10,000 eDreams ODIGEO shares.

Robert was appointed Independent Director for the first time by the Shareholders Meeting held on 8th April 2014, and subsequently re-elected for a period of three fiscal years in the Shareholders' General Meeting held in July 2017. This second term concluded on 31st March 2020 when he relinquished his position as Independent Director, and Audit Chair.



DANA PHILIP DUNNE
CEO (Executive Director)

Born in New York in 1963, 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 2020, he held 1.663.123 eDreams ODIGEO shares.

Dana was appointed as Executive Director in July 2015, and subsequently re-appointed by the shareholders of the Company in the Shareholders' General Meeting held in September 2018.

- • •
- **Changes in the Board during the year.**
 - **During FY20, Thomas Vollmoeller replaced Philip Wolf as Chair and Non-Executive Independent Director. Philip Wolf presented his resignation letter on 26th August 2019. He formally notified the Board of Directors of his resignation as Independent Director of the Board of Directors of eDreams ODIGEO S.A., Chair of the Board and Member of the Audit and Remuneration and Nomination Committees, effective 31st December 2019.*
 - *** On 31st March 2020, Carmen Allo Pérez was named as an Independent Director and Audit Chair, replacing Robert A. Gray whose mandate as Audit Committee Chair and Independent Director expired, she brings a wealth of experience on Audit Committees in publicly traded companies on the Spanish stock market. These decisions are subject to shareholder approval at the next Annual General Meeting.*
- • •

3.1 eDreams ODIGEO Corporate Governance structure

BIOS BOARD MEMBERS

AMANDA WILLS
(Independent Director)



Born in Liverpool in 1962, 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 recognized and honoured in the UK for her commitment to charity work and was awarded as Commander of the Order of the British Empire (CBE) by the Queen in 2014.

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

Amanda was appointed for the first time as Independent Director by the Board of Directors on the 22nd July 2015 for a period of three years and ratified by the Shareholders, on the meeting held on the 20th July 2016. She was subsequently re-appointed for a period of three years in the Shareholders' General Meeting held in September 2018.



DAVID ELIZAGA
CFO (Executive Director)

Born in Madrid in 1973; David is the Chief Financial Officer of eDreams ODIGEO.

Prior to joining eDreams ODIGEO, he was Chief Financial Officer of Codere SA, 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 2020, he held 518.899 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 a period of three years in the Shareholders' General Meeting held in September 2018.



LISE FAUCCONNIER
(Proprietary Director - AXA LBO)

Born in Paris in 1965, Lise joined Ardian in 1998. Before joining Ardian, she worked as an Investment Manager at Euris. As a Managing Director at Ardian, she notably led investments in Newrest, ODIGEO and Camaieu. She is also a board member of Linedata, a Company listed on Euronext. She began her career at Clinvest as a project manager in mergers, acquisitions and restructuring department.

Lise was appointed as Proprietary Director (affiliated with the Ardian funds) for the first time by the Shareholders Meeting held on 18th March 2014, re-elected for a further three year term in the Shareholder General Meeting held in July 2017, and for a third three year term pending ratification in the Shareholder General Meeting due to be held in September 2020.

3.1 eDreams ODIGEO Corporate Governance structure

BIOS BOARD MEMBERS

BENOÎT VAUCHY
(Proprietary Director - LUXGOAL 3 SARL)



Born in Paris in 1975, Benoît joined the Group in 2011 as Non-Executive Director of Opodo Limited and also previously served as the Chairman of the Group's Audit Committee. He is currently a Partner and a member of the Investment Committee and Executive Committee at Permira. He currently serves on the board of Permira Holding Limited as well as the holding companies of Vacanceselect Group, Exclusive Group and Synamedia.

He previously served on the board and was the Chairman of the Audit Committee at NDS Group Ltd.

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, re-elected for a further three year term in the Shareholder General Meeting held in July 2017, and for a third three year term pending ratification in the Shareholder General Meeting due to be held in September 2020.



PEDRO LÓPEZ
(Proprietary Director - LUXGOAL 3 SARL)

Born in Madrid in 1978, Pedro joined Permira in 2006 and since 2016; he serves as Head of the Madrid office. He covers investment opportunities across several sectors and is a member of the Financing Group, having worked on a number of transactions including Cortefiel, Magento, Maxeda, Schustermann & Borenstein, and Universidad Europa. He also spent several months on secondment in the London office in 2010.

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

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

Pedro was appointed as Proprietary Director (affiliated with the Permira funds) for a period of three years by the shareholders of the Company in the Shareholders' General Meeting held on 28th July 2017, and subsequently re-elected for a second three year term pending ratification in the Shareholder General Meeting due to be held in September 2020.



DANIEL SETTON
(Proprietary Director - AXA LBO FUND IV)

Born in Paris in 1983, Daniel joined Ardian in 2007. Since joining, he has been involved in more than 10 transactions across France, Belgium, the UK and Spain. He notably participated in the acquisition of Opodo Ltd and was nominated Board Member until 2014; he also took part in the formation of eDreams ODIGEO in 2011.

Daniel currently holds the position of Managing Director in the Ardian Buyout team and is responsible for Buyout financing globally.

He is a graduate from HEC.

Daniel was appointed as Proprietary Director (affiliated with the Ardian funds) for a period of three years in the Shareholders' Extraordinary Meeting held on 26th February 2019.



3.1 eDreams ODIGEO Corporate Governance structure

AUDIT COMMITTEE

As of 31st March 2020, the Audit Committee is formed by three Non-Executive Directors; the Chair of the Committee is a Non-Executive Independent Director.



Robert Apsey Gray
Chair
Independent Director
6 years on the Committee



Benoît Vauchy
Member
Proprietary Director
6 years on the Committee



Thomas Vollmoeller
Member
Independent Director
3 months on the Committee

The Articles of Association and Internal Rules of Procedure of the Board of Directors state that the primary purpose of the Audit Committee is to assist the Board of Directors in fulfilling its supervisory responsibilities relating to the integrity of the financial statements. It reports periodically to the Board of Directors on various activities including but not limited to: the adequacy and the effectiveness of the internal control systems; the Company's risk management system; and a number of policies and procedures including corporate social responsibility. 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. The Audit Committee informs the Board of Directors about its activities in the Board meetings usually held immediately after each Audit Committee meeting.

The Audit 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 must hold at least four ordinary meetings per year.

During fiscal year 2020 (1st April 2019 to 31st March 2020), the Audit Committee met on four occasions, with one member delegating his votes by proxy for one of the meetings.

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

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

The Audit Committee prepares an annual report on its activities. The report for the fiscal year 2020 covered the following areas:

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

 [Audit Committee Activity Report FY20](#)

REMUNERATION AND
NOMINATION COMMITTEE

As of 31st March 2020, the Remuneration and Nomination Committee is formed by three Non-Executive Directors; the Chair of the Committee is a Non-Executive Independent Director.



Amanda Wills
Chair
Independent Director



Thomas Vollmoeller
Member
Independent Director



Lise Fauconnier
Member
Proprietary Director

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

3.1 eDreams ODIGEO Corporate Governance structure



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 shall meet at least twice (2) per annum and at such other times as it sees fit.

During the fiscal year 2020 (1st April 2019 to 31st March 2020), the Remuneration and Nomination Committee met on five 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 2020, covered the following areas:

- Roles and responsibilities of the Remuneration and Nomination Committee.
- Composition of the Remuneration and Nomination Committee.
- Activities and meetings of the Remuneration and Nomination Committee during the fiscal year 2020.
 - Activities and items discussed by the Remuneration and Nomination Committee.
 - Meetings held.
- Incidents and proposals for improving the Company's rules of governance, if any.

 [Remuneration And Nomination Activity Report FY20](#)

3.1 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 recognized 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.

REMUNERATION
STRUCTURE

Executive Directors:
The Executive Directors receive an annual base salary, payable monthly, for their executive duties at the Company. The purpose of this element is to reflect the market value of the role, attract talent and reward skills and experience. The total remuneration of the Executive Directors is made up of various components, primarily consisting of:

- (i) base salary,
- (ii) short-term variable remuneration (bonus),
- (iii) and Long Term Incentive Plan;

the Executive Directors are not paid a fee for their service on the Board of Directors.

DIRECTOR REMUNERATION
POLICY

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

The Annual Director Remuneration Report is made available to the shareholders upon the call to the Annual General Shareholders' 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.

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. They are not entitled to incentive plans.

Proprietary Directors:
Proprietary Directors, candidates put forward by a Principal Shareholder Group, are not paid a fee for their service on the Board of Directors.

[Director Remuneration Policy](#)

[Director Selection Policy](#)

Board Cash Remuneration (thousands of €) FY20 vs FY19*

Independent Directors	Executive Directors (Executive Duties)	Proprietary Directors
284 vs 240	1,058 vs 1,599	N/A

* Full detail of Board Members Remuneration is detailed in the

[Annual Remuneration Report FY20](#)

3.1 eDreams ODIGEO Corporate Governance structure

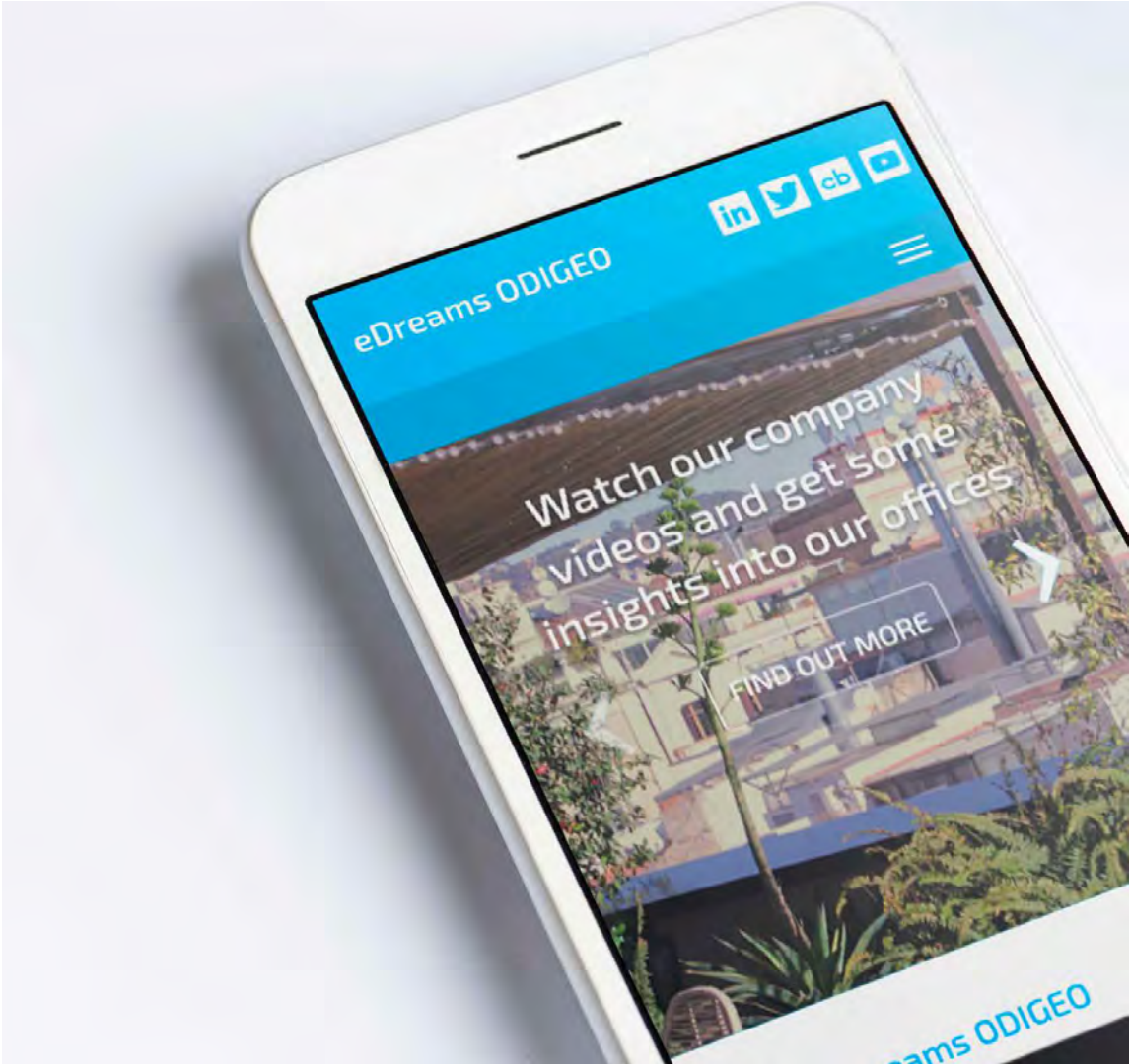
EDREAMS ODIGEO SENIOR
MANAGEMENT TEAM
(CSM)

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. As a team they embody the key values that were at the heart of the creation of our brands.

Senior Management Remuneration
(thousands of €) FY20 vs FY19*

FY20	FY19
3,125	4,397

* Excluding the two executive directors



3.2 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 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 prioritizing** 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 **employees to report concerns** related to GCP;
- **Evaluating** these concerns and providing timely and satisfactory responses;
- Maintaining the **confidentiality** of any concerns reported by employees;
- Implementing periodic **training on** issues relevant to GCP;
- Preparation of periodic **summary reports to the Audit Committee** and Executive Management.

B. RELEVANT POLICIES

In keeping with our commitment to act with integrity in all of our business dealings, we have a number of relevant Company policies 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.

Relevant policies include:

- **Our Group Business Code of Conduct & Gifts & Hospitality Policy:** set out the basic principles to ensure all of our employees, contractors, and suppliers act ethically, honestly, with integrity, avoiding any form of corruption, and with respect for applicable laws, and for human rights.
- **Internal Regulations for Conduct in the Securities Markets:** As a publicly-traded Company, we are fully committed to behaving at all times with the utmost diligence and transparency, reducing to a minimum any risk of conflict of interest, and ultimately ensuring that investors receive proper and timely information, for the benefit of the integrity of the market.
- **Security, Acceptable Use Hardware & Software, Confidential Information, and Internal Privacy Policies:** provide robust guidance to ensure secure and appropriate handling of information and systems.
- **Our Group Procurement & Significant Outsourced Suppliers Policy** contains specific sections referring to the due diligence steps that should be followed during the supplier selection process.

“Commitment to act with integrity”

3.2 Ethical framework and main policies applied by the Group

OUR GROUP BUSINESS
CODE OF CONDUCT &
GIFTS & HOSPITALITY
POLICY:

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 employees.

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.

We expect all of our employees 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:

- Promoting **equal employment opportunities**, with overall respect for human rights, and the interests of those our activities can affect.

- **Prohibiting discriminatory practices** (gender, age, disability, ethnic origin, family status, race, religion and sexual orientation), and harassment (sexual, physical or verbal), of any form.
- **Ensuring the confidentiality of information** is respected by eDreams ODIGEO employees and third parties.
- Ensuring **integrity in our services**, efficiently managing possible conflicts of interest.
- Protecting eDreams ODIGEO's **intellectual property rights**.
- **Data protection** of personal information.
- Ensuring **transparency** in all information reported.
- **Preventing corruption and bribery**.
- Ensuring **fair market competition** and fairness towards consumers.
- **Preventing health and safety** risks and respecting employees' rights.
- **Environmental protection and sustainability**.
- Acting with **respect** in all situations.



3.2 Ethical framework and main policies applied by the Group



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

eDreams ODIGEO is committed to **winning business through fair and honest competition in the marketplace**. We are committed to the highest standards of ethics, complying with obligations under international anti-corruption and anti-money laundering laws. We maintain management control systems and disciplinary procedures that discourage bribery and corrupt practices, and will not adopt practices

that might be considered improper in our relations with customers, suppliers, competitors, authorities, etc.

In the event that a fraud has been 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.

D. 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 employees, and is firmly embedded within our core Company values.

The Compliance Training Program was defined to cover the following areas: Data Governance, Ethics and Behaviours and IT Security, and includes specific courses in; 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 policies, which are required to be read and signed in acknowledgement. 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.

On a periodic basis, Company-wide refresher communications are sent out to remind the employees of their commitment to maintain the highest ethical standards. These refresher communications are delivered in a number of ways; compliance shots, quizzes, screensaver messages, posters, and intranet articles.

As part of the onboarding process all employees 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 organization.



From FY20, as part of the maturation of our Compliance Program we have introduced "Compliance Shots", an internal channel of communication with eDoers on key compliance issues, which combines short sharp punchy compliance messages with follow up quizzes.

3.2 Ethical framework and main policies applied by the Group

E. REPORTING CHANNELS We have made available a series of **reporting channels and procedures** to enable employees **to raise any concerns relating to infringements**, or non-compliance with the Business Code of Conduct, in an anonymous and confidential manner.

eDreams ODIGEO has an **open-door policy** that allows employees the freedom to approach any member of management with ethical questions or concerns without fear of retaliation.

The Company has several channels through which employees can raise queries and concerns relating to our Business Code of Conduct, in a confidential manner via the whistleblowing channel (“Confidential Helpline”), intranet HUB form, and a generic email address (compliancecommittee@edreamsodigeo.com). The option to **report anonymously** is always made available to the employee.

The Compliance Committee is responsible for investigating and following up

- **in strict confidentiality** – all communications received via the internal whistleblowing channel. The Company **prohibits retaliation** against any employee for reports made in good faith, and it also protects the rights of the employee being investigated.

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



3.3 Risk management

RISK MANAGEMENT

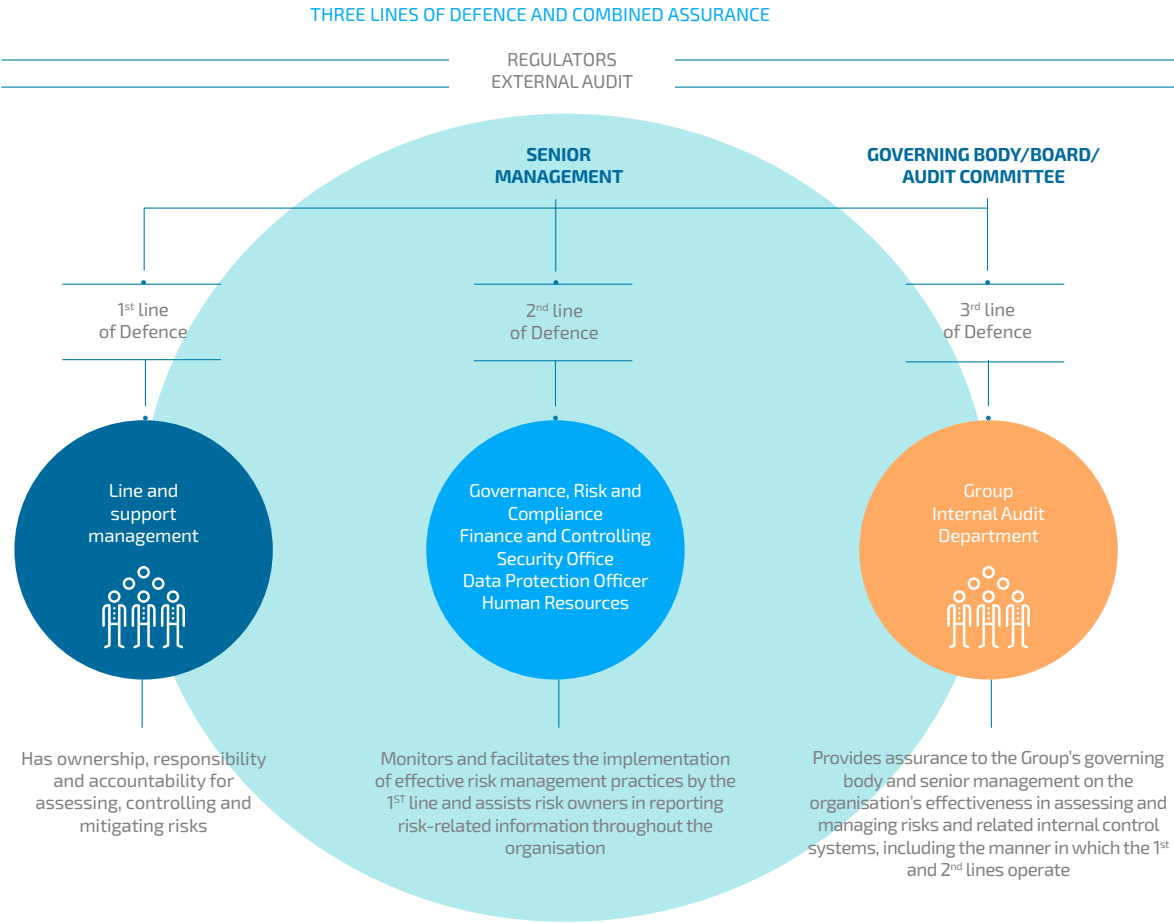
The Company Risk Management process involves the identification, measurement, and prioritization of risks. It is an exercise that enables the Company to assess how significant each risk is in relation to the achievement of overall goals, and anticipate, control, and manage the most relevant risks via adequate procedures, and contingency plans to mitigate the impact of risk materialization. Risks are assigned owners responsible for valuation, mitigation, and action plans.

The **Corporate Risk Map aggregates all critical strategic, compliance** (legal, regulatory, and tax), **financial reporting, 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 prioritizes risks according to impact (financial, operational, regulatory and reputational) and likelihood of occurrence (based on the quality of the following factors: internal controls and processes, people, technology and audit & fraud history).

Tax risks are incorporated within the umbrella of the Corporate Risk Map in the same way as any other risk, and scored and prioritized according to probability and impact.

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).



3.3 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.

GROUP INTERNAL AUDIT DEPARTMENT (3RD LINE OF DEFENCE)

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

GOVERNANCE, RISK & COMPLIANCE DEPARTMENT (2ND LINE OF DEFENCE)

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, SECURITY OFFICE, AND DATA PROTECTION OFFICER (DPO) (2ND LINE OF DEFENCE)

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), the Security Office headed by the Head of IT Security, and the Data Protection Officer, also play a critical role as they are responsible for the documentation, maintenance, and update of the various procedures & controls that govern their operations.

3.3 Risk management

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

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

- Global pandemics (such as the current COVID-19 outbreak) and subsequent threat to traveller health & safety, worldwide economic shutdown, and closure of national borders and airspace.
- Localized events affecting travel safety such as natural disasters, political and social instability, wars and terrorist activity, or localized epidemics.
- General economic and political conditions in the core countries in which we operate (such as Brexit).
- Changes in current laws, rules and regulations and other legal uncertainties.
- 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:

- Failures in technology due to system interruption or cyberattack, and the effectiveness of response plans.
- Processing, storage, use and disclosure of personal data, and prevention of data breach, and potential liabilities arising as a result of governmental and/or industry regulation.
- Changes in search engine algorithms and search engine relationships.
- Intense competition for advertising and metasearch revenue.
- Innovation, product diversification, the ability to keep up with rapid technological and industry trends, and the success of execution of these changes.
- 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.
- Adverse tax events.

Risks Related to Our Financial Profile:

- Human capital retention of highly skilled personnel and ability to attract and retain executives and other qualified employees.
- 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.
- Impairment of goodwill and other intangible assets.
- Significant leverage and financial products subject to restrictive debt covenants.
- Risks associated with currency fluctuations.

3.3 Risk management

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



Risks that have materialized during the fiscal year include:

- The COVID-19 pandemic is by far the most significant risk event that has materialized, impacting the Group during the last month of the fiscal year, but with a much deeper impact going into the upcoming fiscal year 21, with much of the world in lockdown, and over 115 countries across the world adopting complete or partial border and airspace closure. There is uncertainty over when and how borders will be reopened, and when traveller confidence and appetite for travel will be restored. Airline fleets are to a large extent grounded, and airline bankruptcy risk has significantly increased. During this challenging period, employee health and safety has been our first and foremost priority, closely followed by attending to all of our customers needs, and ensuring our business remains liquid and adaptable.
- Other localized events affecting travel safety and reducing traveller's appetite for travel including;
 - Terrorist attacks such as the multiple bombings in Sri Lanka (April 2019).
 - Meteorological events such as the wildfires in Australia (from August 2019 to present) & California (November 2019).
 - Continued political and social instability in Africa and the Middle East with consequences such as the shooting down of the Ukraine Airlines flight over Tehran in January 2020.

- Volatile oil prices in the final quarter of the fiscal year which have put increased pressure on carriers already in financial difficulty.
- Reduced content availability and crisis management with the bankruptcy and liquidation of a number of carriers. During 2019, there has been a marked increase in airline bankruptcies (examples; Thomas Cook, FlyBe, Germania, Adria, Aigle Azur, WOW Air, Jet Airways, XL).
- Continued commercial and intellectual property disputes with Ryan Air, as well as crisis management required to deal with flight cancellations resulting from industrial action of pilots and cabin staff.
- Increased contractual complexities with Meta Search partners.
- Significant increases in regulatory environment and consumer regulation in some of the geographic locations, in particular in the UK and France.
- Global scale cyberattacks such as the attack suffered by easyJet during October 2019 to March 2020 where over 9 million customer emails and travel addresses were exposed, and made vulnerable to phishing have continued to occur and we must remain vigilant.

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.

The Board & Audit Committee are updated on a quarterly basis by the CEO & Senior Management team on business 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.

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.

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

3.4 Sustainability and Corporate Social Responsibility management



SUSTAINABILITY AND CORPORATE SOCIAL RESPONSIBILITY MANAGEMENT

eDreams ODIGEO is one of the world's largest online travel companies and one of the largest European e-commerce businesses, recognized 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 (CSR) delivered in a context in which the business operations positively impact the environment and the local communities where it operates.

The Corporate Social Responsibility (CSR) policy is designed to promote a culture of social responsibility across the Group.

All current and future initiatives developed under the CSR umbrella will aim to generate long-term value to the Company, its customers, its stakeholders and to the wider society in which we operate.

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

The principles governing the CSR policy are:

- a) **Compliance with applicable law** in the countries and territories in which it does business, basing its relations with the competent public authorities in each jurisdiction on fidelity, reliability, professionalism, collaboration, reciprocity, and good faith.

- b) Integrity and a culture of ethical behaviour in the areas of **human rights, equal opportunities, labour practices, and the environment**.

- c) **Transparency and reliability** in the presentation of information and communication with shareholders, investors, employees, customers, suppliers, and other stakeholders.

- d) **Commitment with the respect of the environment** and its sustainability; adding a social value to our activity.

The Board of Directors of eDreams ODIGEO is responsible for approving the policy and monitoring compliance. The current CSR Policy was approved by the Board of Directors in June 2017.

The CSR Committee, a permanent internal body composed by Facilities Director, Head of Internal Comms and GRC Manager, provide periodic updates to the Audit Committee and Board, in a dedicated section of the quarterly update presentation prepared by Internal Audit, and these are consolidated annually in the non financial information section of the Integrated Annual report.

The [CSR Policy](#) and The [Non-Financial Information section of the Integrated Annual report](#) are available on the corporate website.

Click to access the annual reports submitted to the CNMV and available on the Corporate Website:

-  [Audit Committee Activity Report FY20](#)
-  [Remuneration and Nomination Committee Activity Report FY20](#)
-  [Annual Report on the Remuneration of Directors](#)
-  [Annual Corporate Governance Report FY20](#)



A4. OUR STAKEHOLDERS

- 4 . 1 Employees
- 4 . 2 Customers
- 4 . 3 Suppliers and partners
- 4 . 4 Society
- 4 . 5 The environment
- 4 . 6 Shareholders and investors

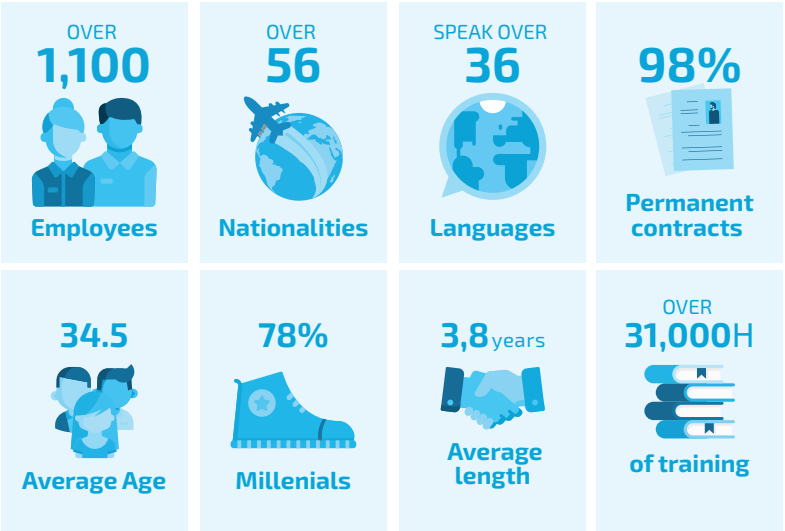


4.1 Employees

As an organization we are currently facing an unprecedented challenge with the COVID-19 pandemic.

The spread of COVID-19 is having a tragic human cost and a very significant impact across the global travel industry. Our employees come first and foremost, and in keeping with one of our core values, we are journeying together through these uncharted waters.

As a Company we are proud to report that we have been able to maintain our teams intact, not having made any redundancies, applied Government support (ERTE) temporary salary reductions equally across all levels of non customer facing staff, and swiftly adapted remote working practices and hours to continue to facilitate the safe and healthy work-life balance of our employees.



4.1 Employees

DIVERSITY AND INCLUSION

Our people are at the heart of our Company's purpose to help shape the future of travel. eDreams ODIGEO's workforce of over **1,100 people, representing 56 different** nationalities is driven by one clear mission: making travel easier, more accessible, and better value for our **17 million customers worldwide**. We strive to ensure that our knowledge, expertise and leadership translate into value for our customers and contribute to the success of our stakeholders.

The complexity of our industry calls for the most qualified and accomplished workforce, equipped with the talent and skills to support our aspirations as a global technology leader in the travel sector. We have the privilege of attracting such talent; and we also work hard to ensure that eDreams ODIGEO continues to be a strong employer and recruiter. The variety and flexibility of our culture, and our team representing 56 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 employees**. We view differences based on gender, age, race, culture, ethnicity, sexual orientation and disabilities as strong assets not only to enrich our corporate culture and values, but more importantly as a business imperative in today's complex, global and interconnected world.

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 the primary core competency required of our employees.

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



The average age of our millennial workforce is 34.5 compared with 34.8 last year, and we are firm believers in the quality of employment, with over 98% of our employees on permanent contracts, 99% of which are full time.

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 Law on General Disability (LGD), in two ways; via outsourcing to special employment centres, and via direct hire. As at 31st March 2020, 8 employees were sourced via special employment centres, and 4 employees hired directly.

EQUALITY

Gender equality is extremely important at eDreams ODIGEO.



During FY20 we have achieved a global workforce balance of 40,3% female and 59,7% male across our different locations vs 49,3% female and 50,7% male in FY19. The closure and outsourcing of our internal Call Centres with a higher proportion of females to male employees, coupled with the added recruitment of IT Developers the pool of which is still predominantly male, is the main factor contributing to the female/male ratio shifting in FY20 towards more males.

We are firmly committed to the establishment and development of policies for equal treatment and opportunities between men and women, and against direct or indirect discrimination based on gender. 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.

