

eDreams ODIGEO

Results Presentation 3Q FY24

28th February 2024



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