4.1 Employees

EQUALITY

In each and every one of the areas of activity affecting our employees, from selection to promotion, to salary policy, training, work conditions and employment, occupational health, the organisation of work time and worklife balance, we apply the principle of equal opportunities between men and women, paying special attention to indirect discrimination, understood as: *Situations in which an apparently neutral step, criterion or practice, puts a person of a gender at a particular disadvantage with respect to people of the opposite sex.*

During FY18, eDreams ODIGEO implemented its **Plan for Equal Opportunities** (in adherence to Spanish Organic Law 3/2007, for the effective equality between men and women), and put in place monitoring systems, to track and improve real equality between men and women in the Company and, by extension, in society as a whole. To help achieve this objective, an Equal Opportunities Committee was set up, made up of Company representatives and employees.

The 2018-2020 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.

Our recruitment policies are based on the skills and professional background required for a position, and job offers are gender-neutral; this ensures 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.

A harassment protocol was formally communicated during the year to all employees and is available for all employees to consult on our intranet.

FAIR WAGES AND
COMPENSATION

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

Equal pay is an area that we monitor closely, working to ensure that our salary ranges are designed to avoid discrimination based on gender. eDreams ODIGEO managers are aware of their responsibilities in this regard. 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 employees different forms of variable bonus compensation based on individual, team and Company performance.



In addition to the fixed and variable compensation, the Company offers many benefits such as a flexible compensation plan to employees, 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 employees made use of the flexible plan in FY20 vs 29% during FY19.

FLEXIBLE WORK CULTURE
- HEALTHY WORK/LIFE
BALANCE

Our working schedule has been designed with our employees' well-being in mind, encouraging a healthy work/personal life balance, and promoting an **eDreams ODIGEO culture of flexibility, openness, accountability and trust**. For the schedule to be successful, we count on all to ensure business continuity when/ where needed and continue to deliver results effectively.



“If we stay together, help one another, speak up when we need help, we will come through this much stronger” Dana Dunne, CEO

RESPONSE TO COVID-19
CRISIS AND REMOTE
WORK

Several months prior to the **outbreak of the COVID-19 crisis**, the Company was already trialling remote working for its employees and ran a pilot involving several teams to test remote working. By the time the Spanish government declared the state of alarm, eDreams ODIGEO was well prepared to ensure that all employees had the connectivity and the equipment required for remote working.

After almost two months with **the whole Company working remotely**, we are proud to report that it has been a **resounding success**, with all of our employees able to work efficiently, connect seamlessly, and continue to deliver results across all teams.

Several examples that illustrate how the whole Company has been able to quickly adjust to the new remote work situation include:

- Creation of customized guidelines and **learning resources** to help team members implement effective strategies to move from face to face to remote work. Most of our training offer has been adapted for remote delivery.
- **Twice weekly update webinars** from the Executive Management team to the whole Company providing a Q&A forum to respond to employee concerns, providing visibility on business performance, explaining specific COVID-19 response measures being taken, including main actions to support remote work, highlighting and recognizing outstanding teams, and ensuring that all employees have available to them numerous virtual human contact touchpoints and support.

- The whole Company has progressively moved from email or chat to **Slack** channels, creating a stronger sense of community across all areas, with over 312,000 messages sent in the first week, and over 1,000 public channels created used to share ideas from work related feature development, to social tips on cost savings, and how to combine remote work with a family life balance under confinement. People from all teams across eDO started sharing their workspace, reaffirming a **sense of community** in just a few days.
- A large number of team members from other teams across the business volunteered to provide **support to the Customer Services team**, to pool together and help reduce the significant increase volume of customer queries generated by COVID-19, managing to reduce queries to half within two weeks.
- **Customer Services Hackathon** - A Customer Services themed hackathon was held in order to identify process improvement opportunities in the post booking flow, improve efficiencies, and enable us to respond faster and more effectively to our customers queries.
- **Remote Social Events** - This new context of remote working has seen individual and team initiatives flourish organically; virtual yoga classes, online team gaming, virtual after-work drinks, and talent competition, are good examples of the sense of togetherness and strong engagement of the eDreams ODIGEO family.

4.1 Employees

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

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 fully comply 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.

eDreams ODIGEO Humans Right Policy



Non - discrimination



Freedom of association/
Collective bargaining



Health and safety



Non child labour



Anti-slavery and
human trafficking



Fair wages

EMPLOYEE CONCERN REPORTING & ESCALATION PROCEDURE

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

The eDreams ODIGEO Compliance Committee can be reached through a confidential email sent to compliancecommittee@edreamsODIGEO.com. Employees have the choice of several options via which to raise concerns, safe in the knowledge that their confidentiality will always be guaranteed.



During fiscal year FY20 we have not received any concerns raised relating to Human Rights violations.

UNION REPRESENTATION AND COLLECTIVE BARGAINING

We are committed to ensuring freedom of association. Works councils have been established in all Company entities with a significant headcount. **Over 90- of our employees have works council representation**. The right to associate freely and bargain collectively is communicated actively at a local level via emails, notification boards, and screens in canteens.

The continuous dialogue between the Company and the employee 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.

“In order to build an engaging work environment, we constantly look to understand what matters most to our people.”

4.1 Employees

EMPLOYEE HEALTH & SAFETY

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

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

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

eDreams ODIGEO collaborates with organizations specialized in health, safety and risk prevention and actively participates in the major conferences, congresses and forums organized domestically and internationally.



Some of the health and safety measure highlights in FY20 included:

- Annual medical check-ups (including blood and urine tests).
- At our Spanish office locations (which account for > 90% of our employees):
 - Teams trained in first aid and the use of a defibrillator.
 - Evacuation drills in our two Barcelona offices.
 - Training for employees on specific health issues (...posture at the desk, "mum to be" training...).
- Organization-wide talks on health related matters such as nutrition and diet, and exercise and fitness, (...personal fitness instructor talk to prepare eDO runners for the eDreams Half Marathon...).
- Offering all employees in the Spanish offices discounted gym membership for a large network of sports centres.
- Increase of the social activities offered such as themed parties, quizzes, talent competitions.

All of the aforementioned initiatives have positively impacted on employees sense of belonging and engagement, and physical and mental wellbeing.



There were no significant health and safety incidents during FY20.



4.1 Employees

COVID-19 CRISIS HEALTH AND SAFETY

At eDreams ODIGEO we are firmly committed to following the guidelines of all Governments in countries where we have office locations and employees. Our employees safety comes first and it is of paramount importance to ensure that our teams can work in the safest and most efficient possible way.



From March 2020, we would like to highlight the following specific actions taken:

- Prior to remote working **cleaning service measures were reinforced** in each office to ensure regular disinfection of critical contact points such as water fountains, nozzles, door handles, taps, flushes and/or lifts buttons. Hand sanitizer dispensers were installed at all floor entrances, and within collaborative areas and meeting rooms. This was complemented by reinforced communications via organization wide webinars, the employee intranet, in house TV channel, and screensavers.
- **Launch of a dedicated Company Intranet COVID: 19 related information page** (updated on a daily basis), providing WHO approved health guidance; symptoms, preventive measures and FAQs. (This information is also relayed via our in-house tv channel)
- **Remote working:** Our teams across all our locations were sent home to remote work several days before Governments declared confinement laws. Pre-existing remote working pilot projects helped ensure they were suitably equipped, there was strong network availability, and secure VPN access, as well as well tested working practices and tools to ensure employee and team effectiveness and efficiency in a remote working environment.
- During the confinement period constant support has been provided to employees in the form of SLACK channel forums, how to guides and videos, and a number of virtual social events. Examples included:
 - How to work out at home - Intranet article – Informative article for the employees.
 - Stay positive - video – Video made with the aim of sending a positive message to help improve the well-being and H&S of the employees during the period of confinement and remote work (during the period of alarm status).

PREVENTION: Practice good hygiene at work



4.1 Employees

DEVELOPING OUR TALENT

eDreams ODIGEO ´s **Learning & Development offer** is one of the key motivating factors frequently highlighted by our employees, that contribute to developing them as great professionals.

We have a specialist team of experienced Learning & Development experts, dedicated full time to identifying development needs and designing the right learning strategies to best support employee development and performance.

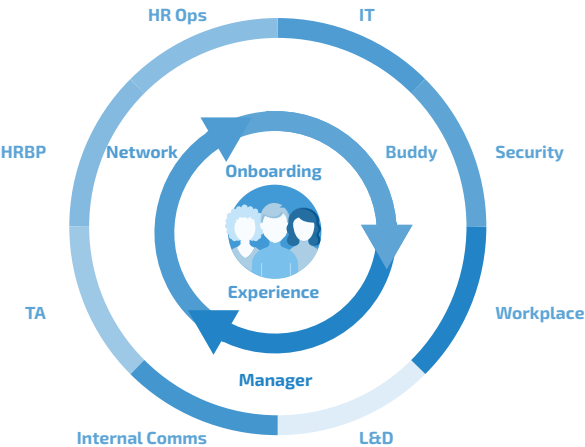


The main learning and development areas during fiscal year 2020 covered:

Global onboarding experience

This financial year the onboarding content was revamped, as we moved from offering a "programme" to delivering an "experience", with the goal of accelerating the time for

new hires to be fully up to speed in their roles, and their understanding of the business, creating a higher and faster level of engagement from the day they sign our offer letter.



“We pride ourselves on our Learning and Development offer, it is one of our most frequently mentioned positive attributes along with our great environment and amazing people!

We offer a wide range of different development options from ongoing face to face training, online courses, customized workshops, learning content, and access to learning platforms as well as external industry events.”



4.1 Employees

DEVELOPING OUR TALENT **Soft skills**

All employees have access to a wide variety of face-to-face and self-paced online learning courses, all through the convenience of a personalized platform. The Company is a firm proponent of equipping team members with the skills to excel in their day-to-day job. This is supported by the main trends in the market that show that soft skills are essential to succeed at work, regardless of the specific job. We offer a wide range of competencies such as emotional intelligence, productivity, self-management, presentation skills, influencing others, social styles, teamwork, facilitation skills to become an internal trainer, just to name a few.

Our internal training sessions and workshops are facilitated in an interactive and engaging format, to ensure that our team members learn quickly while having fun.

Business knowledge

Our business is complex and it is essential that current and new team members are able to learn about it in an effective way. We offer a dedicated range of learning opportunities aimed at **helping new team members learn about how our business works**, including face to face internal training sessions, webinars and online courses, all supported by cross-functional collaboration and subject matter expert internal trainers from a variety of departments.

Role - specific skills

Our Learning & Development team support is primarily focused on **providing development solutions aligned with our key strategic priorities**: technology, product development, and data science. We are aware that learning new technologies and

staying up to date with current trends requires ongoing contact with what is happening outside the Company.

Based on this premise we create tailored and structured training programmes to develop the right technical skills and to build business capabilities to ensure that the IT, Product & Data Science teams can effectively support the achievement of our business strategy.

A significant portion of our ongoing technical training is delivered by subject matter experts, internal specialists with in-depth Company knowledge and experience, who take part of our eDOTrainer course to ensure they follow the training styles and standards, and are able to adjust the content to the needs of the diverse audience.

Online compliance training

The eDreams ODIGEO Compliance Online Training Programme is an important tool in **promoting and fostering an ethical culture within eDreams ODIGEO**. The courses deliver the message in an engaging and interactive manner. They create awareness, reduce risk and promote the behaviours and values of eDreams ODIGEO. The main areas of compliance covered by the programme include: Conducting Business with Ethics and Values, Confidential Information, Communication (Internal and External), PCI Data Standard, Gifts, Anti-Money Laundering, Competition, Corruption and Data Protection.

Language classes

We offer English face-to-face courses or virtual coaching in-house to help employees improve their language skills. Spanish language classes are available to facilitate the integration of newcomers from other countries.



4.1 Employees

DEVELOPING OUR TALENT Leadership Development

At eDreams ODIGEO we deliver our own leadership skills development program, fully designed and delivered by internal facilitators, providing customized content and adjusting the activities and scenarios to ensure the content is 100% applicable and transferable to eDO people managers' reality.

The first module, MANAGEO I, covers diverse leadership topics from how to manage individual performance, to building high performing teams, how to use different tools such as coaching or how to adjust the social style to the team member's communication preference. The second module, MANAGEO II, is based on three essential axes: self-management, managing others effectively, and how to identify and proactively handle stakeholders and their external network.

The learning and development offer aims to enhance the already highly talented workforce and create additional opportunities to improve our expertise in the travel industry.

Online Learning Library

This online learning library offers over 42,000 titles on content ranging from technology to business acumen and soft skills development, accessible 24/7, via multiple formats such as books, videos, podcasts, live webinars, providing beginner to advanced content on diverse topics.

This content used by over 1400 employees during the fiscal year, is available to all of our employees and is essential to our technical teams such as technology and data scientists to stay up to date with the latest market trends.

Talent management

We consolidated and made great progress on our Career Paths program called "Learn and Grow", leveraging all the performance data available to us to create the first Top Talent program, providing tailored guidance and training to people managers to enhance the key role that they play in supporting their team members' career growth.



4.1 Employees

PERFORMANCE
MANAGEMENT

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

For us, setting objectives implies defining both the "what" and the "how", what needs to be achieved, including KPI's, and what values and behaviors are expected from team members' performance.

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

“What cannot be measured cannot be managed, and the same applies to team members’ performance.”

At the end of the fiscal year the full annual appraisal process is held to rate performance and potential of all eDreams ODIGEO employees. To support our leaders and our employees during the performance review process, a number of specific learning resources have been made available covering many of the main pain points of the review process such as "Peer selection" for all employees, "How to assess potential" for people managers, and "How to hold an effective performance review conversation" to help leaders drive the conversation through development.

For both the mid-year and the end of year reviews, team members can select peers who will be invited to provide input to provide additional feedback on their performance.

EMPLOYEE ENGAGEMENT
IMPROVING EMPLOYEE
EXPERIENCE

Our HR function is heavily focused on the quality of service provided to internal customers and a notable feature has been the HR dashboard launched this year, which includes the demographic profile of each function and key indicators to help focus and make decisions on core topics such as:

- Internal mobility and promotions (vertical and horizontal)
- Regretted loss - providing valuable information to better understand the quality of the talent leaving the Company, enabling better focus on retaining great performers with key knowledge and/or great potential
- Exit interviews - compiling main insights gained from exit interviews

This dashboard is the starting point of a path we will continue to explore and further develop during FY21 to continue using data to help us make the right people-related decisions.



During the year the following initiatives successfully improved our employee experience.

- Creation of an HR Support Centre to speed up response times to employee queries. This self-service centre allows employees to autonomously search for information, request and download documents.
- Increased automation of human resources operations into our HR system Cornerstone.

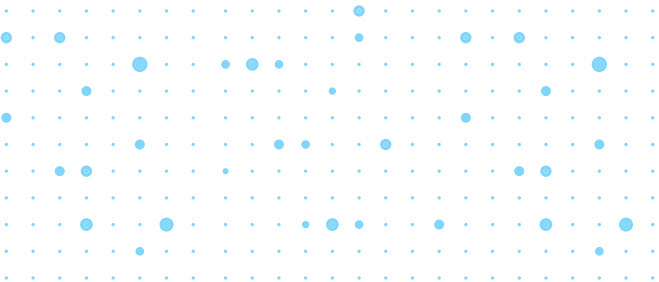
“We want to move from making input driven decision to making data driven decisions.”

4.1 Employees

ENGAGEMENT SURVEY

On an annual basis we run an employee engagement survey based on OHI - Organizational Health Index, developed by McKinsey consulting company. eDOTogether measures a range of company practices such as leadership, accountability, execution, innovation, work environment, motivation, and external orientation, which translate into specific outcomes.

Testament to the success and effectiveness of the measures with which eDreams ODIGEO prioritises employee well-being, development, loyalty, and engagement, we continue to **maintain an average length of service of 3,8 years**, and a significant **reduction in work days lost to sickness (-11%)**, between fiscal years FY20 and FY19. The technology sector in which we operate typically has a high voluntary attrition rate due to the high demand for and mobility of its skilled technicians, **our voluntary attrition rate of 19%, has remained stable** between fiscal years FY20 and FY19. We strive to further reduce this rate in the future with continued focus on our employees.



4.1 Employees

Note: During the fiscal year the Group reached an agreement with an international leader specialized in customer service solutions, to operate its customer service activities previously managed in-house in Barcelona. The 251 Spanish based employees, were transferred to the IGT Call Centre supplier.

Distribution of employees by job category

Job Category	FY20	FY19
0. Executive Board Member	2	2
1. Senior Management	40	47
2. People Managers	167	199
3. Individual contributor	864	833
3. Individual contributor - Call Centre	58	423
Grand Total	1,131	1,504

Distribution of employees by gender and age

Age	Female	Male	FY20 Total	Female	Male	FY19 Total
1. <30	110	153	263	193	174	367
2. [30<50)	337	504	841	520	560	1,080
3. [50+)	9	18	27	29	28	57
Grand Total	456	675	1,131	742	762	1,504

Total number and distribution of employment contract by type

Contract Type	Female	Male	FY20 Total	Female	Male	FY19 Total
Interns	6	5	11	13	11	24
Permanent	442	664	1,106	701	731	1,432
Temporary	8	6	14	28	20	48
Grand Total	456	675	1,131	742	762	1,504

Employment Contract type by category

Job Category	Interns	Permanent	Temporary	FY20 Total	Interns	Permanent	Temporary	FY19 Total
0. Executive Board Member	-	2	-	2	-	2	-	2
1. Senior Management	-	40	-	40	-	47	-	47
2. People Managers	-	166	1	167	-	197	2	199
3. Individual contributor	11	840	13	864	16	811	6	833
3. Individual contributor - Call Centre	-	58	-	58	8	375	40	423
Grand Total	11	1,106	14	1,131	24	1,432	48	1,504

4.1 Employees

Gender diversity by contract type and age diversity

	Interns	Permanent	Temp.	FY20 Total	Interns	Permanent	Temp.	FY19 Total
Female	6	442	8	456	13	701	28	742
1. <30	5	103	2	110	12	166	15	193
2. [30<50)	1	330	6	337	1	508	11	520
3. [50+)	-	9	-	9	-	27	2	29
Male	5	664	6	675	11	731	20	762
1. <30	5	145	3	153	9	159	6	174
2. [30<50)	-	501	3	504	2	547	11	560
3. [50+)	-	18	-	18	-	25	3	28
Grand Total	11	1,106	14	1,131	24	1,432	48	1,504

Average remuneration by job category

Job Category	FY20*	FY19
0. Executive Board Member	514,877	799,466
1. Senior Management	143,060	168,124
2. People Managers	59,670	58,502
3. Individual contributor	36,991	38,792
3. Individual contributor - Call Centre	26,958	22,135

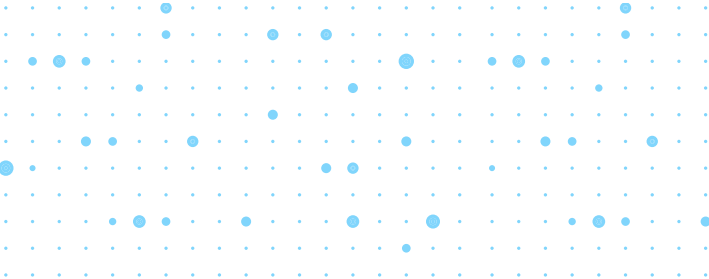
*Note: FY20 does not include any bonus numbers

Dismissal by job category

	Female	Male	FY20 Total	Female	Male	FY19 Total
Involuntary						
1. Senior Management	1	1	2	-	3	3
2. People Managers	7	5	12	6	5	11
3. Individual contributor	27	29	56	61	41	102
3. Individual contributor - Call Centre	47	16	63	18	14	32
Grand Total	82	51	133	85	63	148

Dismissal by gender and age

Age	Female	Male	FY20 Total	Female	Male	FY19 Total
1. <30	8	8	16	12	10	22
2. [30<50)	61	39	100	67	41	108
3. [50+)	13	4	17	6	12	18
Grand Total	82	51	133	85	63	148



4.1 Employees

Average remuneration by gender

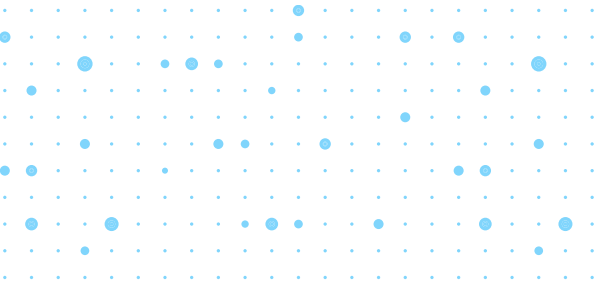
Gender	FY20*	FY19
Female	37,104.54	33,761.46
Male	49,365.06	49,763.73

*Note: FY20 does not include any bonus numbers

Average remuneration by age

Age	FY20*	FY19
1. <30	30,418.70	29,891.46
2. [30<50)	47,026.79	44,547.84
3. [50+)	99,682.98	69,104.57

*Note: FY20 does not include any bonus numbers



Average remuneration for similar work positions*

Department	Job Position/Role	Salary Gap** Average Remuneration Female/Male
Customer Services	Employee Call Center Agent	2%
Finance	Finance Administrator	-5%
IT Department	Lead Engineer	-5%
IT Department	Senior Software Engineer	0%
IT Department	Software Developer	-1%
IT Department	Software Engineer	-0%
Retail & Product	Product Owner	-3%
Retail & Product	UX Designer	-0%
Revenue Management	Data Scientist	3%
Revenue Management	Revenue Analyst	4%
Revenue Management	SEM Executive	-4%
Suppliers Relations	Media Services KAM	0%
Vacation Products	Lodging Sales Contractor	-5%

* Analysis includes all departments with job positions/roles with 10 or more incumbents.

** A positive percentage means that female average compensation is greater than male average compensation.

4.1 Employees

Days lost due to sick leave						
	Female	Male	FY20 Total	Female	Male	FY19 Total
Sick Leave	9,393	3,466	12,859	9,870	4,650	14,520

Accident rates			FY20	FY19
Lost work days due to accidents (#accidents/#employees) *100,000			228.4	483.7
Lost work days due to accidents on the way to/from work (#accidents/#employees) *100,000			342.7	1,201.4
Accident rate (during working hours) (#accidents during working hours /(#employees * hours worked in the period)) *1,000,000			1.3	2.7
Serious injury rate (during working hours) (#days of accidents during the period/(#employees * hours worked in the period)) *1,000			0.07	0.03

Lost work days by type of injury				
	Male	FY20 Female	Male	FY19 Female
Neck/Back/Shoulders	1	0	1	4
Multiple parts of the body	2	3	1	1
Lower extremities (Wrist/Ankle/Feet)	2	5	2	3
Upper extremities	1	1	1	1



4.1 Employees

Percentage of employees covered by collective bargaining agreements

Country	% of Employees covered	
	FY20	FY19
Spain	100%	100%
France	100%	100%
Italy	100%	100%
Rest of Europe	0%	0%
Total employees covered	93%	87%

Training hours by job category

	Category				FY20	FY19
	1. Senior Management	2. People Managers	3. Individual contributor	3. Individual contributor-Call Centre		
Business Knowledge	39	264	2,319	218	2,840	2,826
Leadership Skills	275	3,307	985	9	4,576	10,952.00
Soft Skills	50	739	4,155	362	5,306	
eDreams ODIGEO online Compliance Training Programme	58	216	1,363	45	1,682	3,728
Global Onboarding Programme	14	82	1,318	21	1,435	-
Language Classes	154	680	5,581	44	6,458	11,443
Learn and Grow	80	328	1,992	12	2,412	1,632
Role-Specific Skills	84	938	5,191	62	6,275	
Grand Total	754	6,554	22,903	772	30,982	30,581

Total average of hours per employee

	1. Senior Management	2. People Managers	3. Individual contributor	3. Individual contributor-Call Centre	FY20
Total hours of training	754	6,554	22,903	772	30,982
Employees per category	42	167	864	58	1,131
Average hours of training per employee/ job category	17.9	39.2	26.5	13.3	27.5

4.2 Customers



“The business is primed to welcome customers back once it is safe for restrictions to be lifted. The Group has extremely strong products, services and customer relationships that will allow it to grow significantly when the activity returns.” CEO

CUSTOMERS AT THE CENTRE-
ONE-STOP-SHOP

Customers are at the heart of everything we do. We put them first and foremost, more so now than ever in the midst of the COVID-19 pandemic, we are fully dedicated to ensuring that they receive complete support, initially with safe and timely repatriation prior to lock down, and during the confinement period with attending to their queries and processing this unprecedented volume of cancellations as efficiently as possible. We have accelerated a number of initiatives, including the automation of many customer services, to facilitate customer self-service and agility of response time not only in the existing situation but also help us emerge stronger once the market returns.

We create **tailored travel plans to help our 17 million customers a year**, reach their destination and return home again, uniquely combining best price and the greatest convenience in the fastest possible search time. We have a clear strategy to achieve this – utilizing industry leading technology, capitalizing on our air travel expertise and maximizing the strength of the airline, hotel and transportation brands that sell through our sites. Our aim is to enable people to discover more of the world and make travelling simpler and more enjoyable.

These strategic developments have provided our customers with access to personalized, on-demand products and services at a time and place that suits them.

Our objective at eDreams ODIGEO is **to provide our customers the greatest possible choice at the best prices.**



4.2 Customers

1. Innovative travel subscription model: PRIME

We have successfully developed a unique subscription offering called PRIME, across several key markets to great effect.

PRIME is a revolutionary and pioneering offer in the online travel booking sector. The business model of online travel companies had been eminently transactional.

PRIME has given us the opportunity to move away from the transactional model, and transform the relationship with the customer, adding quality, making it more lasting, and enabling us to engage with our customers throughout the full travel journey.

This groundbreaking model has been well received by consumers. The Prime subscriber not only enjoys the best prices with reduced search time,

“With its pioneering subscription model PRIME, eDreams ODIGEO is the first, and currently the only travel agency to offer a program to fully engage and better serve its customers”



but also benefits from access -from the moment of the first reservation- to the best discounts, exclusive private sales, and a priority customer service; providing tailored offers for all legs of the journey, and regular updates on key information such as boarding time, gates, luggage collection belt, and hotel accessibility.

For us as a business, the model guarantees a stable source of income, a considerable reduction in acquisition costs as well as a strengthened customer loyalty and higher booking repeat rates. To date it has been an unquestionable success, both for the business and for the more than half million members who have already joined the eDreams PRIME, Opodo PRIME and GO PRIME programs.

This interaction with the customer during all phases of the trip coupled with increased repetition rates, allows us to deepen our customer knowledge, further foster brand loyalty, and in turn continue to expand and personalize the products and services we offer, so they are even more tailored to the needs of the traveller.

PRIME IS A WIN WIN: Great for our customers and great for us!

Strong and unique value proposition for customers, with beneficial impact for our business

Great for our customer

Great flight prices: We are the cheapest in the market 90%+ of the times.

Great hotel prices: Members now also save on all hotels. **NEW**

Priority customers service line: Faster pick-up time and best agents on call.

RESULTING IN HIGHER NPS(*)

NPS = Net Promoter Score
CVR = Conversion Rate

Great for eDreams ODIGEO

More engaged and better converting customers: Members are more likely to visit again (+50% in visits) and have higher CVR (**) (+100%)

Resulting in higher booking volumes: Prime members book **2-3x** more than non-prime members

Lower Acquisitions costs: Prime customers repeat mostly in cheap channels

RESULTING IN HIGHER LIFETIME VALUE



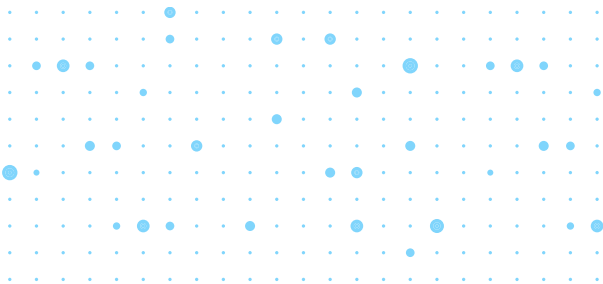
By the end of FY20, PRIME membership share of total eDreams ODIGEO bookings doubled versus the same period last year, and we believe there is significant margin for further growth in the upcoming years.

“We are shaping the way people travel today and tomorrow”



During the COVID-19 crisis, we have taken actions to take special care of our PRIME members. As a result of these actions, there has been no material impact on churn of PRIME customers since the beginning of the crisis, and renewal rate is stable, providing a steady income which is being particularly important in this time of lower booking volumes.

“Our aim is to enable people to discover more of the world by making travelling simpler and more enjoyable”



4.2 Customers

2. Unique end to end journey management

We are dedicated to improving the customer journey, accompanying our customers at all stages of their travel experience, anticipating and successfully addressing their needs.

We are achieving this by leveraging our scale in flights, strategic partnerships, and our cutting edge technology and development teams, to become a **one stop shop, catering to all our customers travel needs, offering the right products at the right time, and at the right price.**

We want to cement the relationship with our customers, **building loyalty and retention**, better understanding their needs, and focusing on **reducing customer pain points**.

“As the leading flight retailer in Europe, the Company has access to key insights on “destinations, travel dates, number of travellers and their preferences” which the Group can leverage to “make a more informed proposal” to customers when it comes to additional travel products and services.” CEO

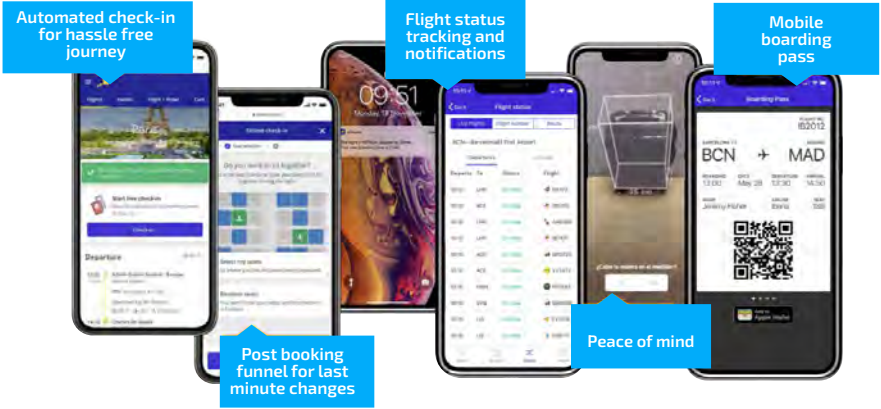
3. Leading Mobile & AI

A) MOBILE

In keeping with the ever increasing relevance and importance of mobile we have continued to invest heavily in mobile which has resulted in a significant growth in mobile bookings, with mobile now representing 45% of total flight bookings. This significantly exceeds the industry average of 31%.

The Company has recently **implemented new free services**, including a flight status tracker that allows travellers to easily check airport departure and arrival information, with updated flight schedules, boarding gates, terminals or baggage belts for the vast majority of worldwide commercial flights. This upgrade

Delivering superior customer experience solving customer problems during the journey



4.2 Customers

3. Mobile & AI

complements existing push notifications received by our app users informing them of real-time updates relating to their active bookings, thus ensuring that all globetrotters, with and without bookings, now have information at their fingertips on almost any flight in the world.

Following the introduction of these and other added-value services, such as the AR-powered luggage size checker and automatic online check-in, customers increasingly rely on the eDreams, Opodo, GO Voyages and Travellink apps to enjoy a seamless travel experience. In fact, these features have contributed to a threefold increase in users' session length.

“Our goal is to help travellers enjoy a seamless and hassle-free experience throughout their entire journey. Our industry-leading apps are proving to be the best travel companion for our customers, who seek to simplify their experience with tools that make travel easier at no cost. We are committed to continue enhancing our mobile offering to achieve even better results for our customers and our business.” Chief Product & Retail Officer of eDreams ODIGEO.

“Customer satisfaction went up significantly in FY20. We are now rated number one in customer satisfaction Trustpilot versus any other OTA or airline in Europe” and added to that “customers are increasingly shifting to our mobile app. We are currently rated 4.6 stars out of 5 in the app stores.” CEO.



B) ARTIFICIAL INTELLIGENCE

At eDreams ODIGEO we leverage **AI solutions across all of our product teams and the entire customer journey**. Our scale as the largest flights OTA means that we have more data to train our models on and we can invest more in our people & technology. We have built one of the largest data science teams in the European travel industry and have developed our own machine learning platform.

Machine-based learning technology has strengthened our ability to **provide a truly personalized service** to travellers. Technology can predict potential customer needs by studying aggregated and anonymized bookings, while ensuring the confidentiality of our customers' data. In developing this machine-based learning technology, our aim is to present customers with the most relevant travel options for them, from the cheapest and most convenient flights to the most useful complementary services like travel insurance and transfer options from the airport.

We use over 100 dimensions to compute which flights and hotels will match customer preferences and we have applied a range of Machine Learning systems and approaches with great success, delivering up to +10% conversion uplifts by deploying an AI driven sorting across our platform.

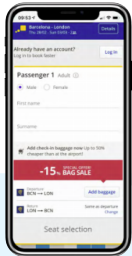
More than a third of travellers using our platforms carry out more than a single search and in most cases, this is to test different dates to find the best prices. Machine learning enables us to understand this type of search pattern in real

time, and anticipate and **offer alternative results with 80% accuracy** before our customer has even requested them.

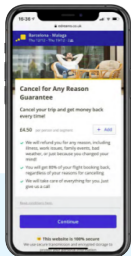
Thanks to this type of intelligence, we make more than **8 billion automatic predictions per day** and we are already working on more advanced features which will revolutionise our customers' experience.

“Our cutting-edge technology allows us to understand our travellers and their needs in order to enable a unique and meaningful travel experience.” CEO

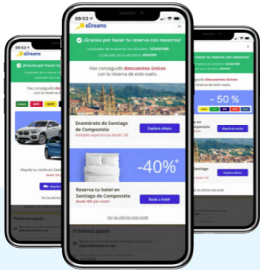
Propensity based models deliver customized experiences



Our AI capabilities can predict the purchase propensity for individual customer in real-time and then present personalized product offers +10% increase in Attach Rate for 30% of our customer

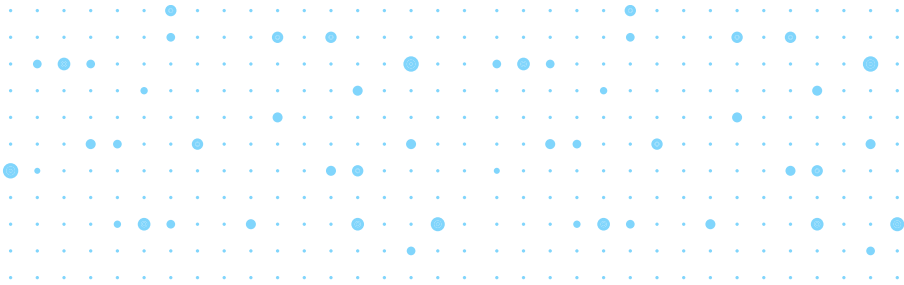


Through analysis of the performance and usage of C4AR we are able to proactively choose whether to offer the product based on profitability. This capability has improved profitability 30%



Our product recommendations are personalized to suit the customer and their trip type to ensure the most relevant shopping experience (in AB)

“Our passion is travel, our business is technology”



4.2 Customers

4. DIVERSIFICATION

In e-commerce, every day brings new challenges that can quickly shift the sector. We are constantly **transforming our ways of working as well as the products we offer** to our customers. We use a huge wealth of data and consumer insight to develop products that directly benefit our customers.

Over the recent years we have focused on providing more and better product / service to our customers. This has been instrumented through strong investments in revenue diversification which have resulted in an improvement of our competitiveness in flights via reduction of services fees.

More and more customers are attaching ancillaries when booking a flight with us, driving higher revenue per booking. The ancillaries in our funnel are constantly being tested at a micro-impact level, not just for conversion, or revenue, but continuously driving sub-metrics such as increasing coverage, speed and usability, and overall consumer satisfaction.

Our scale allows us to invest both in having the most advanced technology and one of the largest dedicated development teams in our industry. This allows us to move rapidly, releasing new product and service improvements daily across our mobile and online platforms. It also means we have an unrivalled understanding of what consumers want, serving over 17 million travellers each year. We can harness the data from our broad customer base to create powerful insights that ensure we're delivering exactly what customers need.

In a short period of time, we have built a unique range of products for our customers:

Available products versus competitors

	eDREAMS ODIGEO	OTA 1	OTA 2	AIRLINE 1	AIRLINE 2
Baggages	✓	✓	✓	✓	✓
Seats	✓	x	x	✓	✓
Car hire	✓	✓	✓	✓	✓
Transfers, Taxis & VTC	✓	✓	✓	✓	x
Cancellation insurance	✓	✓	x	✓	✓
Cancellation & medical assistance	✓	✓	✓	x	✓
Customer premieum service	✓	x	x	x	x
Lost baggages assistance	✓	x	✓	x	x
Flight delay compensation	✓	x	x	x	x
Medical assistance	✓	x	x	x	x
SMS flight confirmation & details	✓	✓	x	x	✓
Posted tickets	✓	x	x	x	x
Visas	✓	x	x	x	x
Restaurants	✓	✓	✓	x	x
Tours Events & Activities	✓	✓	✓	✓	x
Cancel for any reason	✓	x	✓	x	x
Flexible flight dates	✓	x	✓	x	✓
Automated check-in & mobile pass	✓	x	✓	x	x
Airport Parking	✓	x	✓	✓	✓

Sources: internal analysis

“Committed to innovation and delighting customers”

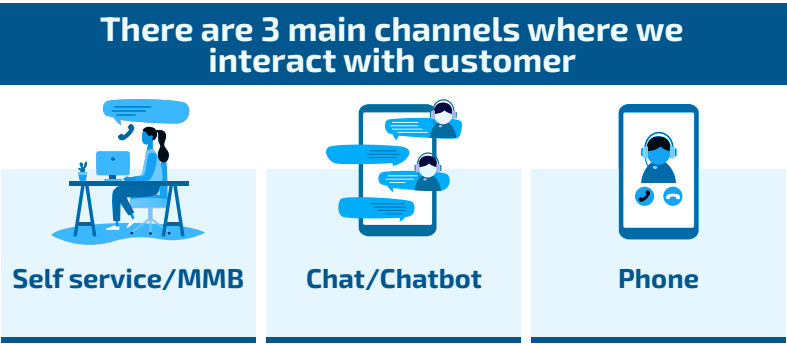
4.2 Customers

CUSTOMER SERVICE

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 which has helped us to achieve consistently high scores for customer service. Internal and independent surveys such as Trustpilot indicate that we continue to improve these scores in comparison to other online travel agencies and airlines.

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 on its innovation and technology expertise.

During the fiscal year the Group reached an agreement with an international leader specialized in customer service solutions, to operate its customer service activities, previously managed in-house in Barcelona. This organisational change has enabled us to adapt our structure, better position ourselves to **continue innovating technologically**, and provide customers with a seamless travel experience as the **leading one-stop-shop for travel in Europe**.



CUSTOMER SERVICE-
COVID PANDEMIC



Customer safety, service, and experience have become even more critical to us, in the wake of the ongoing pandemic and the serious impact it has had on the travel sector as a whole. We are deeply committed to our customers wellbeing and health and safety, and in this time of crisis ensuring their safe return, and accommodating reorganization of travel plans for future dates. Some of the main initiatives we have implemented include:

- A **Customer Services themed hackathon** to identify process improvement opportunities in the post booking flow, improve efficiencies, and enable us to respond faster and more effectively to our customers. Despite the challenges presented by this being the first ever virtual hackathon, it was a resounding success.
- We have accelerated and deployed a number of initiatives to **automate the customer experience** and internal processes, several of which are already delivering tangible benefits to Customer Services, and improving our customers experience. We implemented an automated refund status update tool, allowed customers to initiate change and cancellation requests and enhanced the accuracy and display of flight status across all platforms and touchpoints. Making the customer journey frictionless and pain-free is our goal.
- Significant cross functional collaboration with a number of members from other business teams volunteering to provide **support to the customer services team**, contributing to help reduce the increased volume of customer queries resulting from COVID-19.
- **Our specialist team** VIP Comms who have provided round the clock assistance.

CUSTOMER ENGAGEMENT

As part of our continual quest to make our customers happier, we use different surveys 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.

4.2 Customers

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

CUSTOMER DATA PROTECTION Our millions of customers trust us with their private information whenever they use our sites. **We take the responsibility of maintaining the security and privacy of our customers' data extremely seriously.**

As part of our commitment to the privacy and security of data of employees and customers, we have taken multiple steps to ensure we are compliant with the GDPR legislation, including; update of a number of Group Policies, update of contractual clauses, and provision of specific online and tailored training to employees, to ensure safe, confidential, and appropriate processing of personal data throughout each stage of the data life cycle, from collection and processing through to removal or safeguarding the data once the relationship has been terminated.

Security forms an essential part of the design, development and exploitation of all processes and systems, in particular, those that process information. All of eDreams ODIGEO systems include procedures for authentication and administration of authorisations and access, and are designed to guarantee that the use of these does not affect the security of the data handled.

Under the direction of our Data Protection Officer, we are committed to continual improvement and refinement of these processes.

-  During the fiscal year ended March 2020 the Company had:
- Not suffered any relevant data breach or theft or loss of customer data;
 - Not received any legal claims relating to customer privacy violations from third parties;
 - Not been investigated or received any complaint from regulatory bodies;



4.3 Suppliers and partners

OUR SUPPLY CHAINS

We compare prices across suppliers and offer our customers the best options for their travel needs. **We are capable of combining all of the different flights and routes offered by many different airlines, to provide our customers with a travel solution tailored to their requirements.**

HOW DO WE GET OUR INVENTORY?

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.

Our main products include; flights, dynamic packages (flight + hotels), insurance, car rental, and other ancillaries such as luggage and plane seats that add value to the customers travel experience.

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.

ADDED VALUE TO PARTNERS AND SUPPLIERS

Our partners and suppliers benefit from information on trends and behavior habits that eDreams ODIGEO collects from the more than 17 million customers it serves across 45 different markets around the globe.

Access to our extensive pool of customers enables our partners and suppliers to reduce their costs of acquisition, increasing their reach, with the added advantage of providing them with the coverage of eDreams ODIGEO customer service for all products sold through our platform.



“Accessing an additional segment of travellers has allowed hotels to gain exposure and register increases of up to 50% in their transactions, with an increase in the reservation period of 21% and of the average length of stay of 36%. We are delighted to be able to work directly with these businesses to improve both their competitiveness and ours.” Director of Accommodation of eDreams ODIGEO.

4.3 Suppliers and partners

PARTNERS AND SUPPLIERS



By the end of FY20 we had aggregated over 664 airlines complemented with an offering of over 2.1 million properties.

In addition to our content suppliers, the Company also has outsourced contact centres.

When contracting external resources or independent experts, we evaluate competence, technical capacity, history of IT security or data breaches, and risk management, always giving serious consideration to track record and commitment to preventing corruption and respecting human rights.

This evaluation can take a variety of forms: service level agreement conditions, data protection & IT security clauses, certifications such as the ISAE3402, SSAE16, UK MSA, and so on, depending on the activity being outsourced.

RELEVANT POLICIES

In keeping with our commitment to act with integrity in all of our business dealings, we have a number of relevant Company policies 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.

Relevant policies include (see more detail in Section A3. Ethics):

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

All of our significant partners are provided with our Group Business Code of Conduct, and where applicable required to sign our IT security and Data Protection clauses.

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.



During FY20, our existing contact centre suppliers provided certificates confirming their commitment to compliance with the Modern Slavery Act, adherence to internationally recognized 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).

ZERO TOLERANCE

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. We have a **zero-tolerance policy towards violations of the laws banning forced labour, slavery and human trafficking, and on discrimination of any type.**

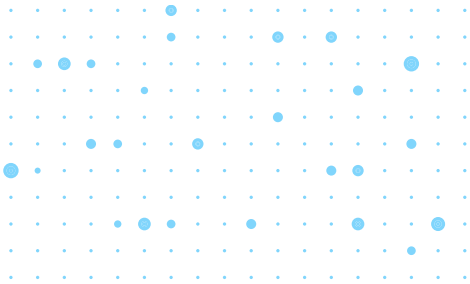
4.4 Society



As one of the leading employers in Barcelona, eDreams ODIGEO is committed to the local communities and where possible takes measures to preserve the quality of the local environment at all locations in which it operates.

We understand and value that society and the environment are important issues for our employees and where possible endeavour to facilitate and promote channels for them to proactively manage these areas in the following ways:

- **GO!Teams** is an initiative launched by and for eDreams ODIGEO employees to foster and stimulate an open and connected culture. GO!Teams organise a number of social and charitable initiatives.
- **CSR Community at eDO:** As a Company, we recognize that we have a responsibility towards the environment and communities where we operate. The CSR Community is formed by a group of volunteers to help eDO implement actions that promote corporate social responsibility. Actions are focused around three pillars:
 - **#Sustainability** (under the logo eDOGreen): actions, solutions and tips to produce less waste, better recycling, and preserve our planet.
 - **#Solidarity:** initiatives to support local communities and help people in need.
 - **#Well-being:** tips, actions to preserve our health and make us happy at work.



OUR KEY ACHIEVEMENTS



Since we joined forces, a great deal has been accomplished, and we are particularly proud of the following actions we have performed as a team during FY20:

#Sustainability

- Beach cleaning in Barcelona (26kgs of waste collected).
- Improvement of waste management and energy efficiency in our office locations.
- Promoting environmentally friendly behaviour and habits across the Company.

#Solidarity

- An initiative at our Spanish offices in collaboration with the SEUR Foundation called: "Bottle tops for a new life", where employees recycle bottle tops with the objective of helping children with serious health problems.
- Donation of IT equipment to the charity group Pont Solidari, as part of an on-going volunteer collaboration.

- Raising money for charities via auction of end-of-year gifts received from partners.
- Collecting food, toys, warm blankets and clothes, etc. for people in need.
- Organising blood donations.

#Well-being

- Testing eDOers metabolic age and giving advice.
- Equipping the offices with fitballs.
- Fostering the eDreams ODIGEO team culture via sports and cultural events for employees (e.g. running, open water swimming, indoor football, ping-pong, beach volley, yoga). eDreams is main sponsor of the eDreams Barcelona Half Marathon, the eDreams Copa Marnaton and the eDreams Swim & Run.
- Negotiation of discounts with local gyms and sports facilities or instructors to promote a good work-life balance for employees.

ASSOCIATIONS

eDreams ODIGEO is committed to fair competition and trade practices in the sector in which it operates and is currently a proactive member of the following trade associations across Europe:

- **EU:** EU Travel Tech, chaired by our General Counsel since November 2019, (formerly The European Technology and Travel Services Association - ETTSA) an organization that represents and promotes the interests of global distribution systems (GDSs) and travel distributors towards all relevant European stakeholders from industry to policymakers.
- **Italy:** Netcomm, Italy's leading e-Commerce trade association.
- **France:** Les Entreprises du Voyage ('EDV'), representing Travel Agents in France; 'La

Fédération du e Commerce et de la vente a distance' ('FEVAD'), France's leading e-Commerce trade association; & 'Syndicat des Entreprises du Tour Operating' ('SETO'), an association representing French tour operators.

- **Spain:** Adigital - a trade association for digital businesses, Confederacion Espanola de Agencias de Viajes ('CEAV') representing Spanish tour agents & 'Asociación Corporativa de Agencias de Viajes Especializadas' ('ACAVE'), the Association representing Catalan travel agencies.
- **Germany:** DRV, (German Travel Association), the leading special interest group of the German tourism industry.

AWARDS AND
RECOGNITIONS

At eDreams ODIGEO we strive towards 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.

This recognition is 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 personalized service.

Type of award: Top Seller by Plus Ultra Líneas Aéreas
Year of reference: 2020
Date of award: February 2020
Legal entity/brand receiving the award: eDreams ODIGEO

Type of award: The British Travel Awards (www.britishtravelawards.com) has awarded Opodo "Best Flight Booking Website" with the Silver rank.
Year of reference: 2019
Date of award: November 2019
Legal entity/brand receiving the award: Opodo

Type of award: Agripina Awards – Best Travel Campaign at the Spanish Advertising and Communications Festival.
Year of reference: 2019
Date of award: June 2019
Legal entity/brand receiving the award: eDreams

Type of award: World Travel Awards – Spain's Leading Online Travel Agency 2019.
Year of reference: 2019
Date of award: June 2019
Legal entity/brand receiving the award: eDreams

Type of award: Business Vision Awards – Best Travel Business Diversification Strategy Global 2019.
Year of reference: 2019
Date of award: May 2019
Legal entity/brand receiving the award: eDreams ODIGEO



4.5 The environment

ENERGY USE & EMISSIONS
Scope 1 GHG emissions
- direct emissions from sources that are owned or controlled by the Company.

eDreams ODIGEO recognizes that businesses **have a responsibility towards the environment**. Although our core activities have a relatively low impact, by virtue of the fact that we are primarily an online business, we are nevertheless **committed to finding ways in which we can reduce any environmental footprint** we may leave. Where possible, we incorporate sustainability 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.

The Workplace Team is responsible at a local level for the optimisation of the use of resources in our office buildings.

Two main factors were identified as a result of our internal assessment on how eDreams ODIGEO's operations impact on the environment: energy consumption at our data centres, and our office buildings across the different locations. Our three outsourced data centre suppliers 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. All 3 data centre suppliers are ISO 14001 Environmental Management Standard certified.



During the fiscal year, we are pleased to report two main initiatives where we are successfully reducing energy consumption & emissions. Firstly, a consequence of the project to migrate our infrastructure to Cloud has been to reduce rack space needed at the data centres.

Completion of the Colt data centre consolidation project resulted in a decommissioning of 175 servers, a reduction of 69% of the racks used, and with it the associated energy consumption and cost savings.

A second important contributor has been the move to Virtual Desktops, with the corresponding reduction in the energy consumption associated with those employees.

Because we lease our office spaces and data centre racks, we are limited in our ability to directly address the source of our energy use.

Scope 2 - which accounts for GHG emissions from the generation of purchased electricity consumed by a company.



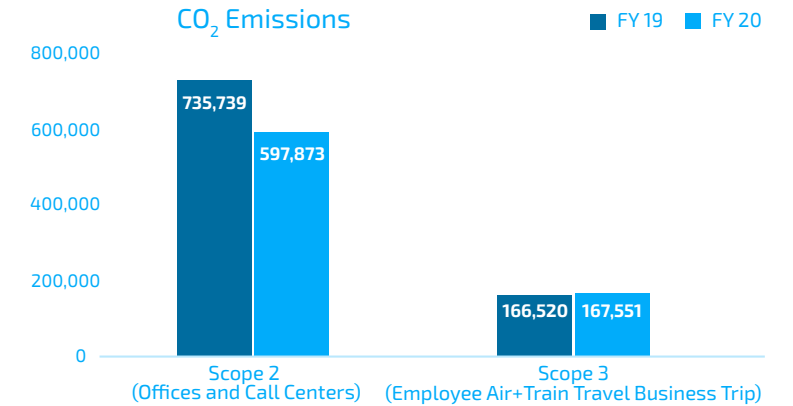
During FY20, eDreams ODIGEO changed to a more environmentally conscious energy supplier which only sources 100% green energy. We have successfully reduced the carbon footprint generated by our electricity consumption by 18% from FY19 to FY20 due also in part to the outsourcing of our Spanish call centre during the fiscal year.



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 its most significant office locations in Barcelona, and London. No material recommendations were raised.

Scope 3 - which covers emissions associated with business travel.

During FY20, the Scope 3 emissions relating to employee travel (air + train) for business trips remained stable compared with FY19. The underlying trend in repeat travel routes is decreasing year on year, and as a direct result the level of this type of emission. This has however been offset by a series of long haul business trips in FY20 to set up and train outsourced call centres in Colombia, which are not expected to recur in FY21.





WATER USAGE & WASTE

Our highest source of water consumption comes from the outsourced data centres, which as previously mentioned are fully committed to sound environmental management and sensible water consumption and waste minimization processes.

Water consumption that is directly under our control, at our office buildings in kitchens, toilets, etc. is relatively low, and thanks to continuous improvement measures, overall consumption has remained stable despite the increase in office space leased and in the number of employees in our main Spanish offices.

 The consumption in M3 for the fiscal year of the two main eDreams ODIGEO sites located in Barcelona was 5.524 M3 (1,5% more vs FY19).

Waste impact directly under our control is limited to our office operations, and is managed in accordance with regulations in each local country.

Recycling bins are installed at all of our locations to facilitate the recycling of organics, plastics, cans and light packaging, paper and other waste.

We actively promote a paperless office and strive to keep paper consumption at our premises to a minimum, using automated badge-based printing systems to restrict consumption, and monitor and identify areas for improvement.

4.5 The environment

ENVIRONMENT-
FRIENDLY PRACTICES



During FY20, in line with our objective of creating a greener and sustainable work environment, the CSR team continues to promote environmentally-friendly practices under the label eDOGreen. We are raising awareness to reduce energy and water consumption, recycling habits, and food waste, through awareness communication campaigns among employees, talks from specialists, surveys, posters, etc.

The following are examples of environmentally-friendly practices implemented at all eDreams ODIGEO locations:

Energy and water consumption

- Switching off laptops, PCs, and any other electrical devices, such as monitors, before leaving the office.
- Switching off TV screens and any equipment in meeting rooms.
- Maximising the use of natural light.
- Replacing incandescent bulbs with LEDs.
- Automatic switching off of lights at certain hours.
- Use of energy saving stickers.
- Green message on signatures.
- Adapting room temperature to the weather.
- Engagement of outsourced data centre suppliers that provide services based on energy and water efficient infrastructures that reduce overall emissions.
- Installing air diffusers in the taps to reduce the water flow and consumption.

- Using tap water responsibly.
- Avoiding the use of bottled water in favour of water fountains.
- Motion sensor taps in washrooms.

Waste management

- Creation of a CSR page on the Company intranet with a calendar to share CSR tips/ideas/facts on a weekly basis (ongoing "education" work to engrain certain behaviours in people).
- CSR eDO G+ community to communicate with employees, share ideas, and volunteer to help set up initiatives.
- eDOGreen talk "Journey to Zero Waste Office" to raise awareness amongst eDOers on the impact of our individual actions and promoting a more sustainable way of living.
- Recycling of electronic appliances and office furniture via donation to charity.
- eDO mugs and water bottles to all eDOers, considerably reducing the consumption of single-use plastic glasses.
- Replacing plastic glasses and paper cups by compostable cups for organic bins (*over 350,000 plastic and paper cups used during FY19 vs 170,000 compostable cups used during FY20*).
- Replacing plastic stir sticks with wooden ones suitable for organic bins (*over 127,000 plastic coffee stirrers used during FY19 vs 86,000 compostable coffee stirrers used during FY20*).

- Replacing individual milk pods with milk tetra bricks (*over 250,000 individual milk pods consumed during FY19 vs 8,000 milk bricks used during FY20*).
- Replacing individual sugar sachets with sugar dispensers (*over 129,000 individual sugar bags consumed during FY19 vs 192 sugar kilo packets consumed during FY20*).
- Replacing paper towels with new efficient hand dryers.
- Removing individual use waste paper baskets with central recycling points on each floor.
- Replacing plastic and paper cartons with biodegradable materials.
- Separating and collecting waste: implementing a proper infrastructure to facilitate waste separation for recycling (general waste, packaging and organic).
- Special recycling bins for: capsule caps, batteries, electric and electronic devices, plastic caps.
- Sending used paper for recycling.

Travel

- Avoiding business travel in favour of video and audio conferences whenever possible (as outlined in the eDreams ODIGEO Travel Policy). Encouraging employees to walk and cycle.
- Promoting the use of carpooling and public transportation.

4.5 The environment

ENVIRONMENTAL-
FRIENDLY PRACTICES

Business processes

- Reducing the use of paper.
- Switching to eco friendly printers.
- Setting all printers to grayscale, two sided and ECO mode by default.
- Reducing printing to the minimum by implementing badgebased printing systems (*resulting in a reduction of paper print by 32% vs FY19*).
- Reusing waste paper (from the printer) whenever possible, making use of the blank side for notes.
- Raising awareness, among users, of the environmental and economic cost of printing.
- Using chat instead of mobile phones.

	FY20	FY19	Variation
Electricity consumption top eDreams ODIGEO sites (kw)	1,684,919	2,102,111	-19.85%
Number of employees	1,131	1,504	-
Electricity Consumption per employee/per annum	1,490	1,398	-
Water Consumption top eDreams ODIGEO sites (m³)	5,524	5,439	1.56%
Number of employees	1,131	1,504	-
Water Consumption per employee/per annum	4.9	3.6	-



4.6 Shareholders and investors

THE INVESTOR RELATIONS DEPARTMENT

In recent years the Board of Directors has placed great emphasis on keeping a policy of active and transparent communication and contact with shareholders, institutional investors and proxy advisors. In accordance with the recommendations of the Good Governance Code of Listed Companies, the Board has published this policy on its website.

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 other participants such as the CSSF (Luxembourg Financial Sector Supervisory Commission) and the CNMV (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.

Engagement with our shareholders through our roadshows, investor meetings and analyst calls has sharpened our focus on our core priorities, strategic vision and governance. We continue to listen to all our shareholders and other stakeholders.



During the FY20, the Investor Relations team activity increased significantly, in particular with regards to investor targeting, 72% of eDreams ODIGEO overall Investor Relations activity, an increase of 40% year-on-year of meetings hosted by eDO Management. In 2020, eDreams ODIGEO hosted meetings with over 240 investors (up 22% vs the same period last year). The senior management team dedicated 25 days to investor roadshows and attending conferences in cities such as New York, Boston, Chicago, San Francisco, Los Angeles, Miami, Toronto, London, Edinburgh, Frankfurt, Paris, Barcelona, and Madrid.

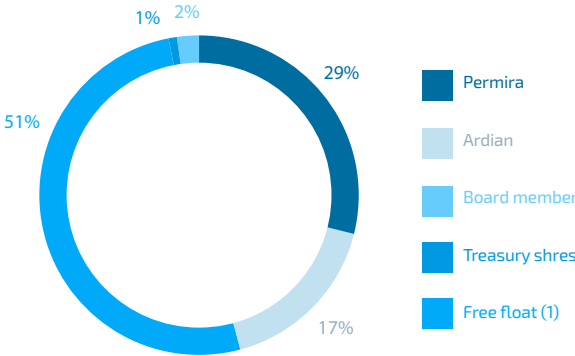
The corporate website www.edreamsodigeo.com constitutes the main official channel of communication between eDreams ODIGEO and the shareholders, institutional investors and the general public. Under a specific section called "Investors", they can find all the information required by the laws and regulations of the securities markets. This is updated on a continual basis.

As of 31st March 2020 the shareholders structure of eDreams ODIGEO was as follows:

As of 31st March 2020 the shareholders structure of eDreams ODIGEO was as follows:

Shareholder	Number of Shares	%Share Capital
Permira	32,011,388	29.0%
Ardian	18,720,320	16.9%
Board Members	2,192,022	2.0%
Treasury shares	1,081,466	1.0%
Free Float ⁽¹⁾	56,457,847	51.1%
Total	110,463,063	100%

Free Float Composition	Number of Shares	%Share Capital
Bybrook Capital LLP	9,631,174	8.7%
Sunderland Capital Partners LP	6,523,889	5.9%
Other less than 5%	40,302,874	36.5%



(1) The free float has been calculated on the basis of shareholder notifications of voting rights communicated to the Company as of 31st March 2020 in accordance with the Luxembourg Transparency Law implementing the Transparency Directive in Luxembourg 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.

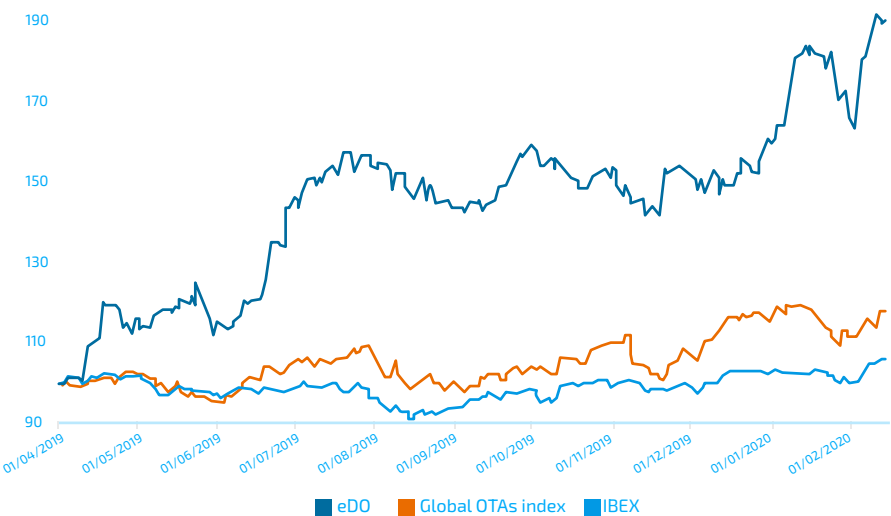
4.6 Shareholders and investors

THE STOCK MARKET

eDreams ODIGEO shares, the global travel industry as well as all equity and bond global markets, in the FY20, have experienced a very negative impact due to the global pandemic of unprecedented proportions caused by the COVID-19 outbreak, which resulted in billions of people under stay at home orders, closure of borders, the government enforcing travel restrictions and strict guidelines regarding social distancing. These actions have affected the overall global economy and as a result global equity and bond prices.

eDreams ODIGEO has not been an exception and has also been very negatively affected, however, if we look at eDO performance in the FY20 pre-COVID-19, this would have been our best year in terms of equity performance due to our strong business fundamentals and prospects, which we updated the markets on it at our Investor Day in November 2019. eDreams ODIGEO's share price between the 31st of March 2019 and the 17th February 2020 (Italy announcing its COVID-19 outbreak and 1st lock-down in Europe) increased by 102%, outperforming by 94% and 96%, the IBEX 35, the benchmark Spanish stock market index, and the Global Online Travel index, respectively.

eDreams ODIGEO Open: 2.64 | High: 5.40 | Low: 2.64 | Close: 5.40
31/03/2019 – 17/02/2020



eDreams ODIGEO shares, since our lowest point in October 2014 and the management change thereafter, also performed better than the IBEX 35 and the Global Online Travel Peer index. eDreams ODIGEO's share price during that period increased by 81%, outperforming by 115% and 89%, the IBEX 35 and the Global Online Travel index, respectively.

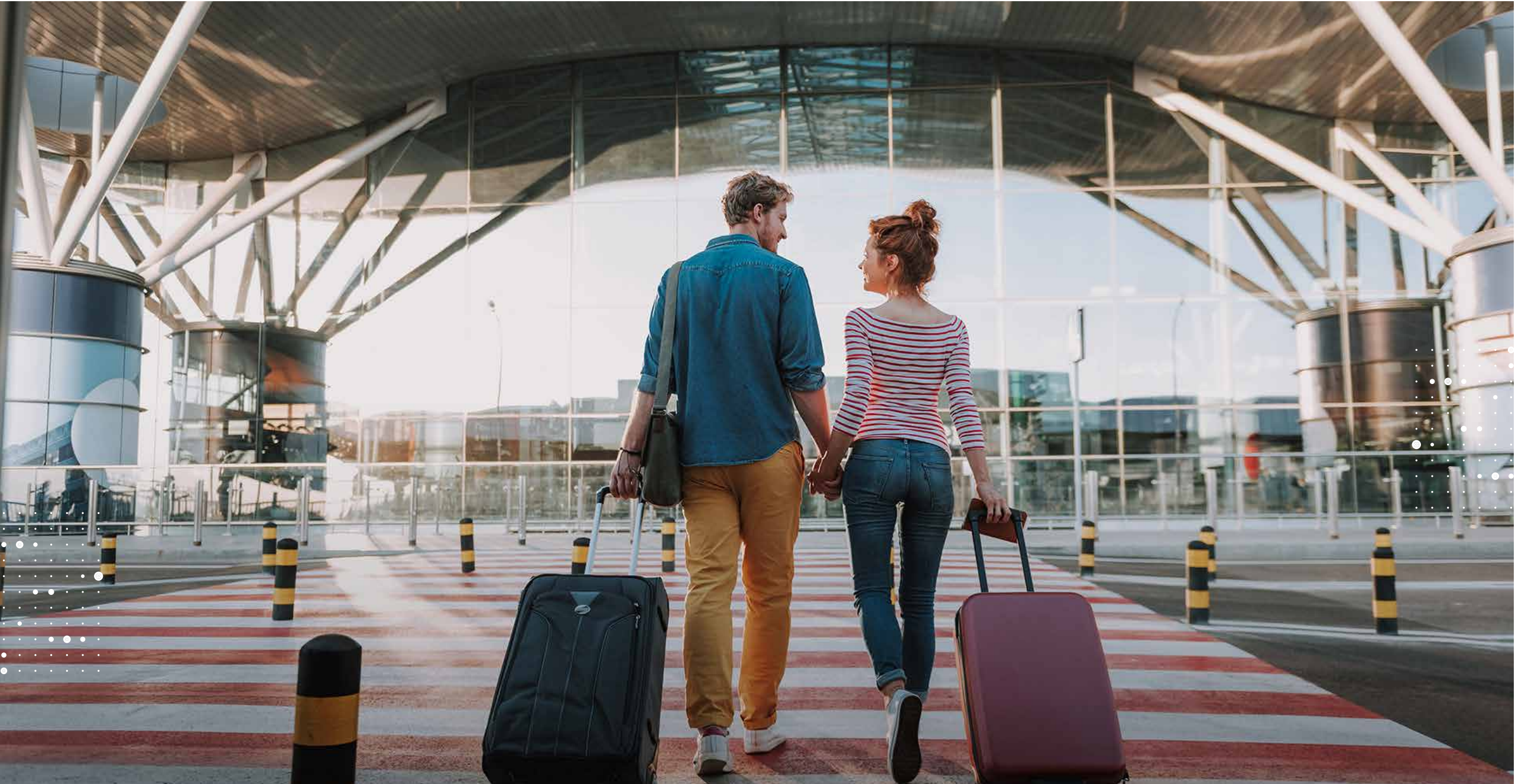
In our FY20, year end 31st of March, our shares also traded better than the Global OTA sector and most of our peers.

From To	24 th October 2014 31 st March 2020	31 st March 2019 31 st March 2020	31 st March 2019 17 th February 2020
eDreams ODIGEO	81%	-31%	102%
Global OTAs	-8%	-38%	21%
IBEX 35	-34%	-27%	8%
Booking.com	18%	-23%	14%
Ctrip	-18%	-46%	-24%
Despegar	-78%	-62%	-2%
Expedia	-31%	-53%	3%
Lastminute.com (*)	43%	5%	137%
On the Beach	20%	-50%	-3h

(*) lastminute.com on the 3th of February and 4th of March 2020 confirmed talks about a potential corporate transaction

Our market capitalisation as of 31st March 2020 was €201 million. The average daily trading volume in the FY20 was 113,585 shares. The proportion of our stock in free float is 51%.

Note: As of 31st March 2020, the Company announced a plan to move the Group's registered seat from Luxembourg to Spain, to achieve organizational and cost efficiencies. The Shareholder Meetings required to execute the move will be convened in July and will take place in September.



A4. OUR STAKEHOLDERS

4.1 Employees
4.2 Customers

4.3 Suppliers and partners
4.4 Society

4.5 The environment
4.6 Shareholders and investors

A5. NON FINANCIAL INFORMATION
STATEMENT (Per EU Directive 2014/95
transposed into Luxembourg law July
2016, and into Spanish Law Act11
December 2018) & GRI INDICATORS



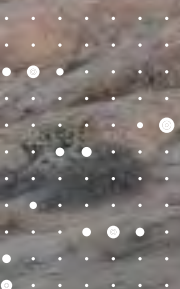
Content	Description	GRI Standards indicator	Location/Chapter, pages/Observation
Business model	A brief description of the group's business model, including its business environment, organization and structure, the markets in which it operates, its objectives and strategies, and the main factors and trends that may affect its future evolution.	102-2, 102-4, 102-6, 102-7, 102-15, 102-10	A.1 (8-9), A2 (10-39), A3.1 (41-49)
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.	103-2, 103-3, 102-16	A3.2 (50-53), A3.3 (54-57), A3.4 (58)
Main risks	Main risks related to those issues linked to the group's activities, including, where relevant and proportionate, its commercial relations, products or services that may have negative effects in those areas, and how the group manages those risks, explaining the procedures used to identify and evaluate them in accordance with the national, European or international reference frameworks for each subject. This should include information on the impacts that have been identified, giving a breakdown of these impacts, in particular on the main risks in the short, medium and long term.	102.15, 102-11, 102-30	A3.3 (54-57), A6.2 (107)
Information on ENVIRONMENTAL MATTERS			The current strategic view of the Company considers that the environmental implications of an Online Travel Agency are very limited and mainly concentrated on direct impacts which are properly managed
	Current and foreseeable impacts of the Company's activities on the environment and, as the case may be, on health and safety.	102-15, 102-29, 102-31	A3.3 (54-57), A3.4 (58), A4.5 (92-95)
	Procedures for environmental assessment or certification.	102-11, 102-29, 102-30	A4.5 (92-95), A4.3 (87-88)
	Resources dedicated to environmental risk prevention.	102-29	A3.4 (58), A4.3 (87-88), A4.5 (92-95)
	Applying the principle of precaution.	102-11	A3.4 (58), A4.3 (87-88), A4.5 (92-95)
	Amount of provisions and guarantees for environmental risks.	307-1	A3.4 (58), A4.3 (87-88), A4.5 (92-95)
Pollution	Measures to prevent, reduce or repair CO2 emissions that seriously impact the environment.	103-2, 302-4, 302-5, 305-5, 305-7	A4.5 (92-95)
	Measures to prevent, reduce or repair emissions that generate atmospheric pollution (including noise and light pollution).	416-1	A4.5 (92-95)

Circular economy and waste prevention and management	Waste prevention, recycling, reuse and other forms of waste recovery and elimination measures.	103-2, 301-1, 301-2, 301-3, 303-3, 306-1, 306-2, 306-3	A4.5 (92-95)
	Actions to combat food wastage.		Non material to the business
Sustainable use of resources	Consumption and supply of water in compliance with local limitations.	303-1, 303-2, 303-3	A4.5 (92-95)
	Consumption of raw materials and measures in place to ensure more efficient use of raw materials.	301-1, 302-2, 302-3	A4.5 (92-95)
	Direct and indirect energy consumption and measures in place to improve energy efficiency and use of renewable energies.	302-1, 302-2, 302-3, 302-4, 302-5	A4.5 (92-95)
Climate change	Important aspects relating to the greenhouse gas emissions generated by the Company's activities (including both goods and services).	305-2 305-3	A4.5 (92-95)
	Measures in place to adapt to the consequences of climate change.	102-15, 103-2, 201-2, 305-5	Non material at this point but in the near future we will reconsider the implications of travel and climate change not only in terms of risks but also tourism impacts
	Goals for reducing greenhouse gas emissions in the medium and long term and measures put in place to reduce greenhouse gas emissions.	103-2	A4.5 (92-95)
Protecting biodiversity	Measures put in place to conserve or restore biodiversity.	304-1, 304-2, 304-3	A4.5 (92-95)
	Impact caused by activities and operations in protected areas.	304-1, 304-2, 304-3	Not applicable
Information on SOCIAL and EMPLOYMENT matters			
Employment	Total number and distribution of employees by gender, by age, by country and job category.	102-7, 102-8, 405-1	A4.1 (61-77)
	Total number and distribution of employment contract by type.	102-8	A4.1 (61-77)
	Annual average of open-ended contracts, temporary contracts and part-time contracts by gender, by age, by job category.	102-8	A4.1 (61-77)
	Number of dismissals by gender, by age, by job category.	401-1	A4.1 (61-77)

	Average remuneration and trends, broken down by gender, by age, by job category.	405-2, 102-38	A4.1 (61-77)
	Salary gap.	405-2	A4.1 (61-77)
	Remuneration for similar work positions or average remuneration at the Company.	202-1	A4.1 (61-77)
	Average remuneration of board members and executives (including variable pay, per diem allowances, compensation and severance, payments to long-term pension and savings schemes and any other remuneration, broken down by gender).	102-35, 102-36, 201-3	A4.1 (61-77), A3.1 (41-49)
	Implementation of job disconnection policies.	402-1	A4.1 (61-77)
	Disabled employees.	405-1	A4.1 (61-77)
Work organization	Organization of working hours.	102-8	A4.1 (61-77)
	Absenteeism in hours.	403-2	A4.1 (61-77)
	Measures to improve the work-life balance of employees and to ensure an appropriate balance between mother and father.	401-3	A4.1 (61-77)
Health&Safety	Occupational health and safety conditions.	103-2	A4.1 (61-77)
	Workplace accidents, especially frequency and severity, as well as occupational diseases, broken down by gender.	403-2, 403-3	A4.1 (61-77)
Labour relations	Enabling and organizing dialog with employees (including procedures for reporting, consulting and negotiating with employees).	102-43, 402-1, 403-1	A4.1 (61-77)
	Percentage of employees covered by collective bargaining agreement, by country.	102-41	A4.1 (61-77)
	List of collective agreements (especially in the field of occupational health and safety).	403-1, 403-4	A4.1 (61-77)
Training	Policies implemented in the field of training.	404-2	A4.1 (61-77)

	Total number of training hours by job category.	404-1	A4.1 (61-77)
Accessibility	Universal accessibility for people.	103-2	A4.1 (61-77)
Equality	Measures put in place to champion equal treatment and opportunities between women and men.	103-2	A4.1 (61-77)
	Equality plans (Chapter III of Organic Law 3 of March 22, 2007, on the effective equality between women and men).	103-2	A4.1 (61-77)
	Measures put in place to foster employment.	103-2, 404-2	A4.1 (61-77)
	Protocols against sexual and gender-based harassment.	103-2	A4.1 (61-77)
	Policy against discrimination in all its forms and, as the case may be, integration of protocols against sexual and gender-based harassment.	103-2	A4.1 (61-77)
	Protocols against discrimination in all its forms and, as the case may be, to ensure the proper management of diversity.	103-2, 406-1	A4.1 (61-77)
Information on respect for HUMAN RIGHT			
	Implementation of due diligence processes on the subject of human rights.	414-2	A3.2 (50-53), A4.1 (61-77), A4.3 (87-88)
	Preventing the risk of committing human rights breaches and, as the case may be, measures to mitigate, manage and repair possible abuses committed.	410-1, 412-1, 412-2	A3.2 (50-53), A4.1 (61-77), A4.3 (87-88)
	Reports of cases where human rights have been breached.	102-17, 419-1, 411-1	A3.2 (50-53), A4.1 (61-77), A4.3 (87-88)
	Promoting and observing the fundamental conventions of the International Labor Organization governing respect for freedom of association and the right to collective bargaining, eliminating discrimination in the workplace and when hiring, eradication of forced labor and the effective eradication of child labor.	103-2, 408-1	A3.2 (50-53), A4.1 (61-77), A4.3 (87-88)
Information on the FIGHT against CORRUPTION and BRIBERY			
	Measures put in place to prevent corruption and bribery.	103-2, 205-2, 205-1, 205-3	A3.2 (50-53), A4.1 (61-77), A4.3 (87-88)

	Anti-money laundering measures.	103-2	A3.2 (50-53), A4.1 (61-77), A4.3 (87-88)
	Contributions to foundations and non-profit entities.	103-2, 201-1, 203-2, 415-1	A4.4 (89-91)
Information on SOCIETY			
Company commitments to sustainable development	The impact of the Company's business on employment, local development and the natural environment.	203-1, 203-2, 204-1, 413-1, 413-2	A3.3 (54-57), A3.4 (58), A4.4 (89-91)
	Relations with agents from the local communities and forms of dialog with such associations and people.	102-43, 413-1	A4.4 (89-91)
	Association or sponsorship actions.	102-13, 203-1, 201-1	A4.4 (89-91)
Subcontracting and suppliers	Inclusion of a procurement policy that champions social issues, gender equality and environmental protection.	103-3	A4.3 (87-88)
	Making its social and environmental responsibility values part of its relations with suppliers and subcontractors.	102-9, 308-1, 308-2, 407-1, 409-1, 414-1, 414-2	A4.3 (87-88)
	Oversight systems, audits and troubleshooting processes.	308-1, 308-2, 414-2	A4.3 (87-88)
Consumers	Measures to improve the health and safety of consumers.	416-1, 416-2, 417-1	A4.2 (78-86)
	Reporting and whistleblowing systems and grievances received and resolved.	418-1	A3.2 (50-53)
Tax information	Profits obtained by country.	201-1	B3.7 (144-145), B2 (116-119), A2.4 (15-23)
	Taxes paid on profits.	201-1	B3.4.12 (134-135), B3.13 (148-151), B2 (116-119), A2.4 (15-23)
	Public subsidies and aid received.	201-4	B3.33.2 (178)



A6. APPENDIX

- 6 . 1 About this report
- 6 . 2 Materiality
- 6 . 3 Contact
- 6 . 4 Other publicly available reports



6.1 About this report

The Consolidated Management Report, that contains non financial statements that runs from page 1 to 108. It was drawn up by the Board of Directors on **7th July 2020**.

The Consolidated Financial Statements run from page 109 to 193 and were also drawn up by the Board of Directors on **7th July 2020**. Additional Reports included in chapter A6.4 (Corporate Governance Report which forms part of the Management Report and Annual Directors' Remuneration Report included) available at www.edreamsodigeo.com.

eDreams ODIGEO has prepared an integrated model for reporting financial, social, environmental and governance information (ESG), based on the International Integrated Reporting Framework of the International Integrated Reporting Council (IIRC) as well as the Sustainability Reporting Standards of the Global Reporting Initiative (GRI). The report also meets the requirements of European Directive 2014/95/EU of the

6.2 Materiality

eDreams ODIGEO's materiality analysis is based on the annual Group Risk Assessment prepared by Group Internal Audit with Senior Management, reviewed by the Audit Committee, and approved by the Board, applying an integrated approach focused on significant areas where the business has a direct or indirect impact.

The most material risk that materialized for eDreams ODIGEO was the impact of COVID-19 and how to respond to the shutdown in economic activity and lockdown across geographies, and also of continued

European Parliament and of the Council, as transposed into Luxembourg law on 23rd July 2016, and into Spanish law by Act 11 28th December, 2018.

The Company has elected to prepare the non-financial information statement for the year closed **31st March 2020**, at a Group consolidated level.

In addition to compliance with Spanish Corporate Governance rules, the Company is subject to the Luxembourg Transparency Laws, i.e. pursuant to the Directive 2004/109/EC of 15th December 2004 on the harmonization of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market (the "Transparency Directive"), which has been implemented in Spain, listed companies are entitled to choose to be subject to the relevant transparency provisions of the Member State in which the issuer has its registered office (Luxembourg) or in which it has its securities admitted to trading (Spain).

relevance are risks relating to Cyber/IT security and changes in legislation, regulation and legal and political environment. A more detailed description is reported in chapter A.3.3 of this Report.

This Annual Integrated Report **FY20** includes material aspects of traditional financial information and increasingly, key non-financial information, as required by the local country and European legislation, as well as by increasing demand for transparency from society and the rest of stakeholders as a whole.



6.3 Contact

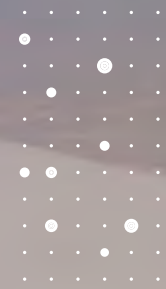
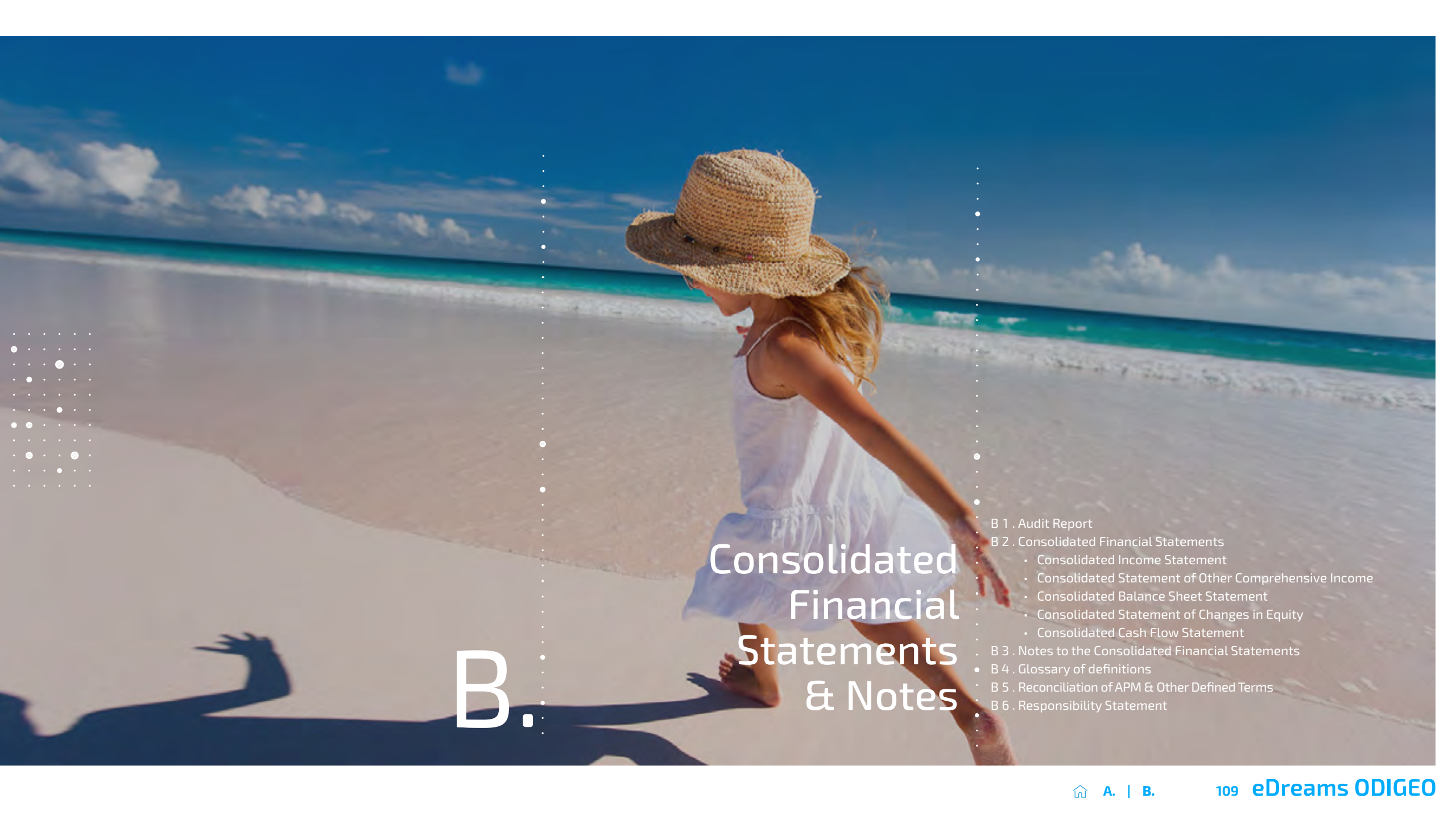
www.edreamsodigeo.com

For further information please contact:

Investor Relations Office
26-28 Hammersmith Grove
London , W6 7BA
United Kingdom
investors@edreamsodigeo.com

6.4 Other publicly available reports

-  [Annual Report on Corporate Governance FY20](#)
-  [Annual Report of Corporate Governance \(Spanish\) FY20](#)
-  [Report and External Auditors Independence & EY letter FY20](#)
-  [Remuneration and Nomination Committee Activity Report FY20](#)
-  [Annual Directors Remuneration Report FY20](#)
-  [Annual Directors Remuneration Report \(Spanish\) FY20](#)
-  [Audit Committee Activity Report FY20](#)
-  [Responsible Business Conduct Statement FY20](#)



B.

Consolidated Financial Statements & Notes

- B 1 . Audit Report
- B 2 . Consolidated Financial Statements
 - Consolidated Income Statement
 - Consolidated Statement of Other Comprehensive Income
 - Consolidated Balance Sheet Statement
 - Consolidated Statement of Changes in Equity
 - Consolidated Cash Flow Statement
- B 3 . Notes to the Consolidated Financial Statements
- B 4 . Glossary of definitions
- B 5 . Reconciliation of APM & Other Defined Terms
- B 6 . Responsibility Statement

B1. AUDIT REPORT





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Independent auditor's report

To the Shareholders of
eDreams Odigeo S.A.
4, rue du Fort Wallis
L-2714 Luxembourg

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of eDreams Odigeo SA. and its subsidiaries (the "Group") included on page 116 to page 180, which comprise the consolidated statement of financial position as at 31 March 2020, and the consolidated statement of profit and loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2020, and of its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession (the "Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the EU Regulation N° 537/2014, the Law of 23 July 2016 and ISAs are further described in the "Responsibilities of the réviseur d'entreprises agréé" for the audit of the consolidated financial statements" section of our report. We are also independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 3.2 of the consolidated financial statements, which describes the significant effects of Covid-19 on the travel industry and more particularly on the Group's activities. Our opinion is not modified in respect of this matter.

A member firm of Ernst & Young Global Limited



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 opinion thereon, and we do not provide a separate opinion on these matters.

1. Recoverability of goodwill and brands

Description

As at March 31, 2020, the Group reported goodwill and brands account for EUR 872 million, representing 77% of total assets. In accordance with International Financial Reporting Standards, as adopted by the European Union, the Group is required to perform an annual impairment test over goodwill and indefinite life assets. The assumptions and results of the tests performed are disclosed in Note 17 and 18 of the consolidated financial statements. This annual impairment test was significant to our audit because the assessment process is complex and requires management judgment and is based on assumptions of future cash inflows and discounted rates.

Our answer

Our audit procedures consisted, among others, in:

- Assessing the historical accuracy of management's estimates and budgets
- Assessing different scenarios prepared by the Group for the 2020-2025 financial projections and reconciling the input used to determine the value in use calculation with the scenarios of the financial projections. In particular, we evaluated the recoverability of goodwill and brand balances recorded for the cash generating units by reviewing the profitability of the operations, management's forecasts, the underlying assumptions and local economic developments.
- Involving of our valuation experts to assist with our evaluation of the assumptions and methods that were used by the Group to carry out its impairment test, including discount rate and the model that calculates future cash flows.
- Evaluating the adequacy of the Group's disclosures included in Note 17 and 18.

2. Revenue recognition from sales of travel services

Description

As described in Note 4.4 of the consolidated financial statements, the main activity of the Group is the intermediation in the sale of online travel flights and other travel-related services. Accordingly, the Group generates its revenue from mediation services and records its sales for the commission obtained (service fees).

These sales are made through different channels associated with specific IT systems, as well as different collection and payment platforms. Due to the large volume of transactions recorded during the period analyzed, its atomization, the diversity of channels, IT systems involved and nature of collections and payments, as well as the relevance of the amounts involved, we have considered this area a key audit matter of our audit.

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Our answer

Our audit procedures consisted, among others, in:

- Assessing the accounting applied to revenue recognition;
- Testing the effectiveness of the controls implemented by the Group over the revenue processes;
- Together with our IT specialists, analyzing the integrity of the information related to the systems involved in the revenue generation process, at the level of general controls and key applications (IT controls), validating that the information flows correctly through the systems;
- Performing tests on sales transactions based on a representative sample to validate the occurrence, accuracy and cut-off, and also the cash collection of those transactions to validate that they are recorded appropriately;
- Performing analytical review procedures
- Assessing the adequacy of the Group's disclosures in respect of the accounting policies on revenue recognition as disclosed in note 4.4 of the consolidated financial statements.

3. IT Cost Capitalization

Description

As described in Note 4.13, the Group capitalizes software development costs which amount to a net amount of EUR 95,692 as of 31 March 2020. Given the rapid technological developments in the industry, as well as the specific IFRS capitalization criteria, we have assessed such element as significant to our audit. This process involves significant management judgment, such as technical feasibility, intention and ability to complete the intangible asset, ability to use the asset, generation of future economic benefits and the ability to measure the costs reliably. In addition, determining whether there is any indication that the carrying value of assets may be impaired requires management judgment and assumptions which are affected by future market, industry or economic developments.

Our answer

Our audit procedures consisted, among others, in:

- Assessing the recognition criteria and accounting policy for intangible assets, understanding the IT cost capitalization management decision process based on the annual budget.
- Testing controls for the capitalization of internally generated intangible assets.
- Assessing the key assumptions used or estimates made for capitalizing development costs, such as personnel expenses and external services related to the projects, and assessed the useful economic life attributed to the asset.
- Assessing of whether any indications of impairment existed by understanding the business rationale for projects.
- Evaluating the adequacy of the Group's disclosures in note 15 to the consolidated financial statements.



4. COVID-19 uncertainty

Description

As indicated in note 3.2 of the consolidated financial statements, Covid-19 has significantly impacted the travel sector, with major decrease in bookings and significant flight cancellations, resulting in significant loss of revenue for the Group since March 2020. Management has taken several actions to face this situation and considers that the Group is in a strong financial position to face the consequences of the Covid 19 outbreak. Accordingly, management has prepared these consolidated financial statements on a going concern basis. Due to the significant impact of Covid 19 outbreak on the airline industry and on the activities of the Group, we have considered this issue as a Key Audit Matter.

Our answer

Our audit procedures consisted, among others, in:

- Assessing the different scenarios of cash flow projections provided by management jointly with our valuation specialists, including the understanding of the main assumptions used. We also assessed such information in light of the actual performance subsequent to March 31, 2020.
- Obtaining the waiver for the covenant from the lenders of the Super Senior Revolving Credit Facility that the group has obtained for the full fiscal year 2020-2021.
- Assessing the additional operational provisions that have been recognized by the Group, including namely those related with GDS cancellations and customer chargeback, based on expected future assumptions.
- Assessing the bad debt calculation provision and the forward looking information for the calculation of the impairment loss on trade receivables based on external and internal data.
- Assessing the adequacy of the Group's disclosure in note 3.2 in respect of the significant uncertainty created by the Covid 19 outbreak and the measures taken by the Group.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the consolidated management report from page 7 to page 108 and the corporate governance report from page 223 to page 283 but does not include the consolidated financial statements and our report of "réviseur d'entreprises agréé" thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.



Responsibilities of the Board of Directors and of those charged with governance for the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs as adopted by the European Union, and for such internal control as management determines 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 Board of Directors is 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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Responsibilities of the "réviseur d'entreprises agréé" for the audit of the consolidated financial statements

The objectives of our audit 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 a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 and with the ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or taken together, 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 EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment 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 the Board of Directors.

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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 report of the "réviseur d'entreprises agréé" 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 consolidated 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 those charged with governance 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 those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, 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.

Report on other legal and regulatory requirements

We have been appointed as "réviseur d'entreprises agréé" by the General Meeting of the Shareholders on 30 September 2019 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is 4 years.

The Group management report (from page 7 to page 108), which is the responsibility of the Board of Directors, is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

The accompanying corporate governance report from page 223 to page 283 is the responsibility of the Board of Directors. The information required by article 68ter paragraph (1) letters c) and d) of the law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

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We confirm that the audit opinion is consistent with the additional report to the audit committee or equivalent.

We confirm that the prohibited non-audit services referred to in EU Regulation No 537/2014 were not provided and that we remained independent of the Group in conducting the audit.

Ernst & Young
Société anonyme
Cabinet de révision agréé



Olivier Lemaire

Luxembourg, 8 July 2020

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B2. CONSOLIDATED FINANCIAL STATEMENTS

- 2 . 1 Consolidated Income Statement
- 2 . 2 Consolidated Statement of Other Comprehensive Income
- 2 . 3 Consolidated Balance Sheet Statement
- 2 . 4 Consolidated Statement of Changes in Equity
- 2 . 5 Consolidated Cash Flow Statement



B2. Consolidated Financial Statements

2.1 CONSOLIDATED INCOME STATEMENT

(Thousands of euros)

	Notes	12 months ended 31 st March 2020	12 months ended 31 st March 2019
Revenue		561,762	551,320
Cost of sales		(33,099)	(18,307)
Revenue Margin	8	528,663	533,013
Personnel expenses	9.1	(56,037)	(64,026)
Depreciation and amortization	10	(34,525)	(26,059)
Impairment loss	10	(74,917)	-
Gain / (loss) arising from assets disposals	2.4 & 10	(490)	-
Impairment loss on bad debts	20.2	(2,428)	1,866
Other operating expenses	11	(369,515)	(354,419)
Operating profit / (loss)		(9,249)	90,375
Interest expense on debt		(25,348)	(45,781)
Other financial income / (expenses)		(4,481)	(20,854)
Financial and similar income and expenses	12	(29,829)	(66,635)
Profit / (loss) before taxes		(39,078)	23,740
Income tax	13	(1,445)	(14,220)
Profit / (loss) for the year from continuing operations		(40,523)	9,520
Profit for the year from discontinued operations net of taxes		-	-
Consolidated profit / (loss) for the year		(40,523)	9,520
Non-controlling interest - Result		-	-
Profit and loss attributable to shareholders of the Company		(40,523)	9,520
Basic earnings per share (euro)	6	(0.37)	0.09
Diluted earnings per share (euro)	6	(0.37)	0.08

2.2 CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

(Thousands of euros)

	12 months ended 31 st March 2020	12 months ended 31 st March 2019
Consolidated profit / (loss) for the year (from the income statement)	(40,523)	9,520
Income and expenses recorded directly in equity	(3,980)	(894)
Exchange differences	(3,980)	(894)
Total recognized income and expenses	(44,503)	8,626
a) Attributable to shareholders of the Company	(44,503)	8,626
b) Attributable to minority interest	-	-

2.3 CONSOLIDATED BALANCE SHEET STATEMENT

(Thousands of euros)

ASSETS	Notes	31 st March 2020	31 st March 2019
Goodwill	14	654,746	720,624
Other intangible assets	15	316,979	320,038
Property, plant and equipment	16	8,403	13,848
Non-current financial assets	19	2,597	5,690
Deferred tax assets	13.5	1,585	23
Non-current assets		984,310	1,060,223
Trade receivables	20.1	48,802	70,679
Other receivables	20.3	9,350	8,540
Current tax assets	13.4	7,568	14,948
Cash and cash equivalents	21	83,337	148,831
Current assets		149,057	242,998
TOTAL ASSETS		1,133,367	1,303,221

EQUITY AND LIABILITIES	Notes	31 st March 2020	31 st March 2019
Share capital		11,046	10,972
Share premium		974,512	974,512
Other reserves		(555,321)	(565,046)
Treasury shares		(3,320)	-
Profit and Loss for the period		(40,523)	9,520
Foreign currency translation reserve		(12,635)	(8,655)
Shareholders' equity	22	373,759	421,303
Non-controlling interest		-	-
Total equity		373,759	421,303
Non-current financial liabilities	24	489,368	423,274
Non-current provisions	25	7,643	7,194
Non-current deferred revenue	27	-	12,580
Deferred tax liabilities	13.5	32,465	36,237
Other non-current liabilities	27	7,951	-
Non-current liabilities		537,427	479,285
Trade and other payables	26	137,901	361,702
Current financial liabilities	24	48,228	10,999
Current provisions	25	17,696	11,340
Current deferred revenue	27	14,883	11,557
Current tax liabilities	13.4	3,473	7,035
Current liabilities		222,181	402,633
TOTAL EQUITY AND LIABILITIES		1,133,367	1,303,221

B2. Consolidated Financial Statements

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	Total equity
Closing balance at 31 st March 2019		10,972	974,512	(565,046)	-	9,520	421,303
Total recognised income / (expenses)		-	-	-	-	(40,523)	(44,503)
Capital increases / (decreases)	22.1	74	-	(74)	-	-	-
Acquisitions & disposals of treasury shares	22.4	-	-	(1,055)	(4,946)	-	(6,001)
Transactions with treasury shares	22.4	-	-	(1,626)	1,626	-	-
Operations with members or owners		74	-	(2,755)	(3,320)	-	(6,001)
Payments based on equity instruments	23	-	-	2,962	-	-	2,962
Transfer between equity items		-	-	9,520	-	(9,520)	-
Other changes		-	-	(2)	-	-	(2)
Other changes in equity		-	-	12,480	-	(9,520)	2,960
Closing balance at 31 st March 2020		11,046	974,512	(555,321)	(3,320)	(40,523)	373,759
	Notes	Share capital	Share premium	Other reserves	Treasury shares	Profit & Loss for the period	Total equity
Closing balance at 31 st March 2018		10,866	974,512	(587,376)	-	19,723	409,964
Total recognised income / (expenses)		-	-	-	-	9,520	8,626
Capital increases / (decreases)		106	-	(106)	-	-	-
Acquisition of treasury shares		-	-	-	(375)	-	(375)
Transactions with treasury shares		-	-	(375)	375	-	-
Operations with members or owners		106	-	(481)	-	-	(375)
Payments based on equity instruments	23	-	-	3,377	-	-	3,377
Transfer between equity items		-	-	19,723	-	(19,723)	-
Change in accounting policies		-	-	(288)	-	-	(288)
Other changes		-	-	(1)	-	-	(1)
Other changes in equity		-	-	22,811	-	(19,723)	3,088
Closing balance at 31 st March 2019		10,972	974,512	(565,046)	-	9,520	421,303

2.5 CONSOLIDATED CASH FLOW STATEMENT

(Thousands of euros)		
	Notes	
Net profit / (loss)		(40,523)
Depreciation and amortization	10	34,525
Impairment and results on disposal of non-current assets	10	75,407
Other provisions		18,078
Income tax	13.1	1,445
Finance (income) / loss	12	29,829
Expenses related to share-based payments	23	2,962
Other non-cash items		(3,039)
Changes in working capital		(207,408)
Income tax paid		(12,635)
Net cash from operating activities		(101,359)
Acquisitions of intangible assets and property, plant and equipment		(30,001)
Acquisitions of financial assets		(20)
Proceeds from disposals of financial assets		277
Business combinations net of cash acquired	31	(6,456)
Net cash flow from / (used) in investing activities		(36,200)
Acquisition of treasury shares	22.4	(7,930)
Disposal of treasury shares	22.4	1,929
Borrowings drawdown		109,500
Reimbursement of borrowings		(3,099)
Interest paid		(23,740)
Other financial expenses paid		(1,816)
Interest received		20
Net cash flow from / (used) in financing activities	24.3	74,864
Net increase / (decrease) in cash and cash equivalents		(62,695)
Cash and cash equivalents at beginning of period	21	148,831
Effect of foreign exchange rate changes		(2,799)
Cash and cash equivalents at end of period		83,337



B2. CONSOLIDATED FINANCIAL STATEMENTS

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B3. NOTES TO THE CONSOLIDATED
FINANCIAL STATEMENTS



B3. Notes to the Consolidated Financial Statements

1. GENERAL INFORMATION

eDreams ODIGEO (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, with its registered office located at 4, rue du Fort Wallis, L-2714 Luxembourg (the "Company" and, together with its subsidiaries, the "Group"). In January 2014, the denomination of the Company changed to eDreams ODIGEO and its corporate form from S.à r.l. to S.A. ("Société Anonyme").

eDreams ODIGEO and its direct and indirect subsidiaries (collectively the "Group") headed by eDreams ODIGEO, 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 2020 were approved by the Company's Board of Directors at its meeting on 7th July 2020 for submission for approval at the General Shareholders Meeting, which is expected to occur without modification.

2. SIGNIFICANT EVENTS DURING THE PERIOD ENDED 31st MARCH 2020

2.1 Liquidity contract

On 29th April 2019, the Company entered into a liquidity contract with GVC Gaesco Beka, Sociedad de Valores, S.A. (the "Financial Intermediary") with the purpose of favouring the liquidity and regularity of the Company's shares quotation, within the limits established by the Company's General Shareholders Meeting and the applicable regulation, in particular, Circular 1/2017, of 26th April of the Spanish National Securities Market Regulator (Comisión Nacional del Mercado de Valores) on liquidity contracts ("Circular 1/2017").

The Financial Intermediary performs the operation regulated by the liquidity contract in the Spanish regulated markets, through the market of orders, according to the contracting rules, within the usual trading hours of these and as established in Rule 3 of Circular 1/2017.

The contract entered into effect on 29th April 2019 and had a duration of 12 months, tacitly renewable for a similar term.

On 16th December 2019, the Company agreed to suspend the liquidity contract, resulting from the approval of a treasury shares buy-back programme (see notes 2.2 and 22.4). On 6th February 2020, the Company has terminated the liquidity contract.

2.2 Share buy-back programme

On 16th December 2019, the Company resolved to implement a buy-back programme over its own shares for a maximum of 10,800,000 own shares and an aggregate value of €10 million (the "Buy-back Programme") in accordance with the authorization granted by the General Shareholders Meeting on 26th February 2019.

The Objective of the shares repurchased is to fund the Long-Term Incentive Plan for employees of the Company.

The shares are bought at market price, in accordance with price and volume conditions stated under article 3 of Commission Delegated Regulation (EU) 2016/1052.

The management of the Buy-back Programme was entrusted to Morgan Stanley & Co. International PLC, which has carried out the share acquisitions on behalf of the Company and has taken all acquisition decisions of the Company's shares independently from it.

The Buy-back Programme could be in force from 17th December 2019 to 17th June 2021. However, it could be finalized before that date if any circumstance that made it advisable arises, in the standard terms for these transactions.

B3. Notes to the Consolidated Financial Statements

On 24th March 2020, the Board of Directors resolved to terminate the Buy-back Programme early, as the Company had guaranteed the short-term compliance of its obligations derived from the existing incentive plans.

Additional information on treasury shares is included in note 22.4.

2.3 The 2019 Long-term incentive plan

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

On 16th July 2019, the Group granted to certain employees 1,566,500 Potential Rights under the 2019 LTIP. As at 31st March 2020, a total of 1,609,500 Potential Rights have been granted under the 2019 LTIP.

The new LTIP will last for four years and is designed to vest around financial results publications between August 2022 and February 2026 (see note 23.2).

2.4 Operational optimization plan

On 28th May 2019, the Company announced an operational optimization plan to streamline operations to focus its efforts on its innovation and technology expertise. In line with the new operational structure, the Company's traditional customer service activities are now managed by partner companies. This organizational change ensures that eDreams ODIGEO is appropriately structured and better positioned to continue innovating and providing customers with a seamless travel experience as the leading one-stop-shop for travel in Europe.

In Barcelona, the Group reached an agreement with an international leader specialized in customer service solutions, to operate its customer service activities. The transfer of the assets to the new customer service activities operator gave rise to a loss on disposal of assets of €0.5 million.

The Company concluded the process of restructuring its customer service functions in Berlin and Milan. The Group carried out this process in close collaboration with employees in order to find the most suitable solution.

An expense of €9.0 million was recognized for the restructuring costs (€4.5 million in personnel expenses and €4.5 million in other operating expenses), of which €0.0 million remain as a provision in the balance sheet as at 31st March 2020.

2.5 Capital increases

On 21st August 2019, the Board of Directors resolved to issue share capital of €37,954.80 represented by 379,548 ordinary shares, at €0.10 each.

On 31st October 2019, the Board of Directors resolved to issue share capital of €36,444.30 represented by 364,443 ordinary shares, at €0.10 each.

The newly issued shares mentioned above have been delivered to the beneficiaries of the 2016 Long-term incentive plan (see note 23.1).

As a result of the new shares' issuance, the Company's share capital amounts to €11,046,304.30 and is represented by 110,463,043 shares with a face value of €0.10 per share.

2.6 Delivery of Treasury shares

On 19th February 2020 the Board of Directors resolved to deliver 353,188 treasury shares (see note 22.4) to the beneficiaries of the 2016 Long-term incentive plan (see note 23.1).

The number of treasury shares owned by the Company was enough to serve this delivery, and therefore no new shares were issued. As a result, the Company's share capital continues to amount to € 11,046,304.30 and is represented by 110,463,043 shares with a face value of € 0.10 per share.

2.7 Change in composition of Board of Directors

On 26th August 2019, the Board of Directors appointed Thomas Vollmoeller as new Chairman and Independent Director, effective 1st January 2020. The shareholders approved his nomination as Independent Director during the Company's Annual General Meeting on 30th September 2019.

On 28th January 2020, the Board approved his nomination as member of the Remuneration Committee and Audit Committee.

This new appointment to the Board follows the resignation of Philip C. Wolf, who served as Chairman and Independent Director since 2015 and 2014, respectively, and until 31st December 2019.

On 24th March 2020, the Board of Directors appointed Carmen Allo as new Independent Director and Audit Chair, effective 1st April 2020. This decision is subject to shareholder approval at the next Annual General Meeting.

This new appointment to the Board follows the expiration on 31st March 2020 of Robert A. Gray's mandate as Vice Chairman and Independent Director since 2014.

2.8 Senior management

On 1st September 2019, Elena Koefman, who served as Chief People Officer, left the business after 5 years.

2.9 Authorization to issue shares

On 30th September 2019, the extraordinary general meeting of shareholders resolved to:

- Renew and grant the authorizations of the Board of Directors to issue shares subject to the terms of the authorized capital for a period of five years;
- Grant an additional authorization period to the Board of Directors to issue an additional number of shares to be issued to execute the long-term incentive plan program subject to the terms of the authorized capital for a period of five years;
- Authorize the Board of Directors to suppress the preferential subscription rights of existing shareholders in the framework of, and subject to the terms of such authorized capital;
- Authorize the Board of Directors to issue shares to employees and members of corporate bodies of the Group, without consideration, and for which no preferential subscription right of existing shareholders applies; and
- Amend the terms of the authorized capital and grant the authorizations to the Board to issue Board Issued Shares (without increasing the total amount of the authorized capital or amending the issued share capital).

2.10 IATA change in remittance period

On 23rd and 24th September 2019, IATA announced to travel agents in Spain and Italy the elimination of the one-month remittance period which has prevailed in these countries, to 10 days in Spain and 15 days in Italy, effective 1st January 2020.

In our view there is no legitimate reason for this unilateral change, which in Spain has been adopted despite the opposition of the Spanish Federation of Travel Agencies (CEAV). Accordingly, we together with CEAV have filed a lawsuit in the Madrid Court seeking an injunction to prevent IATA from enforcing the 10 day remittance period in Spain.

The Group has been impacted by the shortened remittance period with a reduction of trade payables and cash (see notes 21 and 26) on 31st March 2020 by approximately €8 million. This impact has been lower than expected due to the COVID-19 impact (see note 3.2). When volumes come back to pre COVID-19 level, we expect this change in remittance to impact the Group negatively by approximately €30 million.

On 12th June, the injunction has been denied. The Group is analyzing the decision and considering the options.

2.11 Acquisition of Waylo

The Group announced on 27th January 2020 that it entered into a purchase agreement with RoamAmore Inc., a Silicon Valley-founded business that operates the hotel Booking platform TheWaylo.com.

This purchase provides eDreams ODIGEO with significant, innovative AI-driven technology and leading hotel domain expertise, which will allow the Company to further grow its hotel and dynamic packages offering with additional content from thousands of hotels worldwide.

The closing of the transaction took place on 12th February 2020. The total purchase consideration was €9.5 million (see note 31).

The expenses related to Merger and Acquisitions projects are included in other operating expenses as adjusted expenses.

2.12 Temporary reduction of working hours

On 31st March 2020, the Group filed an application with the Labour Authority to request that it verifies the existence of a force majeure event –the loss of activity as a direct consequence of COVID-19, pursuant to article 22 of Royal Decree-law 8/2020 of the Spanish Law, of 17th March 2020, of urgent extraordinary measures to deal with the economic and social impact of COVID-19 to carry out a temporary reduction of working hours or "ERTE", the Spanish acronym for an Expediente de Regulación Temporal de Empleo .

The ERTE application implies a temporary reduction of 40% of the working hours, with a proportional reduction of the affected employees' remuneration, and will be applied between April 2020 and 30th September 2020 (or its extensions allowed by regulation).

During the period in which the ERTE is applied, the affected employees will collect public unemployment benefits in the terms of the applicable regulations. In addition, the Company will complement these benefits so that the affected employees effectively receive 80% of their net remuneration. The Company will benefit from certain exemptions (between 75% and 25%) of the Social Security contribution corresponding to the reduction of working hours.

The ERTE affects 985 employees of the Company, 90% of its global workforce. The ERTE will not apply to some collectives, such as the employees that perform customer service roles.

2.13 Redomicile to Spain

On 31st March 2020, the Group announced a plan to move the Group's registered seat from Luxembourg to Spain, to achieve organizational and cost efficiencies. The Group is taking the necessary steps for the redomicile. The Shareholder Meetings required to execute the move will be convened and take place in the following months.

3. BASIS OF PRESENTATION

3.1 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.

3.2 Impact of COVID-19

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

In response to the pandemic, many countries have implemented measures such as "stay-at-home" policies, travel restrictions and other community and physical distancing measures such as the cancellation of mass gatherings, closure of educational institutions and public spaces.

These measures have led to a significant decrease in Bookings across the travel sector, as well as an unparalleled level of flight cancellations. They have forced many of our business partners, such as airlines and hotels, to seek government support to continue operating, to drastically reduce their service offerings or to suspend operations altogether.

Further, these measures have materially adversely affected, and may further affect, travelers' behaviours, even if we still believe the desire to travel, explore and experience the world is undiminished and will return.

Due to the strength of our finances and the mitigating actions taken during the pandemic our business will emerge strongly and well positioned from the crisis.

However, due to the uncertainty of the situation, the Company is unable to estimate precisely the impact that the COVID-19 pandemic will have on its business going forward.

Management has always adopted a prudent approach to its cost base and capital expenditure. Under the current circumstances, the Group has implemented cost-saving measures to minimize the temporary impact of the health crisis, such as the temporary reduction of working hours explained in note 2.12.

The Group has access to funding from its €175 million SSRCF (of which, €109.5 million has been drawn down as at 31st March 2020) to manage the liquidity requirements of its operations. In April 2020 the Group obtained a 12 months waiver from its lenders regarding the only covenant of Gross Leverage Ratio of the SSRCF, achieving further financial flexibility for the Group (see notes 24 and 33.1).

We will have sufficient funding available to increase marketing spend to meet the anticipated increase in demand and to capitalize on commercial opportunities that present themselves. Even in pessimistic scenarios we will be able to protect our leading market position for any paced recovery in demand.

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

The main impacts of COVID-19 on the Group for the year ended 31st March 2020 are as follows:

B3. Notes to the Consolidated Financial Statements

- Reduction of trading activities in the last weeks of February and the month of March, with year-on-year reductions of 53% in the last 5 weeks of the financial year and up to 95% in Bookings at the end of the month. As a direct consequence of this drop in volume of Bookings, the amount of trade receivables, cash and cash equivalents and trade payables have significantly decreased in comparison to the year ended 31st March 2019 (see notes 20, 21 and 26).
- As a result of the deterioration of the Company's business due to the COVID-19 pandemic, the projections used for the impairment test calculation have declined in value. Given the unprecedented uncertainty related to the COVID-19 pandemic, Group Management has prepared 4 different scenarios of projections, depending on the duration of the impact from the pandemic and the shape and timing of the subsequent recovery (see notes 17 and 18). The Group has recorded an impairment charge on Goodwill and Brand for €65.2 million and €8.9 million, respectively.
- Forward looking information for the calculation of the impairment loss on trade receivables includes consideration of the impact of COVID-19 on the financial situations of our customers. A deep analysis, especially for airlines, has been carried out to estimate potential significant financial difficulties. To reflect the additional expected credit losses linked to COVID-19, an impairment of €3.1 million has been recognized (see note 20).
- As a direct consequence of the travel restrictions the volume of cancellations has and might in the future significantly increase, which negatively impacts our commission revenue. Additional operational provisions have been recognized by the Group for €9.2 million compared with previous year (see note 20).
- Another consequence of the "stay-at-home" practices, travel restrictions and the increased risk of bankruptcies from our travel suppliers, is the higher volume of Booking cancellations, exposing the Group to higher risk of customer chargebacks. Voluntary chargebacks and refunds from

Booking cancellations are claimed by the Group to its suppliers, as it is its right. To cover this risk, an additional provision for chargebacks has been recognized for €9.2 million (see note 25).

The scope of the future effects of the COVID-19 pandemic on the Group's operations, cash flows and growth prospects is very uncertain and depends on future developments. These include, among others, the severity, extent and duration of the pandemic and its impact on the travel industry and consumer spending in general.

Even when the economic and operating conditions improve, the Group can not predict the long-term effects of the pandemic on its business or on the travel industry in general. If the COVID-19 pandemic radically changes the travel industry in ways that are damaging to the operating model of the Company, the Company's business may be adversely affected even as the global economy recovers in general.

3.3 New and revised International Financial Reporting Standards

The Group applies IFRIC 23 Uncertainty over Income Tax Treatments for the first time in the year ended 31st March 2020. The Interpretation did not have an impact on the consolidated financial statements of the Group, other than the reclassification of uncertain tax assets and liabilities from the headings "Non-current financial assets" and "Provisions" to the headings "Deferred tax assets" and "Deferred tax liabilities" (see note 13.5).

Several other amendments and interpretations apply for the first time in the year ended 31st March 2020, but do not have an impact on the consolidated financial statements of the Group.

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

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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.

3.4 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 COVID-19 impacts explained in note 3.2. Actual results may differ from these estimates.

These estimates and assumptions mainly concern the measurement of intangible assets other than goodwill, the measurement of the useful life of fixed assets, the measurement of internally generated assets, purchase price allocation and allocation of goodwill, impairment testing of the recoverable amount, accounting for income tax, analysis of recoverability of deferred tax assets, and accounting for provisions and contingent liabilities.

3.5 Changes in consolidation perimeter

On 9th July 2019, eDreams S.r.L. merged as absorbing entity with Opodo Italia S.r.L.

On 15th November 2019, Findworks Technologies Bt., was dissolved.

3.6 Comparative information

The Directors present, for comparative purposes, together with the figures for the year ended 31st March 2020, the previous period's figures for each of the items on the annual consolidated balance sheet statement, consolidated income statement, consolidated statement of other comprehensive income, consolidated statement of changes in equity, consolidated cash flow statement and the quantitative information required to be disclosed in the consolidated financial statements.

3.7 Working capital

The Group had negative working capital as of 31st March 2020 and 2019, which is a common circumstance in the business in which the Group operates and considering its financial structure. It does not present any impediment to its normal business.

The Group's €175 million Super Senior Revolving Credit Facility ("SSRCF") is available to fund its working capital needs and Guarantees, of which 109.5M are drawn down as at 31st March 2020 (see note 24).

4. 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.

4.1 Basis, scope and methods of consolidation

The consolidated financial statements incorporate the financial statements of eDreams ODIGEO 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, 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 recognized 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.

4.2 Business combinations

Acquisitions of businesses are accounted for using the acquisition method. 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 generally recognized 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 recognized in profit or loss.

4.3 Goodwill

Goodwill arising on an acquisition of a business is not amortized 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 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 recognized directly in profit or loss in the consolidated income statement and is not subsequently reversed.

4.4 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 travelers directly through

its websites. The Group generates its revenue from the mediation services regarding the supply of (i) flight services including air passenger transport by regular airlines and LCC flights as well as travel insurance in connection with, (ii) non-flight services, including non-air passenger transport, hotel accommodation, Dynamic Packages (including revenue from the flight component thereof) and travel insurance for non-flight services. Our 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 generated under the agency and principal models, the Group also generates revenue from non-travel related services, such as revenue for the supply of advertising services on our websites, commissions received from credit card companies and fees charged on toll calls.

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

Where the Group acts as a disclosed agent (i.e., bears no inventory risk and is not the primary obligor in the arrangement), revenue is recognized on a "net" basis, with revenue representing the mediation fees and commissions. Such revenue comprises the supply of mediation services in respect of scheduled air

passengers, hotels, car rentals and most the travel packages. For Direct Connects, the Group usually passes reservations booked by customers to the travel supplier and revenue represents the service fee charged to the customer. The Group has limited, if any, ability to determine or change the services supplied and the customer is responsible for the selection of the service supplier. Booking is then secured when no further obligation is supported by the Group.

Where the Group acts as a disclosed agent, additional income (travel supplier over-commissions) may accrue based on the achievement of certain sales targets during a certain agreed period. The Group therefore accrues such income where it is considered highly probable that agreed targets will be met and the amount to be received is quantifiable. Where it is probable that the agreed targets will be met, revenue is recognized based on the percentage of total agreed over-commissions achieved at reporting date.

In other cases where the Group acts as a principal and purchases travel services for onwards supply or is the primary obligor in the arrangement, revenue is recognized on a "gross" basis. The revenue comprises the gross value of the service supplied to the customer, net of VAT, with any related expenditure charged as cost of sales. Such revenue comprises sales in respect of certain hotel accommodation by a designated company of the Group, whereby the company buys hotel accommodation from hoteliers for onwards supply to its customers at a price determined by the Group company. In this case, the Company has primary responsibility for the hotel accommodation.

Reporting revenue on a "gross" versus "net" basis depends on whether the Company is considered to act as principal or as disclosed agent in its transactions. The Company has to assess whether the Company controls the services before being supplied to the customer. In performing this assessment, the Company considers the contractual relationship between the parts 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 price, has discretion in supplier selection.

Basis of Revenue Recognition

The table below summarizes the revenue recognition basis for the Group's income streams.

Income stream	Basis of revenue recognition
Scheduled flight mediation services	Date of Booking
Airline incentives	Accrued based on meeting sales targets
GDS incentives	Date of Booking
Hotel mediation revenue	Date of Booking
Car mediation revenue	Date of Booking
Dynamic Packages mediation revenue (including the flight portion thereof)	Date of Booking
Vacation package revenue	Date of departure
Advertisement services revenue	Date of display
Metasearch	Date of click or date of purchase
Insurance mediation revenue	Date of Booking
Cancellation and Modification for any reason	Accrued based on service period
Prime product	Accrued based on usage

For flight mediation services, net revenue is recognized upon the completion of the Booking as the Group does not assume any further performance obligation to its customers after the flight tickets has 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 recognized at the time the Booking is processed.

The Group also receives incentives from airlines for its mediation services, which it recognizes at the time of Booking.

In the event of the cancellation of a Booking, commissions earned are reversed.

In case of commissions for mediation services regarding hotel accommodation, Dynamic packages, car rental and packaged products, net revenue is recognized at the date of Booking. However, a provision is recognized to cover the risk of cancellation of the Bookings made with departures after closing date. This provision has been calculated to cover the loss on commission in accordance with the historical average cancellation rate by markets (see note 20.1, "Provision for Booking cancellation")

The Group generates other revenue, which primarily comprise revenue from advertising and metasearch activities. Such revenue is derived primarily from the delivery of advertisements on the various websites the Group operates and is recognized at the time of display or over the advertising delivery period, depending on the terms of the advertising contract, as well as for searches, clicks and purchases generated by our metasearch activities.

The revenue recognition policy for advertising revenue is at the date of publication over the delivery period.

Regarding metasearch services, the revenue is recognized, depending on the particular agreement, at the

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date of click or date of purchase.

Regarding insurance mediation revenue, it is recognized at the date of Booking, as it is when the Group provides its mediation service.

For the supply of the new services launched in the previous year of Cancellation or Modification for any reason, the service fee regarding this service is accrued based on the period during which the customer has the option to cancel or modify the Booking.

For the Prime product, the revenue is accrued based on use during the life period of the product. During the year, the Group has changed the estimation on the use during the life period, going from a straight-line linearization to an estimation based on usage. This change in estimation has led to a lower recognition of revenue during the year by €2.5 million.

However, if the judgments regarding revenue are inaccurate, actual revenue could differ from the amount the Group recognizes, directly impacting our reported revenue.

The timing of revenue recognition, invoicing and cash collections results in invoiced trade receivables, accrued income (contract assets), and deferred income (contract liabilities) on the Consolidated Balance Sheet. Generally, invoicing occurs subsequent to revenue recognition, resulting in contract assets. However, we sometimes receive advances before revenue is recognized, resulting in contract liabilities.

4.5 Cost of sales

Cost of sales primarily concerns of direct costs associated with the supply of travel services as principal with the aim to generate revenue, mainly relating to the supply of certain hotels. The cost of sales is generally variable in nature and is primarily driven by transaction volumes.

4.6 Operating profit

Operating profit consists of Revenue Margin, after deducting personnel expenses, other operating income / expenses, depreciation and amortization and charges net of reversals to provisions.

4.7 Finance result

Finance result consists in income and expense relating to the Group's net financial debt during the accounting period, including gains and losses on the corresponding interest rate and foreign exchange rate hedges.

4.8 Leasing

The Group opted for the voluntary earlier application of IFRS 16 Leases as of 1st April 2018.

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 recognizes 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.

The lease liability is measured at amortized 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 balance sheet statement.

The Group has elected not to recognize 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 recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

4.9 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 recognized 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 recognized in profit or loss in the period in which they arise.

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

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 recognized 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 recognized in equity.

4.10 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 recognized as employee benefits when they accrue. Benefits paid in advance are recognized 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 recognized 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 unrecognized 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 recognized 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 amortized using the straight-line method over the vesting period.

4.11 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 recognized 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 reestimated 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).

4.12 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 liability 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 recognized 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 recognized for all taxable temporary differences. Deferred tax assets generated by tax loss carried forward and tax credits carried forward are only recognized 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 taking into account local limitations regarding the utilization of tax losses and tax credits.

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

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

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

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:

- o the same taxable entity; or
- o different taxable entities which intend to settle current tax liabilities and assets on a net basis, or to realize 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.

4.13 Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives as follows:

Useful life (Years)

Brands	Indefinite
Licenses	2- 5
Trademarks and domains	10
Software	3 - 5
Software of the group common platform	7
Other intangible assets	3 - 5

The estimated useful life and amortization 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.

Internally-generated intangible assets - research and development expenditure

Expenditure on research activities is recognized 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 recognized 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 capitalization 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 recognized, development expenditure is recognized 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 amortization 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 recognized separately from goodwill are initially recognized 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 amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

With regard to trademarks, the royalty-based approach has been adopted. This involves estimating the value of the trademark by reference to the levels of royalties demanded for the use of similar trademarks, based on revenue forecasts drawn up by the Group.

This approach is based on a qualitative analysis of the trademark 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 derecognized 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 recognized in profit or loss when the asset is derecognized.

4.14 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is recognized 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.

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.

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Useful life (Years)

General Installations / Technical Facilities	5 - 8
Furniture	5 - 8
Computer Hardware	3 - 5
Transport equipment	4
Other items of property, plant and equipment	5

Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

Derecognition of property, plant and equipment

Property, plant and equipment is derecognized 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 recognized in profit or loss when the asset is derecognized.

Impairment of property, plant and equipment and intangible assets other than goodwill

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 17). If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

In calculating the discount rate, a specific risk premium has also been considered in certain cases in line with the specific characteristics of each market and the inherent risk profile of the projected flows of each of the markets.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognized 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 recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

4.15 Provisions

Provisions are recognized 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 recognized 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 recognized 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.

4.16 Financial instruments

Financial assets and financial liabilities are recognized 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 amortized cost using the effective interest method, less any impairment.

Interest income is recognized 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 amortized 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 recognizes 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 derecognizes 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 recognizes 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 recognize the financial asset and also recognizes a collateralized 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.

4.17 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 recognized at the proceeds received, net of direct issue costs.

Treasury shares

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

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

Other financial liabilities

Other financial liabilities are initially recognized at the fair value of the consideration received.

Other financial liabilities (including borrowings) are subsequently measured at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized 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 derecognizes 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 derecognized and the consideration paid and payable is recognized in profit or loss.

4.18 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 realized 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.

4.19 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 this connection that might give rise to significant liabilities in the future.

5. RISK MANAGEMENT

5.1 Financial Risks

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

Our credit risk is mainly attributable to business-to-business customer receivables. These amounts are recognized in the consolidated balance sheet statement net of provision for doubtful receivables, which is estimated by our 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. One of our customers' transactions represent a proportion higher than 10% of the revenue (see note 7).

Interest rate risk: Most of our financial debt is exposed to fixed interest rates. Of our debt, only the Super Senior Revolving Credit Facility ("SSRCF") bears interest at a variable rate (see note 24). Historically we have only drawn loans under the SSRCF for intra-month working capital purposes, but as at 31st March 2020, the SSRCF has been drawn down for €109.5 million related to the cash decrease due to COVID-19 (see note 3.2).

Liquidity risk: In order to meet our liquidity requirements, our principal sources of liquidity are: cash and cash equivalents from the balance sheet statement, cash flow generated from operations and the revolving credit facilities under our SSRCF to fund cash requirements and supplier guarantees.

Exchange rate risk: The exchange rate risk arising from our 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, we are principally exposed to exchange rate risk as the Group

operates with the Pound Sterling and the US Dollar. The exchange rate risk arises on future commercial transactions and on assets and liabilities denominated in a foreign currency.

However, the volume of our sales and purchases in foreign currency (other than the local currency of each of the subsidiaries) is of little relevance compared to our 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 tables demonstrate the sensitivity to a reasonably possible change in US Dollar (USD), 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	431	(476)	823	(1,005)
USD	195	(216)	373	(456)
Effect on Equity of a change in Exchange rate:				
SEK	(783)	865	(1,494)	1,826

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 on the US Dollar and British Pound would not have significant impacts on pre-tax Equity (other than Profit before Tax).

Exposure to changes on the Swedish Krona would not have significant impacts on Profit before Tax.

The Group's exposure to foreign currency changes for all other currencies is not significant.

5.2 Travel Industry Risks

Global pandemics (such as the current COVID-19 outbreak, see note 3.2) and subsequent threat to traveler health & safety, worldwide economic shutdown, and closure of national borders and airspace.

The occurrence of localized events affecting travel safety, such as natural disasters, political and social instability, wars and terrorist activity or localized epidemics.

General economic and political conditions in the core markets in which we operate (such as Brexit). The revenue is directly related to the overall level of travel activity, which is, in turn, largely dependent on discretionary spending levels. Discretionary spending generally declines during recessions and other periods in which disposable income is adversely affected.

Changes in current laws, rules and regulations and other legal uncertainties. The Group operates in a highly regulated industry. The business and financial performance could be adversely affected by unfavourable changes in, or interpretations of, existing laws, rules and regulations, or the promulgation of new laws, rules and regulations applicable to us and our businesses.

Deterioration in the financial condition or restructuring of operations of one or more of the major suppliers. As the Group is an intermediary in the travel industry, a substantial portion of the revenue is affected by the fares and tariffs charged by our suppliers, including airlines, GDSs, hotels and rental car suppliers, and the volume of products offered by the suppliers.

Conditions required for obtaining and maintaining certain licenses or accreditations, especially IATA. Regulatory authorities could prevent or temporarily suspend the Group from carrying on some or all activities or otherwise penalize if the practices are found not to comply with the then-current regulatory or

licensing requirements or any interpretation.

Exposure to seasonal fluctuations and impact on comparability of quarterly and yearly results

Dependence on the level of Internet penetration. A slowing in the growth of internet penetration, or a fall, could adversely affect the growth prospects and the business, financial condition and results of operations.

5.3 Business Risks

Failures in technology systems: system interruption or cyberattack, and effectiveness of response plans, relaying on own and suppliers' computer systems to attract customers to websites and apps and to facilitate and process transactions.

Processing, storage, use and disclosure of personal data could give rise to liabilities as a result of governmental and / or industry regulation, conflicting law requirements and differing views of personal privacy rights, and we are exposed to risks associated with online commerce security.

Changes in search engine algorithms and search engine relationships. Utilization of significant and increasing extent Internet search engines, principally through the purchase of travel-related keywords and inclusion in metasearch results, to generate traffic. Search engines, frequently update and change the logic that determines the placement and display of results of a consumer's search, such that the purchased or algorithmic placement of links to the websites can be affected.

Competition for advertising and metasearch revenue is intense and may adversely affect our ability to operate profitably.

Innovation, product diversification and ability to keep up with rapid technological changes, and success of execution of changes. The success depends on continued innovation and the ability to provide features that make the websites and mobile apps user-friendly for travelers. The competitors are constantly developing

B3. Notes to the Consolidated Financial Statements

innovations in online travel-related products and features.

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, such as other online travel agents, travel suppliers, online portals and search engines and traditional travel agencies and tour operators. Rapidly changing market, with many players.

Adverse tax events. The estimated net result is based on tax rates which are currently applicable, as well as current legislation, jurisprudence, regulations and interpretations by local tax authorities. Tax authorities may take positions which differ from the position taken by the Company.

Human capital retention of highly skilled personnel and ability to attract and retain executives and other qualified employees is crucial to the results of operations and future growth.

Evolving customer demand, self-sufficiency, fee sensitivity, increased awareness due to the evolution of social media.

Reliance on the value and strength of our brands, any failure to maintain or enhance customer awareness of the brands could have a material adverse effect on the business, financial condition and results of operations. In addition, the costs of maintaining and enhancing the brand awareness are increasing and the strength of the brands is directly related to the cost of customer acquisition.

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. Liability for accepting fraudulent credit or debit cards or checks and subject to other payment disputes with our customers for such sales.

The Group may not be able to protect its intellectual property effectively from copying and use by others, including current or potential competitors.

5.4 Financial Profile Risks

Impairments of goodwill and other intangible assets. The balance sheet statement 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.

The Group is subject to restrictive debt covenants that may limit its ability to finance future operations and capital needs and to pursue business opportunities and activities. However, the Group has obtained a waiver on its only covenant for fiscal year 2021 (see note 33.1)

Our significant leverage could affect our financial position and results and our ability to operate our business and raise additional capital to fund our operations.

5.5 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 optimizing 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 issuance of new shares to reduce debt.

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 recognized.

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 EBITDA ratio for the rolling twelve months at each quarter end (see note 24). The Group has obtained a waiver for the covenant for fiscal year 2021 (see note 33.1).

At 31st March 2020 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.

6. EARNINGS PER SHARE

The basic earnings per share are calculated by dividing the profit attributable to equity holders of the Company by the average number of shares.

As a result of the own shares held as treasury stock (see note 22.4), the weighted average number of ordinary shares used to calculate basic earnings per share was 109,954,836 for the year ended 31st March 2020.

In the earning per share calculation as of 31st March 2020 and 2019 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.

The calculation of basic earnings per share and fully diluted earnings per share (rounded to two digits) for the year ended 31st March 2020 and 2019, is as follows:

	12 months ended 31 st March 2020			12 months ended 31 st March 2019		
	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	(40,523)	109,954,836	(0.37)	9,520	109,089,858	0.09
Diluted earnings per share	(40,523)	109,954,836	(0.37)	9,520	114,750,251	0.08

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The calculation of basic earnings per share and fully diluted earnings per share (rounded to two digits), based on Adjusted Net Income (see section B5. Reconciliation of APM and other defined terms), for the year ended 31st March 2020 and 2019, is as follows:

	12 months ended 31 st March 2020			12 months ended 31 st March 2019		
	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 adjusted net income per share	34,692	109,954,836	0.32	40,237	109,089,858	0.37
Diluted adjusted net income per share	34,692	114,560,621	0.30	40,237	114,750,251	0.35

7. 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. As this information is not regularly provided, information regarding assets and liabilities by segments has not been disclosed in these financial statements.

The following is an analysis of the Group's Profit & loss and Bookings by segment:

12 months ended 31st March 2020

	France	Southern Europe (Spain + Italy)	Northern Europe (Germany + Nordics + UK)	Total Top 6 Markets	Rest of the World	TOTAL
Gross Bookings (*)	1,229,122	761,839	1,638,751	3,629,712	1,152,716	4,782,428
Number of Bookings (*)	2,587,524	2,081,033	3,412,949	8,081,506	2,686,339	10,767,845
Revenue	148,414	111,622	173,359	433,395	128,367	561,762
Revenue Margin	141,301	100,585	163,357	405,243	123,420	528,663
Variable costs	(83,526)	(62,522)	(111,915)	(257,963)	(92,805)	(350,768)
Marginal Profit	57,775	38,063	51,442	147,280	30,615	177,895
Fixed costs						(62,816)
Depreciation and amortization						(34,525)
Impairment and results on disposal of non-current assets						(75,407)
Others						(14,396)
Operating profit / (loss)						(9,249)
Financial result						(29,829)
Profit / (loss) before tax						(39,078)

(*) Non-GAAP measure.

B3. Notes to the Consolidated Financial Statements

12 months ended 31st March 2019

	France	Southern Europe (Spain + Italy)	Northern Europe (Germany + Nordics + UK)	Total Top 6 Markets	Rest of the World	TOTAL
Gross Bookings (*)	1,160,077	879,207	1,619,812	3,659,096	1,073,620	4,732,716
Number of Bookings (*)	2,447,920	2,507,226	3,622,232	8,577,378	2,604,198	11,181,576
Revenue	141,736	117,194	175,052	433,982	117,338	551,320
Revenue Margin	138,242	111,359	168,468	418,069	114,944	533,013
Variable costs	(82,960)	(73,249)	(104,666)	(260,875)	(76,987)	(337,862)
Marginal Profit	55,282	38,110	63,802	157,194	37,957	195,151
Fixed costs						(75,588)
Depreciation and amortization						(26,059)
Others						(3,129)
Operating profit / (loss)						90,375
Financial result						(66,635)
Profit / (loss) before tax						23,740

(*) Non-GAAP measure.

The Group has performed a reclassification on the figures for the twelve months ended 31st March 2019 between variable and fixed costs for €2.1 million (see section B5. Reconciliation of APM).

Note: all revenues reported above are with external customers and there are no transactions between segments.

Revenues from one customer represented approximately €60.7 million of the Group's total revenues, split in a proportional way between segments.

See definitions of Alternative Performance Measures in section B4. Glossary of definitions.

8. REVENUE MARGIN

The Group disaggregates revenue from contracts with customers by source of revenue, as management believe this best depicts how the nature, amount, timing and uncertainty of the Group's revenue and cash flows are affected by economic factors.

The following is a detail of the Group's Revenue Margin by source:

	12 months ended 31 st March 2020	12 months ended 31 st March 2019
Diversification revenue	277,960	236,512
Classic revenue - customer	156,497	195,105
Classic revenue - supplier	76,320	74,267
Advertising & metasearch	17,886	27,129
Revenue Margin	528,663	533,013

This split of Revenue Margin by source is similar at the level of each segment.

See definitions of the Group's types of Revenue Margin by source in section B4. Glossary of definitions.

9. PERSONNEL EXPENSES

9.1 Personnel expenses

	12 months ended 31 st March 2020	12 months ended 31 st March 2019
Wages and salaries	(34,529)	(47,315)
Social security costs	(13,404)	(14,619)
Other employee expenses (including pension costs)	(641)	(392)
Adjusted personnel exp. (including share-based compensation)	(7,463)	(1,700)
Total personnel expenses	(56,037)	(64,026)

The decrease in wages and salaries expense is mainly related to the Operational optimization plan implemented during the year (see note 2.4).

For the year ended 31st March 2020, adjusted personnel expenses mainly relate to the restructuring expenses linked with the Operational optimization plan (€4.5 million, see note 2.4) and the share-based compensation (€3.0 million, see notes 23.1 and 23.2). See definition of adjusted items in section B4. Glossary of definitions.

For the year ended 31st March 2019, the adjusted personnel expenses were mainly related to share-based compensation.

9.2 Number of employees

The average number of employees by category of the Group is as follows:

	12 months ended 31 st March 2020	Average headcount 12 months ended 31 st March 2019	31 st March 2020	Headcount at the end of the period 31 st March 2019
Key management	9	10	9	9
Other senior management	36	44	33	40
People managers	190	209	167	199
Individual contributor	856	870	864	833
Individual contributor - call center	156	471	58	423
Total average number of employees	1,247	1,604	1,131	1,504

The decrease in number of employees is mainly related to the Operational optimization plan implemented during the year (see note 2.4).

10. DEPRECIATION AND AMORTIZATION

	12 months ended 31 st March 2020	12 months ended 31 st March 2019
Depreciation of property, plant and equipment	(5,100)	(5,585)
Amortization of intangible assets	(29,425)	(20,474)
Total depreciation and amortization	(34,525)	(26,059)
Impairment of intangible assets	(9,735)	-
Impairment of goodwill	(65,182)	-
Total impairment	(74,917)	-
Loss on disposal of assets	(447)	-
Loss on disposal of investments	(43)	-
Gain or loss arising from assets disposal	(490)	-

Depreciation of property, plant and equipment includes depreciation on right of use office leases under IFRS 16 Leases for €2.2 million in the year ended 31st March 2020 (€2.5 million in the year ended 31st March 2019).

Amortization of intangible assets primarily related to the capitalized IT projects as well as the intangible assets identified through the purchase price allocation.

Impairment of intangible assets corresponds mainly to the impairment on the brands of Go Voyages and Travellink (see notes 15 and 18).

Impairment of goodwill corresponds to the impairment on the goodwill of France, Italy, Nordics and Metasearch (see note 17).

11. OTHER OPERATING EXPENSES

	12 months ended 31 st March 2020	12 months ended 31 st March 2019
Marketing and other operating expenses	(344,648)	(326,043)
Professional fees	(7,082)	(8,749)
IT expenses	(9,873)	(10,177)
Rent charges	(1,198)	(1,855)
Taxes	(591)	(1,257)
Foreign exchange gains / (losses)	810	(4,912)
Adjusted operating expenses	(6,933)	(1,426)
Total other operating expenses	(369,515)	(354,419)

Marketing expenses consist of customer acquisition costs (such as paid search costs, metasearch costs and other promotional campaigns), commissions due to agents and white label partners.

Other operating expenses primarily consist of credit card processing costs, chargebacks on fraudulent transactions, GDS search costs and fees paid to our outsourcing service providers, such as call centers.

A large portion of the other operating expenses is variable costs, directly related to volume of Bookings or transactions processed.

IT expenses mainly consist of technology maintenance charges and hosting expenses.

In the twelve-months period ended 31st March 2020, adjusted operating expenses correspond mainly to the expenses with certain suppliers linked with the Operational optimization plan (€4.5 million, see note 2.4). See definition of adjusted items in section B4. Glossary of definitions.

12. FINANCIAL INCOME AND EXPENSE

	12 months ended 31 st March 2020	12 months ended 31 st March 2019
Interest expense on 2023 Notes	(23,375)	(12,077)
Interest expense on 2021 Notes	-	(17,155)
Interest expense on SSRCF	(133)	(834)
Effective interest rate impact on debt	(1,840)	(15,715)
Interest expense on debt	(25,348)	(45,781)
Foreign exchange differences	(2,320)	(872)
Interest expense on lease liabilities	(170)	(276)
Other financial expense	(2,013)	(19,735)
Other financial income	22	29
Other financial expense	(4,481)	(20,854)
Total financial result	(29,829)	(66,635)

In September 2018, the Group refinanced its debt repaying the 2021 Notes for €425 million, and obtaining the new 2023 Notes for €425 million.

Consequently, Effective interest rate on debt in March 2019 included the capitalized financing fees of the 2021 Senior Notes written off to financial expenses due to the refinancing (€9.9 million), and the capitalized financing fees of the previous SSRCF written off to financial expenses due to the refinancing (€3.4 million). For this reason, the expense in the twelve months ended 31st March 2020 is significantly lower than the previous year.

Additionally, Other financial expenses in March 2019 included the one-off redemption expenses for the 2021 Senior Notes that were paid in September 2018 amounting to €18.1 million.

The 2023 Notes bear interest at 5.5% (3pp lower than the 2021 Notes), which accounts for the decrease in the interest expense on debt. In the twelve months ended 31st March 2019 the interest expense on Notes for the year was split between 2021 Notes (April to September) and 2021 Notes (September to March).

13. INCOME TAX

At 31st March 2020, the Group applies income tax consolidation in the following countries:

- Spain
- United States (US)
- France

The Spanish tax group headed by the Company includes the following Spanish subsidiaries:

- Vacaciones eDreams, S.L.U.
- eDreams Inc
- eDreams International Network, S.L.
- Opodo, S.L.
- eDreams Business Travel, S.L.
- Traveltising S.A.
- Tierrabella Invest, S.L.
- Engrande, S.L.U

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The US tax consolidation headed by eDreams Inc includes the following disregarded subsidiaries:

- Vacaciones eDreams, S.L.U.
- eDreams International Network, S.L.
- Viagens eDreams Portugal LDA
- eDreams S.r.L.

The French tax group headed by Go Voyages S.A.S. includes the following French subsidiaries:

- Go Voyages Trade S.A.S.
- Liligo Metasearch Technologies S.A.

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 controlling company and therefore the subsidiary companies have to settle their income tax with the head of the tax group.

The subsidiaries that are not included in a tax group pay income tax on a standalone basis to the relevant tax authorities.

13.1 Income tax recognized in profit or loss

	12 months ended 31 st March 2020	12 months ended 31 st March 2019
Deferred Tax	5,917	(2,843)
Current Tax	(7,362)	(11,377)
Income tax expense	(1,445)	(14,220)

13.2 Income tax recognized directly in other comprehensive income

No income tax has been recognized directly in other comprehensive income in the years ended 31st March 2020 and 2019.

13.3 Analysis of tax charge

	12 months ended 31 st March 2020	12 months ended 31 st March 2019
Profit / (loss) for the year from continuing operations after tax	(40,523)	9,520
Income tax expense	(1,445)	(14,220)
Profit / (loss) before tax	(39,078)	23,740
Dividends distributed between subsidiaries	-	297
Non-deductible goodwill impairment (see note 17)	65,182	-
Disallowed expenses and others	9,964	5,173
Permanent differences	75,146	5,470
Tax basis profit	36,068	29,210
% Income tax rate	24.94%	26.01%
Expected tax charge expense	(8,995)	(7,598)
Impact of tax rate differences with Parent tax rate	1,139	4,225
Recognition of US Foreign Tax Credits	9,710	-
Derecognition of tax losses carried forward	(1,424)	-
Current year losses for which no deferred tax asset has been recognized	(2,294)	(9,898)
Utilization of tax losses not recognized	626	142
Change in deferred tax due to rate change and legislation	-	103
Tax credits	932	1,547
Others	(1,139)	(2,741)
Corrections of tax expense	7,550	(6,622)
Group tax charge expense	(1,445)	(14,220)

"Disallowed expenses" for the years ended 31st March 2020 and 2019 relate primarily to the effect of non-deductible interest expenses under the legislation of certain countries, such as France and Luxembourg.

13.4 Current tax assets and liabilities

	31 st March 2020	31 st March 2019
Income tax receivable	3,312	1,958
Other tax receivables (other than income tax)	4,256	12,990
Current tax assets	7,568	14,948
Income tax payable	(943)	(3,055)
Other tax payables (other than income tax)	(2,530)	(3,980)
Current tax liabilities	(3,473)	(7,035)

The decrease of other tax receivables (other than income tax) is related mainly to the VAT receivable collected during the year.

13.5 Deferred tax balances

	31 st March 2020	31 st March 2019
Deferred tax assets	1,585	23
Deferred tax liabilities	(32,465)	(36,237)
Net	(30,880)	(36,214)

As explained in note 4.12 Significant accounting policies, the Group offsets deferred tax assets and liabilities if there is a legally enforceable right to set off the amounts recognized and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority.

The following is the analysis of deferred tax assets / liabilities presented in the consolidated financial statements. Other deferred tax mainly includes the deferred tax liabilities related to the fair value adjustments of intangible assets made as a consequence of a business combination:

Current year movement:

	Balance at 31 st March 2019	Amounts recorded in Profit and Loss	Change in accounting policy	Translation differences	Others	Balance at 31 st March 2020
Tax losses carried forward and US FTC	8,148	6,549	-	-	-	14,697
Other deferred tax	(44,362)	(632)	(2,300)	(42)	1,759	(45,577)
Total Deferred tax asset / (liability)	(36,214)	5,917	(2,300)	(42)	1,759	(30,880)

As explained in note 3.3, the Group has adopted IFRIC 23 and reclassified uncertain tax liabilities and uncertain tax assets from the headings "Provisions" and "Non-current financial assets" into "Deferred tax assets" and "Deferred tax liabilities" for an amount of €0.4 million and €2.7 million, respectively.

The €1.8 million Other movements of Other deferred tax concern an advance payment of Italian withholding tax. The Company has appealed against the assessment of withholding tax with the court and expects a favourable decision. Therefore, the Company recognized the amount paid as an asset.

Previous year movement:

	Balance at 31 st March 2018	Amounts recorded in Profit and Loss	Change in accounting policy	Translation differences	Others	Balance at 31 st March 2019
Tax losses carried forward	11,114	(2,966)	-	-	-	8,148
Other deferred tax	(44,507)	123	42	(20)	-	(44,362)
Total Deferred tax asset / (liability)	(33,393)	(2,843)	42	(20)	-	(36,214)

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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 (except for the ones corresponding to eDreams ODIGEO S.A., that can be offset during a period of 17 years).

Unused tax losses
31st March 2020

	Tax loss amount	Income tax rate (%)	Total DTA on tax losses	DTA recognized in the balance sheet	DTA not recognized in the balance sheet
eDreams ODIGEO S.A. (LUX) (*)	148,221	24.94%	36,966	-	36,966
Go Voyages SAS (FR)	142,086	27.60%	39,216	-	39,216
Opodo Limited (UK)	18,357	19.00%	3,488	3,488	-
Travellink AB (SWE)	2,797	21.40%	599	-	599
eDreams Business Travel (ES)	1,582	25.00%	396	-	396
EnGrande SL (ES)	6,659	25.00%	1,665	-	1,665
Tierrabella Invest SL (ES)	15,013	25.00%	3,753	-	3,753
Total	334,715		86,083	3,488	82,595

(*) Under Luxembourg recapture rules, part of eDreams ODIGEO S.A. non-recognized tax losses carried forward as at 31st March 2020 may not be available for actual utilization in case eDreams ODIGEO S.A. would sell its investment in Opodo Limited at a gain.

As at 31st March 2020, the Group recognized a deferred tax asset in the balance sheet for US Foreign Tax Credits ("US FTC") amounting to €11.2 million. This amount is the total of:

- the revival of €9.7 million Foreign Tax Credits during this financial year based on US regulations which had to be written-off as at 31st March 2018, and

- the unused part of the US Foreign Tax Foreign Tax Credits generated during this financial year amounting to €1.5 million.

The US Foreign Tax Credits at the 31st March 2020 may be offset against future US income tax. US Foreign Tax Credits generated in a year can be credited against US income tax in any of the following 10 years. The US Foreign Tax Credits as at 31st March 2020 have been generated in various years and have a remaining carry forward period of 8-10 years.

In addition to the unused tax losses carried forward not recognized in the balance sheet mentioned above, EnGrande SL and Tierrabella Invest SL also have a non-recognized deferred tax asset corresponding to the interest expense carried forward of €1.6 million and €5.8 million, respectively.

Unused tax losses
31st March 2019

	Tax loss amount	Income tax rate (%)	Total DTA on tax losses	DTA recognized in the balance sheet	DTA not recognized in the balance sheet
eDreams ODIGEO S.A. (LUX)	139,947	27.08%	37,898	-	37,898
Go Voyages SAS (FR)	143,478	33.33%	47,821	-	47,821
Opodo Italia SRL (IT)	3,829	24.00%	919	-	919
Opodo Limited (UK)	45,871	17.0% - 19.0%	8,148	8,148	-
Travellink AB (SWE)	3,985	22.00%	877	-	877
eDreams Business Travel (ES)	1,582	25.00%	396	-	396
EnGrande SL (ES)	6,659	25.00%	1,665	-	1,665
Tierrabella Invest SL (ES)	15,013	25.00%	3,753	-	3,753
Total	360,364		101,477	8,148	93,329

B3. Notes to the Consolidated Financial Statements

14. GOODWILL

The detail of the goodwill movement by markets for the year ended 31st March 2020 is set out below:

Markets	31 st March 2019	Scope entry	Exchange rate differences	Impairment	31 st March 2020
France	397,634	-	-	-	397,634
Spain	49,073	-	-	-	49,073
UK	70,171	-	-	-	70,171
Italy	58,599	-	-	-	58,599
Germany	166,057	-	-	-	166,057
Nordics	58,068	-	(3,482)	-	54,586
Other countries	54,710	-	-	-	54,710
Metasearch	8,608	-	-	-	8,608
Connect	2,474	1,726	-	-	4,200
Total Gross Goodwill	865,394	1,726	(3,482)	-	863,638
France	(71,112)	-	-	(30,496)	(101,608)
UK	(31,138)	-	-	-	(31,138)
Italy	(14,512)	-	-	(5,501)	(20,013)
Germany	(10,339)	-	-	-	(10,339)
Nordics	(17,669)	-	1,060	(21,543)	(38,152)
Metasearch	-	-	-	(7,642)	(7,642)
Total Impairment on Goodwill	(144,770)	-	1,060	(65,182)	(208,892)
Total Net Goodwill	720,624	1,726	(2,422)	(65,182)	654,746

As at 31st March 2020, the amount of the goodwill corresponding to the Nordic markets has decreased due to the evolution of the euro compared to the functional currency of these countries, with a balancing entry under "Foreign currency translation reserve".

Additionally, at 31st March 2020 an increase in the goodwill of Connect has been recognized following Waylo's acquisition (see notes 2.11 and 31).

Details about the impairment booked at 31st March 2020 and the impairment test performed as at 31st March 2020 are included in note 17.

B3. Notes to the Consolidated Financial Statements

The detail of the goodwill movement by markets for the year ended 31st March 2019 is set out below:

	31 st March 2018	Scope entry	Exchange rate differences	Impairment	31 st March 2019
Markets					
France	397,634	-	-	-	397,634
Spain	49,073	-	-	-	49,073
UK	70,171	-	-	-	70,171
Italy	58,599	-	-	-	58,599
Germany	166,057	-	-	-	166,057
Nordics	58,711	-	(643)	-	58,068
Other countries	54,710	-	-	-	54,710
Metasearch	8,608	-	-	-	8,608
Connect	2,474	-	-	-	2,474
Total Gross Goodwill	866,037	-	(643)	-	865,394
France	(71,112)	-	-	-	(71,112)
UK	(31,138)	-	-	-	(31,138)
Italy	(14,512)	-	-	-	(14,512)
Germany	(10,339)	-	-	-	(10,339)
Nordics	(17,865)	-	196	-	(17,669)
Total Impairment on Goodwill	(144,966)	-	196	-	(144,770)
Total Net Goodwill	721,071	-	(447)	-	720,624

As at 31st March 2019, the amount of the goodwill corresponding to the Nordic markets decreased due to the evolution of the euro compared to the functional currency of these countries, with a balancing entry under "Foreign currency translation reserve".

15. OTHER INTANGIBLE ASSETS

The detail of the other intangible assets movement for the year ended 31st March 2020 is set out below:

	31 st March 2019	Acquisitions / amortization/ impairment	Disposals	Reclass	Scope entry	31 st March 2020
Licenses	12,258	744	(6,054)	-	-	6,948
Brands	287,976	-	-	-	-	287,976
Trademarks and domains	282	-	(169)	-	-	113
Software	187,080	7	(4,586)	45,256	7,772	235,529
Software internally dev. in progress	19,403	27,578	-	(45,256)	-	1,725
Other intangible assets	18,993	-	(439)	-	-	18,554
Total gross value	525,992	28,329	(11,248)	-	7,772	550,845
Licenses	(8,844)	(1,392)	6,049	-	-	(4,187)
Trademarks and domains	(256)	-	169	-	-	(87)
Software	(111,410)	(27,415)	3,761	-	-	(135,064)
Other intangible assets	(15,231)	(618)	439	-	-	(15,410)
Total accumulated amortization	(135,741)	(29,425)	10,418	-	-	(154,748)
Brands	(61,740)	(8,880)	-	-	-	(70,620)
Software	(6,473)	(855)	830	-	-	(6,498)
Other intangible assets	(2,000)	-	-	-	-	(2,000)
Total accumulated impairment	(70,213)	(9,735)	830	-	-	(79,118)
Total other intangible assets	320,038	(10,831)	-	-	7,772	316,979

B3. Notes to the Consolidated Financial Statements

Software internally developed in progress acquisitions correspond to the capitalization of the technology developed by the Group which, due to its functional benefits, contributes towards attracting new customers and retaining the existing ones.

The Scope entry corresponds to the software acquired upon the purchase of the TheWaylo.com ("Waylo") business (see notes 2.11 and 31).

Brand

	31 st March 2020	31 st March 2019
Go Voyages	28,742	33,690
eDreams	80,815	80,815
Opodo	100,000	100,000
Travellink	3,767	7,699
Liligo	4,032	4,032
Total	217,356	226,236

At 31st March 2020, the Group has booked an impairment on the brands of Go Voyages and Travellink for €8.9 million (see note 18).

Software

Software includes the investment in technology used by the Group in its operations which, primarily contributes towards attracting new customers and retaining existing ones.

The detail of the other intangible assets movement for the year ended 31st March 2019 is set out below:

	31 st March 2018	Acquisitions / amortization	Disposals	Reclass	Scope entry	31 st March 2019
Licenses	12,171	87	-	-	-	12,258
Brands	287,976	-	-	-	-	287,976
Trademarks and domains	282	-	-	-	-	282
Software	153,176	59	-	33,845	-	187,080
Software internally dev. in progress	26,025	27,221	-	(33,843)	-	19,403
Other intangible assets	18,989	-	-	4	-	18,993
Other intangible assets in progress	6	-	-	(6)	-	-
Total gross value	498,625	27,367	-	-	-	525,992
Licenses	(7,509)	(1,335)	-	-	-	(8,844)
Trademarks and domains	(255)	(1)	-	-	-	(256)
Software	(92,905)	(18,505)	-	-	-	(111,410)
Other intangible assets	(14,598)	(633)	-	-	-	(15,231)
Total accumulated amortization	(115,267)	(20,474)	-	-	-	(135,741)
Brands	(61,740)	-	-	-	-	(61,740)
Software	(6,473)	-	-	-	-	(6,473)
Other intangible assets	(2,000)	-	-	-	-	(2,000)
Total accumulated impairment	(70,213)	-	-	-	-	(70,213)
Total other intangible assets	313,145	6,893	-	-	-	320,038

B3. Notes to the Consolidated Financial Statements

16. PROPERTY, PLANT AND EQUIPMENT

The detail of property, plant and equipment movement for the year ended 31st March 2020 is set out below:

	31 st March 2019	Acquisitions / amortization	Disposals	Reclass	Exchange rate differences	31 st March 2020
Buldings - lease	8,720	-	(1,267)	-	(45)	7,408
General installations / tech facilities	3,240	2	(651)	-	(9)	2,582
Furniture	2,358	33	(321)	-	(8)	2,062
Transport	1	-	-	-	-	1
Computer hardware	13,179	868	(6,120)	32	-	7,959
Computer hardware - lease	6,312	90	-	-	-	6,402
Other tangible assets	78	-	(27)	(32)	-	19
Total gross value	33,888	993	(8,386)	-	(62)	26,433
Buldings - lease	(2,452)	(2,232)	417	-	24	(4,243)
General installations / tech facilities	(1,159)	(310)	318	-	7	(1,144)
Furniture	(1,173)	(201)	224	-	6	(1,144)
Transport	(1)	-	-	-	-	(1)
Computer hardware	(10,527)	(1,459)	6,102	-	-	(5,884)
Computer hardware - lease	(4,703)	(894)	-	-	-	(5,597)
Other tangible assets	(25)	(4)	12	-	-	(17)
Total accumulated amortization	(20,040)	(5,100)	7,073	-	37	(18,030)
Total accumulated impairment	-	-	-	-	-	-
Total Property, plant and equipment	13,848	(4,107)	(1,313)	-	(25)	8,403

The net book value of disposals of property, plant and equipment for the year ended 31st March 2020 mainly includes the transfer of the building lease of Zona Franca for €0.5 million (see note 24) and loss on disposal

of property, plant & equipment for €0.4 million. Additionally, €6.1 million of fully amortized computer hardware no longer in use has been disposed.

The detail of property, plant and equipment movement for the year ended 31st March 2019 is set out below:

	31 st March 2018	Acquisitions / amortization	Disposals	Reclass	Change in accounting policy	31 st March 2019
Buldings - lease	-	141	-	-	8,579	8,720
General installations / tech facilities	3,698	4	(462)	-	-	3,240
Furniture	2,267	102	(11)	-	-	2,358
Transport	1	-	-	-	-	1
Computer hardware	12,014	1,165	-	-	-	13,179
Computer hardware - lease	5,753	534	25	-	-	6,312
Other tangible assets	38	40	-	-	-	78
Total gross value	23,771	1,986	(448)	-	8,579	33,888
Buldings - lease	-	(2,452)	-	-	-	(2,452)
General installations / tech facilities	(1,134)	(381)	356	-	-	(1,159)
Furniture	(879)	(305)	11	-	-	(1,173)
Transport	(1)	-	-	-	-	(1)
Computer hardware	(9,037)	(1,508)	(19)	37	-	(10,527)
Computer hardware - lease	(3,718)	(934)	(14)	(37)	-	(4,703)
Other tangible assets	(20)	(5)	-	-	-	(25)
Total accumulated amortization	(14,789)	(5,585)	334	-	-	(20,040)
Total accumulated impairment	(114)	-	114	-	-	-
Total Property, plant and equipment	8,868	(3,599)	-	-	8,579	13,848

17. IMPAIRMENT OF ASSETS

17.1 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 Group has implemented an annual procedure 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 is drawn up for each CGU for the next 5 years in which the main components are the projected financial statements and the projected investments and working capital. These projections include Management's best estimates, which are consistent with external information, past experience and future expectations.
- A valuation analysis is carried out, which consists in 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 analyze both the recoverability of the goodwill and other intangible assets and property, plant and equipment belonging to each of the markets.

17.2 Main assumptions used in the financial projections

For each market, 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 market and the inherent risk profile of the projected flows of each of the markets.

In calculating the value of the assets in each different market, the following parameters have been considered:

- Given the unprecedented uncertainty related to the COVID-19 pandemic (see note 3.2), Group Management has prepared 4 different scenarios of projections, depending on the duration of the impact from the COVID-19 pandemic and the shape and timing of the subsequent recovery.
- In the first three years, Adjusted EBITDA was projected using the 2020/2021 budget and 2021/2022, 2022/2023 business plan assumptions of each scenario approved by the Board of Directors. See definition of Adjusted EBITDA in section B4. Glossary of definitions.
- In the two 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 market 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, UK and Nordics, and 1.6% for Other markets, Metasearch and Connect.
- 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 2020/2021.

B3. Notes to the Consolidated Financial Statements

WACC by market %

	Post-tax		Pre-tax	
	31 st March 2020	31 st March 2019	31 st March 2020	31 st March 2019
France	9.5%	9.5%	11.8%	11.7%
Spain	10.8%	9.8%	13.4%	12.8%
Italy	12.3%	12.5%	15.4%	16.2%
UK	9.5%	10.5%	11.5%	12.5%
Germany	8.8%	8.8%	10.9%	10.3%
Nordics	10.0%	10.0%	12.3%	12.8%
Other countries	10.8%	10.8%	13.4%	13.6%
Metasearch	9.5%	9.5%	11.6%	12.1%
Connect	10.0%	9.9%	12.0%	12.4%

17.3 Conclusion on the analysis

As a result of the testing performed by the Group using the methodology and the assumptions described in notes 17.1 and 17.2 respectively above, and due to the updated projections as a consequence of COVID-19 (see note 3.2), the carrying amount of the goodwill related to certain CGU has been impaired.

The table below shows the gross value in books and net value in books of operating assets for every cash generating unit, the recoverable amount calculated for each CGU (value in use), the impairment recognized in the current year and the amount by which the CGU's recoverable amount exceeds its carrying amount:

31st March 2020

Markets	Gross value of operating assets	Net value of operating assets	Value in use	Impairment increase	Exceeding amount (headroom)
France	545,463	407,663	377,167	(30,496)	-
Spain	66,109	66,109	111,395	-	45,286
Italy	83,427	68,915	63,414	(5,501)	-
UK	77,354	46,216	52,874	-	6,658
Germany	204,696	194,357	324,640	-	130,283
Nordics	63,865	42,068	20,525	(21,543)	-
Other countries	54,584	54,584	230,247	-	175,663
Metasearch	14,604	14,604	6,962	(7,642)	-
Connect	11,516	11,516	51,419	-	39,903
	1,121,618	906,032	1,238,643	(65,182)	397,793

31st March 2019

Markets	Gross value of operating assets	Net value of operating assets	Value in use	Impairment increase	Exceeding amount (headroom)
France	491,475	358,623	468,281	-	109,658
Spain	41,489	41,489	81,238	-	39,749
Italy	72,812	58,300	80,009	-	21,709
UK	63,932	32,794	45,721	-	12,927
Germany	171,390	161,051	279,400	-	118,349
Nordics	55,139	37,470	42,590	-	5,120
Other countries	10,964	10,964	207,944	-	196,980
Metasearch	13,326	13,326	58,328	-	45,002
Connect	2,529	2,529	46,595	-	44,066
	923,056	716,546	1,310,106	-	593,560

17.4 Sensitivity analysis on key assumptions

The Group presents below the sensitivity analysis for the CGU's 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 recognized if certain changes in main assumptions had been applied:

Markets	0.5pp Increase in WACC	0.5pp Decrease in perpetual growth	5% Decrease in Revenue Margin	10% Decrease in Marginal Profit	Change in scenario weighting ¹
France	(21,008)	(16,181)	(71,430)	(57,718)	(15,452)
Spain	-	-	-	-	-
Italy	(2,685)	(1,896)	(12,556)	(10,233)	(3,039)
UK	-	-	(19,879)	-	-
Germany	-	-	-	-	-
Nordics	(932)	(690)	(4,708)	(2,733)	(3,449)
Other countries	-	-	-	-	-
Metasearch	(502)	(406)	(3,679)	(4,413)	(2,065)
Connect	-	-	-	-	-
	(25,127)	(19,173)	(112,252)	(75,097)	(24,005)

¹Change in weighting means eliminating Scenario IV (the most optimistic, as shown in the following table), and increasing proportionally the weights of the remaining scenarios.

The table below shows the value assigned to the assumptions of Revenue Margin and Marginal profit as compound annual growth rates (CAGR) over the explicitly projected period (5 years):

Revenue Margin growth	Scenario I	Scenario II	Scenario III	Scenario IV
France	18%	4.8%	5.6%	7.4%
Italy	-0.7%	2.4%	3.2%	5.0%
UK	2.1%	5.2%	6.0%	7.7%
Nordics	-21.8%	-8.4%	-3.6%	10%
Metasearch	-10.3%	-6.5%	-5.2%	-2.1%

Marginal Profit growth	Scenario I	Scenario II	Scenario III	Scenario IV
France	2.0%	5.0%	5.8%	7.5%
Italy	-2.5%	0.9%	1.7%	3.6%
UK	5.0%	8.2%	8.9%	10.8%
Nordics	-45.9%	-12.4%	-4.8%	1.3%
Metasearch	-12.4%	-8.6%	-7.4%	-4.3%

Scenarios I, II, III and IV have been weighted at 25%, 30%, 30% and 15%, respectively.

The values assigned to the assumptions of discount rate and perpetual growth are disclosed in note 17.2.

18. IMPAIRMENT OF BRANDS

18.1 Measuring methodology

The brands, which have indefinite lives, have been tested for impairment together with the rest of CGU assets (see note 17) as well as separately brand by brand.

The Group has implemented an annual procedure 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 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.
- A valuation analysis is carried out, which consists in 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 analyze the recoverability of the brands.

18.2 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 17.2) and applied a weighted average according to the contribution of each market in each brand.

In calculating the value of each brand, the following parameters have been considered:

- Given the unprecedented uncertainty related to the COVID-19 pandemic (see note 3.2), Group Management has prepared 4 different scenarios of projections, depending on the duration of the impact from the COVID-19 pandemic and the shape and timing of the subsequent recovery.
- In the first three years, Revenue Margin was projected using the 2020/2021 budget and 2021/2022, 2022/2023 business plan assumptions of each scenario approved by the Board of Directors. See definition of Adjusted EBITDA in section B4. Glossary of definitions.
- In the two following years, a scenario of evolution of volumes and margins has been considered based on the strategy of the Company and previous experience.
- The perpetual growth rate used to extrapolate cash flow projections beyond the first five years has been estimated at 1.5%.
- Royalty rates have been set to 6.5%, except for the Travellink brand that has a 4.0% royalty rate.

These assumptions reflect expected growth in volume and Revenue Margin per Booking for our markets considering the historical trends and budget assumptions for 2020/2021.

	Post-tax		Pre-tax	
	31 st March 2020	31 st March 2019	31 st March 2020	31 st March 2019
Go Voyages	9.5%	9.5%	12.1%	12.2%
eDreams	10.7%	10.6%	13.6%	13.8%
Opodo	9.3%	9.3%	11.9%	11.0%
Travellink	10.0%	10.2%	12.9%	13.1%
Liligo	9.5%	9.5%	12.3%	12.2%

18.3 Conclusion on the analysis

As a result of the testing performed by the Group using the methodology and the assumptions described in notes 18.1 and 18.2 respectively above, and due to the updated projections as a consequence of COVID-19 (see note 3.2), the carrying amount of certain brands has been impaired.

The table below shows the gross value in books and net value in books of each brand, the recoverable amount calculated for each brand (value in use), the impairment recognized in the current year and the amount by which the brand's recoverable amount exceeds its carrying amount:

31st March 2020

Brands	Gross value of brands	Net value of brands	Value in use	Impairment increase	Exceeding amount (headroom)
Go Voyages	95,430	33,690	28,742	(4,948)	-
eDreams	80,815	80,815	155,649	-	74,834
Opodo	100,000	100,000	160,161	-	60,161
Travellink	7,699	7,699	3,767	(3,932)	-
Liligo	4,032	4,032	4,737	-	705
	287,976	226,236	353,056	(8,880)	135,700

31st March 2019

Brands	Gross value of brands	Net value of brands	Value in use	Impairment increase	Exceeding amount (headroom)
Go Voyages	95,430	33,690	36,830	-	3,140
eDreams	80,815	80,815	152,247	-	71,432
Opodo	100,000	100,000	156,244	-	56,244
Travellink	7,699	7,699	8,061	-	362
Liligo	4,032	4,032	20,074	-	16,042
	287,976	226,236	373,456	-	147,220

18.4 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 recognized if certain changes in main assumptions had been applied:

Brands	0.5pp 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	(1,714)	(1,317)	(1,437)	(4,422)	(926)
eDreams	-	-	-	-	-
Opodo	-	-	-	-	-
Travellink	(206)	(156)	(188)	(942)	(460)
Liligo	-	-	-	(24)	-
	(1,920)	(1,473)	(1,625)	(5,388)	(1,386)

¹Change in weighting means eliminating Scenario IV (the most optimistic, as shown in the following table), and increasing proportionally the weights 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	Scenario IV
Go Voyages	18%	4.8%	5.6%	7.4%
Travellink	-21.8%	-8.4%	-3.6%	10%
Liligo	-10.3%	-6.5%	-5.2%	-2.1%

Scenarios I, II, III and IV have been weighted at 25%, 30%, 30% and 15%, respectively.

The values assigned to the assumptions of discount rate and perpetual growth are disclosed in note 18.1.

19. NON-CURRENT FINANCIAL ASSETS

	31 st March 2020	31 st March 2019
Financing costs capitalised on SSRCF	-	2,786
Non-current deposits and guarantees	2,235	2,494
Other non-current assets	362	410
Non-current financial assets	2,597	5,690

Financing costs capitalized on SSRCF have been reclassified to non-current financial liabilities due to the drawdown of the SSRCF as at 31st March 2020 (see note 24).

20. TRADE AND OTHER RECEIVABLES

20.1 Trade receivables

The trade receivables from contracts with customers as at 31st March 2020 and 2019:

	31 st March 2020	31 st March 2019
Trade receivables	23,848	24,429
Accrued income	42,662	50,168
Impairment loss on trade receivables and accrued income	(8,331)	(6,014)
Provision for booking cancellation	(10,182)	(982)
Trade related deferred expenses	805	3,078
Total trade receivables	48,802	70,679

The decrease in accrued income and the increase of the provision for Booking cancellation as at 31st March 2020 are mainly due to the reduction in volumes linked with COVID-19 (see note 3.2).

20.2 Valuation allowance

An impairment analysis of trade receivables and accrued income, net of provision for Booking cancellation, has been performed at year-end using a provision matrix by type of customer, to measure expected credit losses.

The table below shows the impairment by type of customer. The provision for Booking cancellation has been taken into consideration for the impairment estimation.

	31 st March 2020		31 st March 2019	
	Trade receivables	Impairment	Trade receivables	Impairment
Commissions, BtB incentives and advertising revenue	44,183	(6,876)	51,338	(3,904)
Metasearch customers	3,361	(1,255)	4,489	(1,928)
Leisure customers and Global Distribution System (GDS)	8,784	(200)	15,584	(182)
Late collection	-	-	2,204	-
Total trade receivables	56,328	(8,331)	73,615	(6,014)

B3. Notes to the Consolidated Financial Statements

The tables below show the credit risk exposure for the Group's two main types of customers:

Commissions, BtB incentives and advertising revenue	31 st March 2020		31 st March 2019	
	Trade receivables	Impairment	Trade receivables	Impairment
Accrued income & provision for booking cancellation	31,714	(691)	34,003	(839)
Amount invoiced not overdue	4,617	(108)	8,192	(197)
Less than 60 days	2,757	(118)	2,404	(94)
Between 60 and 120 days	394	(21)	1,577	(78)
Between 120 and 240 days	304	(25)	784	(57)
Between 240 and 365 days	113	(17)	645	(76)
More than 365 days	2,101	(728)	2,413	(1,243)
Bankruptcy	2,183	(2,183)	1,320	(1,320)
Additional risk high	-	(1,376)	-	-
Additional risk medium	-	(1,176)	-	-
Additional risk low	-	(433)	-	-
Total	44,183	(6,876)	51,338	(3,904)

Metasearch customers	31 st March 2020		31 st March 2019	
	Trade receivables	Impairment	Trade receivables	Impairment
Accrued income	539	(16)	1,411	(96)
Amount invoiced not overdue	1,008	(29)	-	-
Less than 90 days	172	(5)	1,068	(73)
Between 90 to 120 days	9	(1)	90	(13)
Between 120 to 150 days	15	(3)	135	(62)
Between 150 days to 180 days	34	(11)	187	(133)
Between 180 days to 210 days	47	(20)	170	(145)
Between 210 days to 240 days	4	(2)	99	(92)
More than 240 days	1,109	(586)	1,247	(1,232)
Bankruptcy	424	(424)	82	(82)
Additional risk high	-	(137)	-	-
Additional risk medium	-	(21)	-	-
Additional risk low	-	-	-	-
Total	3,361	(1,255)	4,489	(1,928)

Due to the COVID-19 (see note 3.2), the Group has considered an additional risk for some customers shown in the tables above as Additional risk high, Additional risk medium and Additional risk low.

The Group has two other types of customers, Leisure customers and Global Distribution System (GDS). For these customers, the impairment has been calculated following a different approach, depending on the nature of the customer.

As at 31st March 2020, the amount invoiced not overdue yet for these types of customers is €8.8 million and the impairment booked is €0.2 million.

B3. Notes to the Consolidated Financial Statements

As at 31st March 2019, the accrued income amount for these types of customers was €12.9 million, the amount invoiced not overdue yet was €2.7 million and the impairment booked was €0.2 million.

Movements in the valuation allowance are as follows:

	12 months ended 31 st March 2020	12 months ended 31 st March 2019
Valuation allowance opening balance	(6,014)	(7,551)
Impact first application IFRS 9 as at 1 st April 2018	-	(329)
(Increase) / decrease in impairment losses	(2,428)	1,866
Amount written off as uncollectible	111	-
Valuation allowance closing balance	(8,331)	(6,014)

20.3 Other receivables

	31 st March 2020	31 st March 2019
Advances given - trade related	5,378	5,950
Other receivables	1,024	687
Prepayments	2,948	1,903
Total other receivables	9,350	8,540

21. CASH AND CASH EQUIVALENTS

	31 st March 2020	31 st March 2019
Cash and other cash equivalents	83,337	148,831
Total cash and cash equivalents	83,337	148,831

The decrease in cash and cash equivalents as at 31st March 2020 is mainly due to the reduction in volumes linked with COVID-19 (see note 3.2).

22. EQUITY

	31 st March 2020	31 st March 2019
Share capital	11,046	10,972
Share premium	974,512	974,512
Equity-settled share-based payments	10,373	7,305
Retained earnings and others	(565,694)	(572,351)
Treasury shares	(3,320)	-
Profit and Loss attributable to the parent company	(40,523)	9,520
Foreign currency translation reserve	(12,635)	(8,655)
Non-controlling interest	-	-
Total equity	373,759	421,303

22.1 Share capital

On 21st August 2019, the Board of Directors resolved to issue share capital of €37,954.80 represented by 379,548 ordinary shares, at €0.10 each.

On 31st October 2019, the Board of Directors resolved to issue share capital of €36,444.30 represented by 364,443 ordinary shares, at €0.10 each.

As a result of the new shares' issuance, the Company's share capital amounts to €11,046,304.30 and is represented by 110,463,043 shares with a face value of €0.10 per share.

The detail of significant shareholders is included in Section A Management Report, note 4.6 Shareholders and Investors.

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 realized losses, to make distributions to the shareholders in the form of a dividend or to allocate funds to the legal reserve.

22.3 Equity-settled share-based payments

The amount recognized under "equity-settled share-based payments" in the consolidated balance sheet at 31st March 2020 and 2019 arose as a result of the Long-Term Incentive plans given to the employees.

As at 31st March 2020, the only Long-Term Incentive plans currently granted to employees are the 2016 LTIP and the 2019 LTIP detailed in note 23.1 and 23.2, respectively.

22.4 Treasury shares

	Number of shares	Thousand of euros
Treasury shares at 31 st March 2019	-	-
Acquisitions	1,932,432	6,811
Disposals	(497,778)	(1,865)
Delivered to employees	(353,188)	(1,626)
Treasury shares at 31 st March 2020	1,081,466	3,320

On 29th April 2019, the Company entered into a liquidity contract with GVC Gaesco Beka, Sociedad de Valores, S.A. (the "Financial Intermediary") with the purpose of favouring the liquidity and regularity of the Company's shares quotation, within the limits established by the Company's Shareholders General Meeting and the applicable regulation (see note 2.1). 54,298 net treasury shares have been acquired under the liquidity contract.

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

On 26th February 2020 the Company delivered 353,188 treasury shares (see note 23.1) to the beneficiaries of the 2016 Long-term incentive plan at no cost to the beneficiaries.

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

B3. Notes to the Consolidated Financial Statements

As at 31st March 2020, the Group had 1,081,466 treasury shares, carried in equity at €3.3 million, at an average historic price of €3.07 per share. These shares corresponded to acquisitions for €6.8 million and sales for €1.9 million.

The transaction costs and the gains and losses on the transactions with treasury shares have been booked against other reserves for €2.7 million, of which €1.1 million correspond to payments of transaction costs.

The amount included in the cash flow statement regarding acquisition of treasury shares for €7.9 million corresponds to €6.8 million of acquired treasury shares and €1.1 million of transactions costs.

The treasury shares have been fully paid.

22.5 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 LLC, Liligo Hungary Kft, Geo Travel Pacific Ltd and Travellink AB since they are denominated in currencies other than the euro.

23. SHARE-BASED COMPENSATION

23.1 2016 Long-term incentive plan

On 12th September 2016, the Extraordinary Shareholders Meeting, upon proposal from the Board of Directors, approved amendments to the Articles of Incorporation of the Company, necessary to execute an LTIP: the 2016 LTIP ("Long-Term Incentive Plan") for Managers, to ensure that it continues to attract and retain high quality management and better align the interest of management and shareholders.

The 2016 LTIP is split equally between performance shares and half restricted stock units subject to continued service. Based on operational performance, the scheme is linked to stringent financial and strategic objectives.

The 2016 LTIP lasts for four years and vests between August 2018 and February 2022 based on financial results. The exercise price of the rights is 0€.

As at 31st March 2020 5,223,144 Potential Rights have been granted since the beginning of the plan under the 2016 LTIP (5,438,468 Potential Rights at 31st March 2019), of which 385,575 shares (The First Tranche, First Sub-tranche, First Delivery), 377,546 shares (The First Tranche, First Sub-tranche, Second Delivery), 377,546 shares (The First Tranche, First Sub-tranche, Third Delivery), 379,548 shares (The First Tranche, Second Sub-tranche, First Delivery), 364,443 shares (The First Tranche, Second Sub-tranche, Second Delivery) and 353,188 shares (The First Tranche, Second Sub-tranche, Third Delivery) had been delivered as shares in August 2018, November 2018, February 2019, August 2019, November 2019 and February 2020, respectively.

The movement of the Potential Rights during the period is as follows:

	Performance Stock Rights	Restricted Stock Units	Granted / Forfeited Total	Performance Stock Rights	Restricted Stock Units	Delivered Total
2016 LTIP Potential Rights - 31 st March 2019	2,719,234	2,719,234	5,438,468	525,170	615,497	1,140,667
Potential Rights forfeited - leavers	(148,662)	(148,662)	(297,324)	-	-	-
Additional Potential Rights granted	41,000	41,000	82,000	-	-	-
Shares delivered	-	-	-	479,746	617,433	1,097,179
2016 LTIP Potential Rights - 31 st March 2020	2,611,572	2,611,572	5,223,144	1,004,916	1,232,930	2,237,846

Total maximum dilution of the performance stock rights ("PSRs") and restricted stock units ("RSUs") would

represent, if fully vested, 6.32% of the total issued share capital of the Group, over a period of 4 years, and therefore 1.58% yearly average on a fully diluted basis.

Expected dilution (which takes into account attrition and actual expected achievement of stringent financial and strategic objectives) for all PSRs and RSUs since the IPO is a 1.1% yearly average over an 8-year period.

The cost of the 2016 LTIP has been recorded in the Income Statement (Personnel expenses, see note 9.1) and against Equity (included in Equity-settled share based payments, see note 22.3), amounting to €2.4 million and €3.4 million for the years ended 31st March 2020 and 2019 respectively.

23.2 2019 Long-term incentive plan

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

The 2019 LTIP is split equally between performance shares and restricted stock units 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.

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

As at 31st March 2020 1,609,500 Potential Rights have been granted since the beginning of the plan under the 2019 LTIP (0 Potential Rights at 31st March 2019), and no shares have been delivered.

The movement of the Potential Rights during the period is as follows:

	Granted			Delivered		
	Performance Stock Rights	Restricted Stock Units	Total	Performance Stock Rights	Restricted Stock Units	Total
2019 LTIP Potential Rights - 31 st March 2019	-	-	-	-	-	-
Additional Potential Rights granted	804,750	804,750	1,609,500	-	-	-
Shares delivered	-	-	-	-	-	-
2019 LTIP Potential Rights - 31 st March 2020	804,750	804,750	1,609,500	-	-	-

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

The cost of the 2019 LTIP has been recorded in the Income Statement (Personnel expenses, see note 9.1) and against Equity (included in Equity-settled share based payments, see note 22.3), amounting to €0.6 million for the year ended 31st March 2020.

B3. Notes to the Consolidated Financial Statements

24. FINANCIAL LIABILITIES

The Group debt and other financial liabilities at 31st March 2020 and 2019 are as follows:

	31 st March 2020			31 st March 2019		
	Current	Non Current	Total	Current	Non Current	Total
2023 Notes - Principal	-	425,000	425,000	-	425,000	425,000
2023 Notes - Financing fees capitalized	-	(4,962)	(4,962)	-	(6,233)	(6,233)
2023 Notes - Accrued interest	1,948	-	1,948	1,948	-	1,948
Total Senior Notes	1,948	420,038	421,986	1,948	418,767	420,715
SSRCF - Principal	39,500	70,000	109,500	-	-	-
SSRCF - Financing fees capitalized	-	(2,218)	(2,218)	-	-	-
SSRCF - Accrued interest	49	-	49	-	-	-
Total SSRCF	39,549	67,782	107,331	-	-	-
Lease liabilities	2,480	1,548	4,028	3,366	4,507	7,873
Other financial liabilities	4,251	-	4,251	5,685	-	5,685
Total other financial liabilities	6,731	1,548	8,279	9,051	4,507	13,558
Total financial liabilities	48,228	489,368	537,596	10,999	423,274	434,273

Senior Notes – 2023 Notes

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

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

Super Senior Revolving Credit Facility

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

On May 2017, the Group obtained the modification of the SSRCF from 4th October 2016 increasing the commitment in €10 million to a total of €157 million.

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

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

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

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

The Gross Debt Cover ratio is calculated quarterly and may not exceed 6.

As at 31st March 2020 and 2019, the Gross Debt Cover ratio is 4.9 and 3.7 respectively, so the Company was in compliance with ample headroom. Additionally, the Group has obtained a waiver for the covenant for fiscal year 2021 (see note 33.1).

As at 31st March 2020, due to the impact of COVID-19 (see note 3.2), the Group had drawn €109.5 million under the SSRCF. As at 31st March 2019, the Group had not drawn under the SSRCF.

B3. Notes to the Consolidated Financial Statements

Lease liabilities

Lease liabilities includes the financial liability for the office leases first recognized on 1st April 2018 under IFRS 16 Leases for an amount of €3.4 million as at 31st March 2020 (€6.9 million as at 31st March 2019).

The leased assets gross value and accumulated amortization are detailed in note 16.

The maturity of contractual undiscounted cash flows for leasings is the following:

	31 st March 2020	31 st March 2019
Less than one year	2,564	3,513
One to five years	1,565	4,661
More than five years	-	-
Total undiscounted lease liabilities	4,129	8,174
Discounting impact (unaccrued interests)	(101)	(301)
Total Lease liabilities	4,028	7,873

The decrease in total lease liabilities is mainly due to the principal payments done during the year (€3.1 million) and transfer of the building rental lease of Zona Franca of €0.5 million to the new customer service activities operator (see note 2.4).

The amounts paid during the year related to leasings are as follows:

	12 months ended 31 st March 2020	12 months ended 31 st March 2019
Principal	3,099	3,482
Interests	172	278
Total cash outflow for leases	3,271	3,760

Other financial liabilities

Other financial liabilities mainly include the Tax Refund amounting to €4.3 million and €5.7 million at 31st March 2020 and 2019, respectively.

24.1 Debt by maturity date

The maturity date of the debt at 31st March 2020 is as follows:

	< 1 year	1 to 5 years	> 5 years	Total
31 st March 2020				
2023 Notes - Principal	-	425,000	-	425,000
2023 Notes - Financing fees capitalized	-	(4,962)	-	(4,962)
2023 Notes - Accrued interest	1,948	-	-	1,948
Total Senior Notes	1,948	420,038	-	421,986
SSRCF - Principal	39,500	70,000	-	109,500
SSRCF - Financing fees capitalized	-	(2,218)	-	(2,218)
SSRCF - Accrued interest	49	-	-	49
Total SSRCF	39,549	67,782	-	107,331
Lease liabilities	2,480	1,548	-	4,028
Other financial liabilities	4,251	-	-	4,251
Total other financial liabilities	6,731	1,548	-	8,279
Total financial liabilities	48,228	489,368	-	537,596

B3. Notes to the Consolidated Financial Statements

The maturity date of the debt at 31st March 2019 was as follows:

	< 1 year	1 to 5 years	> 5 years	Total
31 st March 2019				
2023 Notes - Principal	-	425,000	-	425,000
2023 Notes - Financing fees capitalized	-	(6,233)	-	(6,233)
2023 Notes - Accrued interest	1,948	-	-	1,948
Total Senior Notes	1,948	418,767	-	420,715
Lease liabilities	3,366	4,507	-	7,873
Other financial liabilities	5,685	-	-	5,685
Total other financial liabilities	9,051	4,507	-	13,558
Total financial liabilities	10,999	423,274	-	434,273

24.2 Fair value measurement of debt

31 st March 2020	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	Fair value
Balance Sheet headings and classes of instruments					
Cash and cash equivalents	83,337	x			83,337
2023 Notes	421,986		x		428,824
SSRCF	107,331		x		104,342
Bank facilities and bank overdrafts	-	x			-
31 st March 2019					
Balance Sheet headings and classes of instruments					
Cash and cash equivalents	148,831	x			148,831
2023 Notes	420,715		x		473,755
Bank facilities and bank overdrafts	-	x			-

The book value of current loans and receivables, trade and other receivables and trade and other payables is approximately their fair value.

B3. Notes to the Consolidated Financial Statements

Valuation techniques and assumptions applied for the purposes of measuring fair value

The fair values of financial assets and liabilities are determined as follows:

- The fair values of financial assets and liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices (includes listed redeemable notes, bills of exchange, debentures and perpetual notes).
- The fair values of other financial assets and liabilities (excluding those described above) are determined in accordance with generally accepted pricing models based on discounted cash-flow analysis.

The market value of financial assets and liabilities measured at fair value in the balance sheet statement shown in the table above has been ranked based on the three hierarchy levels defined by 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 is as follows from 31st March 2019 until 31st March 2020:

	31 st March 2019	Cash flows	P&L accrual	Change in accounting policy	Others	31 st March 2020
2023 Notes - Principal	425,000	-	-	-	-	425,000
2023 Notes - Financing fees capitalized	(6,233)	-	1,271	-	-	(4,962)
2023 Notes - Accrued interest	1,948	(23,375)	23,375	-	-	1,948
Total Senior Notes	420,715	(23,375)	24,646	-	-	421,986
SSRCF - Principal	-	109,500	-	-	-	109,500
SSRCF - Financing fees capitalized	-	-	-	-	(2,218)	(2,218)
SSRCF - Accrued interest	-	(84)	133	-	-	49
Total SSRCF	-	109,416	133	-	(2,218)	107,331
Bank facilities and bank overdrafts	-	(108)	108	-	-	-
Lease liabilities	7,873	(3,271)	170	-	(744)	4,028
Other financial liabilities	5,685	-	-	-	(1,434)	4,251
Total other financial liabilities	13,558	(3,379)	278	-	(2,178)	8,279
Total financial liabilities	434,273	82,662	25,057	-	(4,396)	537,596
Other payables related to financial liabilities	401	(1,817)	1,906	-	(75)	415
Treasury shares	-	(6,001)	-	-	6,001	-
Total others	401	(7,818)	1,906	-	5,926	415
Financial assets related to the SSRCF	(2,786)	-	568	-	2,218	-
Financial assets related to financing activities	(2,786)	-	568	-	2,218	-
Total financing activities	431,888	74,844	27,531	-	3,748	538,011

B3. Notes to the Consolidated Financial Statements

The Cash Flow Statement caption "Borrowings drawdown" contains the collection of the SSRCF for €109.5 million.

The Cash Flow Statement caption "Reimbursement of borrowings" contains the lease liabilities principal repayment for €3.1 million. In the table above, the cash flows shown for the lease liabilities include principal amounts for €3.1 million and interests payments for €0.2 million (see note 24).

The Cash Flow Statement caption "Interest paid" contains €23.4 million of interests paid on the 2023 Notes, €0.1 million of interests paid on the SSRCF, €0.1 million of interests paid on the bank facilities and bank overdrafts and €0.2 million of interests paid on leases; for a total of €23.7 million.

The amounts shown in column "others" in the reconciliation table correspond mainly to the reclassification of the SSRCF Financing fees capitalized from financial assets to financial liabilities of €2.2 million and the impact in equity of the acquisition and disposal of treasury shares for €6.0 million.

The reconciliation showing the changes in liabilities arising from financing activities is as follows from 31st March 2018 until 31st March 2019:

	31 st March 2018	Cash flows	P&L accrual	Change in accounting policy	Others	31 st March 2019
2023 Notes - Principal	-	425,000	-			425,000
2023 Notes - Financing fees capitalized	-	(6,836)	620		(17)	(6,233)
2023 Notes - Accrued interest	-	(10,129)	12,077	-	-	1,948
2021 Notes - Principal	425,000	(425,000)	-	-	-	-
2021 Notes - Financing fees capitalized	(11,019)	-	11,019	-	-	-
2021 Notes - Accrued interest	6,426	(23,581)	17,155	-	-	-
Total Senior Notes	420,407	(40,546)	40,871	-	(17)	420,715
SSRCF - Accrued interest	-	(834)	834	-	-	-
Total SSRCF	-	(834)	834	-	-	-
Bank facilities and bank overdrafts	5	(254)	249	-	-	-
Lease liabilities	2,128	(3,760)	276	8,655	574	7,873
Other financial liabilities	6,583	(18,062)	18,062	-	(898)	5,685
Total other financial liabilities	8,716	(22,076)	18,587	8,655	(324)	13,558
Total financial liabilities	429,123	(63,456)	60,292	8,655	(341)	434,273
Other payables related to financial liabilities	741	(1,585)	1,424	-	(179)	401
Treasury shares	-	(375)	-	-	375	-
Total others	741	(1,960)	1,424	-	196	401
Financial assets related to the SSRCF	(3,799)	(3,063)	4,076	-	-	(2,786)
Financial assets related to financing activities	(3,799)	(3,063)	4,076	-	-	(2,786)
Total financing activities	426,065	(68,479)	65,792	8,655	(145)	431,888

B3. Notes to the Consolidated Financial Statements

The Cash Flow Statement item "Borrowings drawdown" contained the collection of the 2023 Notes for €425 million, minus the bank fees withheld at the transaction date for €3.2 million; for a total of €421.8 million. In the table above, the cash flows shown for the 2023 Notes also included the financing fees capitalized and paid during the year for €3.6 million.

The Cash Flow Statement item "Reimbursement of borrowings" contained the repayment of the 2021 Notes for €425 million, as well as the lease liabilities principal repayment for €3.5 million; for a total of €428.5 million. In the table above, the cash flows shown for the lease liabilities included principal amounts for €3.5 million and interest payments for €0.3 million (see note 24).

The Cash Flow Statement item "Interest paid" contained €10.1 million of interest paid on the 2023 Notes, €23.6 million of interest paid on the 2021 Notes, €0.8 million of interest paid on the SSRCF, €0.3 million of interest paid on the bank facilities and bank overdrafts and €0.3 million of interest paid on leases; for a total of €35.1 million.

The Cash Flow Statement item "Other financial expenses paid (incl. Bond call premium)" included €18.1 million of the 2021 Notes call premium, €3.6 million of financing fees on the 2023 Notes capitalized and paid during the year, €3.1 million of financing fees on the SSRCF capitalized and paid during the year and €1.6 million of other expenses paid related to financial liabilities; for a total of €26.4 million.

25. PROVISIONS

	31 st March 2020	31 st March 2019
Provision for tax risks	4,601	6,244
Provision for pensions and other post employment benefits	280	950
Provision for others	2,762	-
Total non-current provisions	7,643	7,194
Provision for litigation risks	1,439	2,195
Provision for pensions and other post employment benefits	35	35
Provision for other employee benefits	26	303
Provision for operating risks and others	16,196	8,807
Total current provisions	17,696	11,340

As at 31st March 2020 there is a provision of €4.6 million for tax risks (€6.2 million as at 31st March 2019). In certain cases, the Company applied a tax treatment, which, if challenged by the tax authorities, may probably result in a cash outflow.

The main movements of the provision for tax risks are explained by a decrease of €2.7 million, following the application of IFRIC 23 "Uncertainty over Income Tax Treatments", uncertain income tax liabilities have been reclassified into the deferred tax liabilities heading. Additionally, there has been an increase in the provision for indirect tax of €1.1 million.

"Provisions for pensions and other post-employment benefits" has decreased due to payments linked to the Operational optimization plan (see note 2.4).

"Provision for others" is related to the earn-out for the Business Combination of Waylo (see note 31), €2.8 million non-current and €0.3 million current.

The decrease in “Provision for litigation risks” during the year ended 31st March 2020 is mainly related to the AGCM case (see note 30.7): €0.2 million have been reversed due to payment and €0.2 million have been written off due to reduction of fines after the appeal.

“Provisions for operating risks and others” mainly includes the provision for chargebacks for cancellations by suppliers for €13 million, which have increased mainly due to the COVID-19 impact (see note 3.2). The provision for chargebacks as at 31st March 2019 was €2 million, of which €1.5 million have been used during the current year, and the rest has been reversed. This caption also includes the provisions for Cancellation for any reason and Flexiticket for €2.5 million (€6.4 million as at 31st March 2019, of which 3.6 million has been used during the year, and the rest has been reversed).

26. TRADE AND OTHER PAYABLES

	31 st March 2020	31 st March 2019
Trade payables	135,644	353,724
Employee-related payables	2,257	7,978
Total Trade and other payables	137,901	361,702

The decrease in trade payables as at 31st March 2020 is mainly due to the reduction in volumes linked with COVID-19 (see note 3.2) and change of IATA remittance (see note 2.10).

27. DEFERRED REVENUE

	31 st March 2020	31 st March 2019
GDS agreement	-	12,080
Others	-	500
Total Deferred revenue - non current	-	12,580
GDS agreement	1,124	4,003
Cancellation and Modification for any reason	1,702	4,979
Prime	11,297	-
Others	760	2,575
Total Deferred revenue - current	14,883	11,557

All deferred revenue of the Group relates to contracts with customers.

The deferred revenue on the service of Cancellation and Modification for any reason and Prime correspond to the amounts of these products that have not been accrued yet (see note 4.4), that are presented in the balance sheet as deferred revenue.

The amount corresponding to Prime as at 31st March 2019 was presented as trade payables for €5.7 million, that have been recognized as revenue during the current reporting period.

The decrease in deferred revenue for Cancellation and Modification for any reason is due to the reduction in the sales of this product linked with COVID-19 (see note 3.2).

As at 31st March 2020, €8.0 million of liability related to the GDS agreement has been reclassified from non-current deferred revenue to other non-current liabilities, as the Group expects to repay this amount.

B3. Notes to the Consolidated Financial Statements

The following table shows how much of the revenue recognized in the current reporting period relates to carried-forward contract liabilities from previous year-end:

	31 st March 2020	31 st March 2019
GDS Agreement	3,039	3,886
Cancellation and Modification for any reason	4,979	2,007
Others	2,457	5,112
Total	10,475	11,005

28. OFF-BALANCE SHEET COMMITMENTS

	31 st March 2020	31 st March 2019
Guarantees to package travel	1,729	1,833
Others	450	587
Total	2,179	2,420

Other guarantees mainly include guarantees for Travel Licensing Bonding and other supplier guarantees.

All the shares held by eDreams ODIGEO in Opodo Ltd. as well as the receivables under certain intra-group funding loans relating to the 2023 Notes made to Opodo Limited and Go Voyages by eDreams ODIGEO, have been pledged in favour of the holders of the 2023 Notes (see note 24) and the secured parties under the Group's SSRCF dated 25th September 2018.

29. RELATED PARTIES

29.1 Transactions and balances with related parties

There have been no transactions or balances with related parties during the periods ended as at 31st March 2020 and 2019, other than those detailed below.

Key management

The compensation accrued by the key management of the Group (CSM: "CEO Staff Members") and during the years ended 31st March 2020 and 2019 amounted to €3.1 million and €4.2 million, respectively.

The key management has also been granted since the beginning of the plans with 3,405,676 Potential Rights of the 2016 LTIP plan and 898,900 Potential Rights of the 2019 LTIP plan at 31st March 2020 (3,507,138 Potential Rights of the 2016 LTIP plan at 31st March 2019) to acquire a certain number of shares of the parent company eDreams ODIGEO at no cost.

The valuation of the rights of the 2016 LTIP amounts to €7.8 million of which €6.4 million have been accrued in equity at 31st March 2020 since the beginning of the plan (€7.7 million of which €4.8 million accrued at 31st March 2019). The valuation of the rights of the 2019 LTIP amounts to €1.8 million of which €0.4 million have been accrued in equity at 31st March 2020 since the beginning of the plan (€0.0 million accrued at 31st March 2019). (See note 23).

Regarding the 2016 LTIP, 256,049 shares (the First Tranche, First Sub-tranche, First Delivery), 256,049 shares (the First Tranche, First Sub-tranche, Second Delivery), 256,049 shares (the First Tranche, First Subtranche, Third Delivery), 250,890 shares (the First Tranche, Second Sub-tranche, First Delivery), 238,154 shares (the First Tranche, Second Sub-tranche, Second Delivery) and 238,154 shares (the First Tranche, Second Sub-tranche, Third Delivery) have already been delivered to Key Management in August 2018, November 2018, February 2019, August 2019, November 2019 and February 2020.

B3. Notes to the Consolidated Financial Statements

During the year ended 31st March 2020, from the shares delivered as part of the 2016 LTIP First Tranche, Second Subtranche, Third Delivery, 75,067 shares were purchased by the Group from the Key Management, as part of a repurchase from all beneficiaries of the 2016 LTIP to fund future LTIP deliveries.

During the year ended 31st March 2019, from the shares delivered as part of the 2016 LTIP First Tranche, First Subtranche, Second Delivery, 79,049 shares were purchased by the Group from the Key Management as part of a repurchase from all beneficiaries of the 2016 LTIP and subsequently delivered to certain members of the Board as part of the delivery to all beneficiaries of the 2016 LTIP First Tranche, First subtranche, Third Delivery.

Board of Directors

During the period ended 31st March 2020 the independent members of the Board received a total remuneration for their mandate of €284 thousand (€240 thousand during the period ended 31st March 2019). See additional detail in Annual Corporate Governance Report in section C2.

Some members of the Board are also members of the key management of the Group and, consequently, their remuneration has been accrued based on their executive services, not for their mandate as members of the Board and, therefore part of this information is included in the key management retribution section above.

Remuneration for management services during the year ending March 2020 and March 2019 amounted to €1.1 million and €1.6 million, respectively.

Executive Directors have been also granted since the beginning of the plan with 2,056,343 Potential Rights of the 2016 LTIP plan and 505,200 Potential Rights of the 2019 LTIP plan at 31st March 2020 (2,056,343 Potential Rights of the 2016 LTIP plan at 31st March 2019) to acquire a certain number of shares of the parent company eDreams ODIGEO at no cost. The valuation of these rights of the 2016 LTIP plan amounts to €4.7 million of which €3.9 million have been accrued in equity at 31st March 2020 since the beginning of the

plan (€4.5 million of which €3.0 million have been accrued since the beginning of the plan at 31st March 2019). The valuation of the rights of the 2019 LTIP amounts to €1.0 million of which €0.2 million have been accrued in equity at 31st March 2020 since the beginning of the plan (€0.0 million accrued at 31st March 2019). (See note 23).

Regarding the 2016 LTIP, 158,767 shares (the First Tranche, First Sub-tranche, First Delivery), 158,767 shares (the First Tranche, First Sub-tranche, Second Delivery), 158,767 shares (the First Tranche, First Sub-tranche, Third Delivery), 152,261 shares (the First Tranche, Second Sub-tranche, First Delivery), 152,261 shares (the First Tranche, Second Sub-tranche, Second Delivery) and 152,261 shares (the First Tranche, Second Sub-tranche, Third Delivery) have already been delivered as shares to certain members of the Board in August 2018, November 2018, February 2019, August 2019, November 2019 and February 2020.

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

During the year ended 31st March 2019, from the shares delivered as part of the 2016 LTIP First Tranche – Second Delivery, 48,378 shares were purchased by the Group from the Key Management as part of a repurchase from all beneficiaries of the delivery to all beneficiaries of the 2016 LTIP and subsequently delivered to certain members of the Board as part of the 2016 LTIP First Tranche, First Subtranche, 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.

30. CONTINGENCIES AND PROVISIONS

30.1 Insurance premium tax

Last year the Group reported a €0.5 million relating to the possible risk of assessment of insurance premium tax in certain jurisdictions where the Group renders mediation services to its customers regarding the supply of travel insurance by insurers. This contingency is now outside statute of limitations. Therefore, this contingency no longer exists as at 31st March 2020.

30.2 UK VAT

Last year the Group reported a €0.4 million contingency relating to the assessment of VAT by the UK tax authorities. The Company successfully appealed against this VAT assessment. Therefore, this contingency no longer exists as at 31st March 2020.

30.3 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 certain 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 €2.0 million. The Group believes that it has made the appropriate charges of license fees to group companies. As the risk is considered only possible, no liability has been recognized in the balance sheet.

30.4 Payroll tax

The Group considers that there is a possible risk of assessment by tax authorities in respect of salary tax ("taxe sur les salaires") due by the French entity. The Company takes the view that only the salary cost of part of the French entity's employees are subject to this salary tax, whereas the French tax authorities may take the view that the salary cost of all employees should be included in the taxable basis. This contingency is estimated at €0.6 million. The Group believes that it has paid payroll taxes in accordance with French tax laws and regulations. As the risk is considered only possible, no liability has been recognized in the balance sheet.

30.5 Tax contingencies

The Group companies may be subject to audit by the tax authorities in respect of the taxes applicable to them for the years that are not statute-barred.

The Spanish tax group is currently undergoing a tax audit regarding income tax (fiscal years 2015-2018) and VAT (calendar years 2015-2017). As at the date of these financial statements, the fact finding process of the tax audit has not yet been completed.

As a result of different interpretations of tax legislation, additional liabilities may arise as a result of a tax audit. However, the Group considers that any such liabilities would not materially affect the consolidated financial statements.

30.6 Penalties relating to VAT

The group considers that there is a possible risk of assessment of penalties by tax authorities in respect of certain corrections made in the filing of its VAT returns. This contingency is estimated at €0.2 million. The Company believes that it has good arguments which support its position that no penalties should be due.

30.7 Investigation by the Italian consumer protection authority (AGCM)

On 18th January 2018, the Italian consumer protection authority (AGCM) rendered three decisions against Go Voyages SAS, 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-authorized use of premium-rate numbers.

The amounts of fines issued by the AGCM are as follows: Go Voyages SAS (€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 balance sheet for €1.6 million at 31st March 2018, of which the main part has been already paid.

An appeal was lodged before the TAR Lazio in order to challenge the legal grounds invoked by the AGCM and the amount of fines. In April and May 2019, the appeal judgments were notified. The TAR reduced the amount of fines as follows: Go Voyages SAS (€0.2 million), eDreams S.r.L. (€0.3 million) and Opodo Italia S.r.L. (€0.1 million). The TAR Lazio judgment is not final because the AGCM has lodged an appeal before the Consiglio di Stato (the Italian Supreme Administrative Court).

The Group expects to collect the amount corresponding to fines paid in excess after the sentence of the second instance, which is expected to be in more than 1 year, so a non-current financial asset has been recognized for €0.3 million.

31. BUSINESS COMBINATION

On 12th February 2020, the Group acquired from RoamAmore Inc. the hotel booking platform TheWaylo.com ("Waylo") (see note 2.11).

This purchase provides eDreams ODIGEO with significant, innovative AI-driven technology and leading hotel domain expertise, which will allow the Company to further grow its hotel and dynamic packages offering with additional content from thousands of hotels worldwide.

The Group considers that the acquisition constitutes a business combination, as the assets acquired are already generating activity, the contract includes contingent payments linked to the marginal profit generated by the acquired business, and the Group has reached an agreement with Key employees of the acquired business to continue working for the Group.

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of Waylo as at the date of acquisition were:

Intangible assets	7,772
Total identifiable net assets at fair value	7,772
Goodwill arising on acquisition	1,726
Total purchase consideration	9,498

The goodwill of €1.7 million comprises the value of expected synergies arising from the acquisition (see note 14).

Consideration

The detail of the purchase consideration is as follows:

Consideration paid at transaction date	6,456
Contingent consideration liability	3,042
Total purchase consideration	9,498

As part of the purchase agreement, a contingent consideration has been agreed. There will be additional cash payments to the previous owners depending on the future performance of the business that, as at 31st March 2020 have been estimated to be €3.0 million, booked as a provision (see note 25).

32. AUDITOR'S REMUNERATION

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

	31 st March 2020	31 st March 2019
Audit services	355	415
Services in connection with the debt refinancing	-	411
Others	55	67
Total audit	410	893

33. SUBSEQUENT EVENTS

33.1 SSRCF Covenant Waiver

On 21st April 2020, the Group announced that successful discussions with our lenders have resulted in our Super Senior Revolving Credit Facility ("SSRCF") only covenant of Gross Leverage Ratio being waived for Fiscal Year 2021, achieving further financial flexibility for the Group. Interest on the SSRCF and the 2023 Senior Notes will continue to be paid as usual.

33.2 New ICO Loan

On 30th June 2020, the Group's subsidiary Vacaciones eDreams, S.L.U. signed a syndicated loan for €15 million, guaranteed by the Spanish Official Credit Institute (ICO). The arrangement is within the legal framework set up by the Spanish government to mitigate the economic impact of COVID-19.

The loan has a three-year term, with 25% biyearly repayments starting at 18 months. The interest rate of the loan is the EURIBOR benchmark rate plus a margin of 2.75%.

33.3 Issue of shares

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

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

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.

B3. Notes to the Consolidated Financial Statements

34. CONSOLIDATION SCOPE

As at 31st March 2020 the companies included in the consolidation are as follows:

Name	Location / Registered Office	Line of business	% interest	% control
eDreams ODIGEO SA.	4, rue du Fort Wallis, L-2714 (Luxemburg)	Holding Parent company	100%	100%
Opodo Limited	26-28 Hammersmith Grove, W6 7BA (London)	On-line Travel agency	100%	100%
Opodo GmbH	Büschstraße 12 20354 (Hamburg)	Marketing services	100%	100%
Travellink AB	Box 415, 83126 (Östersund)	On-line Travel agency	100%	100%
Opodo S.L.	Calle Conde de Peñalver 5, 1Ext. Izq. 28006 (Madrid)	On-line Travel agency	100%	100%
eDreams Inc.	1209 Orange Street, city of Wilmington, County of New Castle, 19801 (State of Delaware)	Holding company	100%	100%
Vacaciones eDreams, S.L.U.	Calle Conde de Peñalver 5, 1Ext. Izq. 28006 (Madrid)	On-line Travel agency	100%	100%
eDreams International Network, S.L.U	Calle López de Hoyos 35, 2. 28002 (Madrid)	Admin and IT consulting	100%	100%
eDreams, Sr.L	Via San Gregorio, 34, 20124 (Milan)	On-line Travel agency	100%	100%
Viagens eDreams Portugal LDA	Avenida da Liberdade, no 129 - B 1250 140 (Lisbon)	On-line Travel agency	100%	100%
eDreams LLC	2035 Sunset Lake Road Suite B-2, 19702 (City of Newark) Delaware	On-line Travel agency	100%	100%
eDreams Business Travel, S.L.	Carrer Bailén, 67-69, 08009 (Barcelona)	On-line Travel agency	100%	100%
Traveltising, SA.	Calle López de Hoyos 35, 2. 28002 (Madrid)	Creating audiences for optimizing online advertising campaigns	100%	100%
Geo Travel Pacific Pty Ltd	Level 2, 117 Clarence Street (Sydney)	On-line Travel agency	100%	100%
Go Voyages SAS	11, Avenue Delcassé, 75008 (Paris)	On-line Travel agency	100%	100%
Go Voyages Trade SAS	11, Avenue Delcassé, 75008 (Paris)	On-line Travel agency	100%	100%
Liligo Metasearch Technologies SAS	11, Avenue Delcassé, 75008 (Paris)	Metasearch	100%	100%
ODIGEO Hungary Kft	Nagymező 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.U.	Calle Conde de Peñalver 5, 1Ext. Izq. 28006 (Madrid)	On-line Travel agency	100%	100%



B4. GLOSSARY OF DEFINITIONS



B4. Glossary of definitions

ALTERNATIVE PERFORMANCE MEASURES

Non-reconcilable to GAAP measures

Acquisition Cost per Booking Index refers to the most relevant marketing expenses incurred to acquire new customers (encompassing Paid search, Metasearch and Affiliates), divided by the total number of Bookings. For any given period, the ratio is expressed as an index 100, in which 100 is the value of Acquisition Cost per Booking for the three-month period ended on December 2015. The acquisition cost per Booking index provides to the reader a view of the trend of one of the main variable cost (marketing cost) of the business.

Gross Bookings refers to the total amount paid by our customers for travel products and services booked through or with us (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 as well as transactions made under white label arrangements and transactions where we act as a "pure" intermediary whereby we serve 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.

Reconcilable to GAAP measures

Adjusted EBITDA means operating profit / loss before depreciation and amortization, impairment and profit / loss on disposals of non-current assets, certain share-based compensation, restructuring expenses and other income and expense items which are considered by management to not be reflective of our ongoing operations. Adjusted EBITDA provide to the reader a better view about the ongoing EBITDA generated by the Group.

Adjusted Net Income means our 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

our ongoing operations. Adjusted Net Income provides to the reader a better view about the ongoing results generated by the Group.

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.

EBITDA means operating profit / loss before depreciation and amortization, 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.

(Free) Cash Flow before financing means cash flow from operating activities plus cash flow from investing activities.

Gross Financial Debt means total financial liabilities considering financing cost capitalized plus accrued interests 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.

Gross Leverage Ratio means the total amount of outstanding Gross Financial Debt on a consolidated basis divided by "Adjusted 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.

Net Financial 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.

Net Income means Consolidated profit / loss for the year.

Net Leverage Ratio means the total amount of outstanding Net Financial Debt on a consolidated basis divided by "Adjusted EBITDA". This measure offers to the reader a view about the capacity of the Group to

B4. Glossary of definitions

generate enough resources to repay the Gross Financial Debt, also considering the available cash in the Group.

Revenue Diversification Ratio is a ratio representing the amount of Diversification Revenue earned in a twelve-month period as a percentage of our total revenue. Our management believes that the presentation of the Revenue Diversification Ratio measure may be useful to readers to help understand the results of our revenue diversification strategy.

Revenue Margin means our IFRS revenue less cost of supplies. Our management uses Revenue Margin to provide a measure of our revenue after reflecting the deduction of amounts we pay to our 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.

Other defined terms

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 our ongoing operations.

Advertising and Metasearch Revenue represents revenue from other ancillary sources, such as advertising on our websites and revenue from our metasearch activities. Our management believes that the presentation of the Advertising and Metasearch Revenue measure may be useful to readers to help understand the results of our revenue diversification strategy.

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.

Classic Customer Revenue represents customer revenue other than Diversification Revenues earned through flight service fees, cancellation and modification fees, tax refunds and mobile application revenue. Our management believes that the presentation of the Classic Customer Revenues measure may be useful to readers to help understand the results of our revenue diversification strategy.

Classic Supplier Revenue represents supplier revenue earned through GDS incentives for Bookings mediated by us through GDSs and incentives received from payment service providers. Our management believes that the presentation of the Classic Supplier Revenues measure may be useful to readers to help understand the results of our revenue diversification strategy.

Customer Repeat Booking Rate (%) refers to the ratio, expressed on a percentage basis, of Bookings made in a quarter by customers who made a prior Booking in the 12 months prior to that quarter divided by the total number of Bookings. The ratio is annualized, multiplying by four and by the ratio of the quarter over the average of last 4 quarters, to eliminate seasonality effects.

Customer Relationship Management (CRM) represents the set of activities that will encourage our customers to repeat business with us: visit our site again and make another Booking. To be successful we need to understand our customers' behaviours and needs: we collect, analyze and use data to make each of those interactions with customers as personalized and relevant as possible.

Diversification Revenue represents revenue 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, over-commissions and incentives directly received from airlines. Our management believes that the presentation of the Diversification Revenues measure may be useful to readers to help understand the results of our revenue diversification strategy.

B4. Glossary of definitions

Fixed Costs includes IT expenses net of capitalization write-off, personnel expenses which are not Variable Costs, external fees, building rentals and other expenses of fixed nature. Our management believes the presentation of Fixed Costs may be useful to readers to help understand our cost structure and the magnitude of certain costs we have the ability to reduce in response to changes affecting the number of transactions processed.

Fixed Costs per Booking means fixed costs divided by the number of Bookings. See definitions of "Fixed costs" and "Bookings".

Marginal Profit means "Revenue Margin" less "Variable Costs".

Product Diversification Ratio (%) is a ratio expressed on a percentage basis and calculated by dividing the number of flight ancillary products and non-flight products linked to Bookings (such as insurance, additional check-in luggage, reserved seats, certain additional service options, Dynamic Packages and car rental) by the total number of Bookings for a given period.

Top 6 Markets and Top 6 Segments refers to our operations in France, Spain, Italy, Germany, UK and Nordics.

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. Our management believes the presentation of Variable Costs may be useful to readers to help understand our cost structure and the magnitude of certain costs. We have the ability to reduce certain costs in response to changes affecting the number of transactions processed.

Variable Costs per Booking means variable costs divided by the number of Bookings. See definitions of "Variable costs" and "Bookings".



B5. RECONCILIATION OF APM &
● OTHER DEFINED TERMS



B5. Reconciliation of APM

EBIT, EBITDA, ADJUSTED EBITDA

	12 months ended 31 st March 2020	12 months ended 31 st March 2019
Operating profit = EBIT	(9,249)	90,375
Depreciation and amortization	(34,525)	(26,059)
Impairment loss	(74,917)	-
Gain or loss arising from assets disposals	(490)	-
EBITDA	100,683	116,434
Long term incentives expenses	(2,962)	(3,377)
Restructuring cost (see note 2.4)	(8,965)	1,682
M&A Projects	(2,002)	-
Strategic brand process	-	(418)
Extraordinary recruiting and termination costs	-	(250)
Strategic review process	-	(53)
Holding tax not applicable to current corporate structure	-	(227)
Other	(467)	(486)
Adjusted items	(14,396)	(3,129)
Adjusted EBITDA	115,079	119,563

REVENUE MARGIN, REVENUE MARGIN PER BOOKING, DIVERSIFICATION REVENUE

	12 months ended 31 st March 2020	12 months ended 31 st March 2019
BY NATURE:		
Revenue	561,762	551,320
Cost of sales	(33,099)	(18,307)
Revenue Margin	528,663	533,013
BY SEGMENTS:		
Top 6	405,243	418,069
Rest of the World	123,420	114,944
Revenue Margin	528,663	533,013
Number of Bookings	10,767,845	11,181,576
Revenue Margin per booking (euros)	49	48

	12 months ended 31 st March 2020	12 months ended 31 st March 2019
BY SOURCE:		
Diversification revenue	277,960	236,512
Classic revenue - customer	156,497	195,105
Classic revenue - supplier	76,320	74,267
Advertising & metasearch	17,886	27,129
Revenue Margin	528,663	533,013

B5. Reconciliation of APM

FIXED COST, VARIABLE COST, ADJUSTED ITEMS

	12 months ended 31 st March 2020	Restated 12 months ended 31 st March 2019
Fixed cost	(62,816)	(75,588)
Variable cost	(350,768)	(337,862)
Adjusted items	(14,396)	(3,129)
Operating cost	(427,980)	(416,579)
Personnel expenses	(56,037)	(64,026)
Impairment loss on bad debts	(2,428)	1,866
Other operating expenses	(369,515)	(354,419)
Operating cost	(427,980)	(416,579)

During this year the Group has reclassified from fixed to variable cost, the cost related to Cloud, customers' check-in cost and call center telecommunications cost. All these costs are incurred when an action related to a Booking takes place (e.g. a search, a check-in or a call) therefore they are variable in nature as opposed to fixed costs.

The majority of the cost reclassified was new from fiscal year 2019 and related to new technology and / or new services that started throughout the year. They were initially recognized in fixed cost following the main stream nature (e.g. IT and telecommunications costs).

	12 months ended 31 st March 2019	Restatement	Restated 12 months ended 31 st March 2019
Fixed cost	(77,678)	2,090	(75,588)
Variable cost	(335,772)	(2,090)	(337,862)

GROSS FINANCIAL DEBT, NET FINANCIAL DEBT

	31 st March 2020	31 st March 2019
Non-current financial liabilities	489,368	423,274
Current financial liabilities	48,228	10,999
Gross Financial Debt	537,596	434,273
(-) Cash and cash equivalents	(83,337)	(148,831)
(-) SSRCF Financing costs (see note 19)	-	(2,786)
Net Financial Debt	454,259	282,656

(FREE) CASH FLOW BEFORE FINANCING

	12 months ended 31 st March 2020	12 months ended 31 st March 2019
Net cash from operating activities	(101,359)	75,463
Net cash flow from / (used) in investing activities	(36,200)	(28,809)
Free Cash Flow before financing activities	(137,559)	46,654

B5. Reconciliation of APM

ADJUSTED NET INCOME

	12 months ended 31 st March 2020	12 months ended 31 st March 2019
Net Income	(40,523)	9,520
Adjusted items (included in EBITDA)	14,396	3,129
Loss on transfer of Barcelona customer service assets (see note 2.4)	489	-
2021 Notes 10M Repayment ¹	-	18,063
Write off of capitalized financial expenses on the 2021 Notes and previous SSRCF ²	-	13,294
Impairment loss on brands (see note 18)	8,880	-
Impairment loss on goodwill (see note 17)	65,182	-
Tax effect of the above adjustments	(5,446)	(3,769)
Capitalization of US Foreign Tax Credit ³ (see note 13.3)	(9,710)	-
Derecognition of tax losses carried forward in the UK (see note 13.3)	1,424	-
Adjusted net income	34,692	40,237
Adjusted net income per share (€)	0.32	0.37
Adjusted net income per share (€) - fully diluted basis	0.30	0.35

¹ One-off redemption expenses for the repayment of the 2021 Notes amounting to €18.1 million in the year ended 31st March 2019.

² Expenses for the write-off related to the refinancing in the year ended 31st March 2019 correspond to:

- The capitalized financing fees of the 2021 Notes written off to financial expenses due to the refinancing (€9.9 million).
- The capitalized financing fees of the previous SSRCF written off to financial expenses due to the refinancing (€3.4 million).

³ Based on IRS Regulations the US Foreign Tax Credit carried over (which had to be written-off as at 31st March 2018) could be reinstated.



B6. RESPONSIBILITY STATEMENT



B6. Responsibility Statement

eDreams ODIGEO Soci  t   Anonyme
4, rue du Fort Wallis
L – 2714 Luxembourg
Grand Duchy of Luxembourg

RESPONSIBILITY STATEMENT

We confirm that to the best of our knowledge that:

- 1. The Consolidated Financial Statements of eDreams ODIGEO as of 31st March 2020 presented in this Annual report and established in conformity with International Financial Reporting Standards as adopted in the European Union give a true and fair view of the assets, liabilities, financial position and results of eDreams ODIGEO and the undertakings included within the consolidation taken as a whole; and
- 2. The annual accounts of eDreams ODIGEO as of 31st March 2020 presented in this Annual Report and established in conformity with the Luxembourg legal and regulatory requirements relating to the preparation of annual accounts give a true and fair view of the assets, liabilities, financial position and results of eDreams ODIGEO; and
- 3. The management report as of 31st March 2020 includes a fair view of the development and performance of the business and position of eDreams ODIGEO and the undertakings included within the consolidation taken as a whole, together with a description of the principal risk and uncertainties they face.

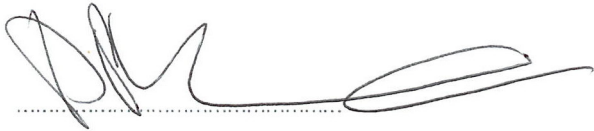
Luxembourg, 7th July 2020

In representation of The Board of Directors

Tomas Vollmoeller Chairman


.....

Dana Dunne CEO


.....

David El  zaga CFO


.....
7th July 2020

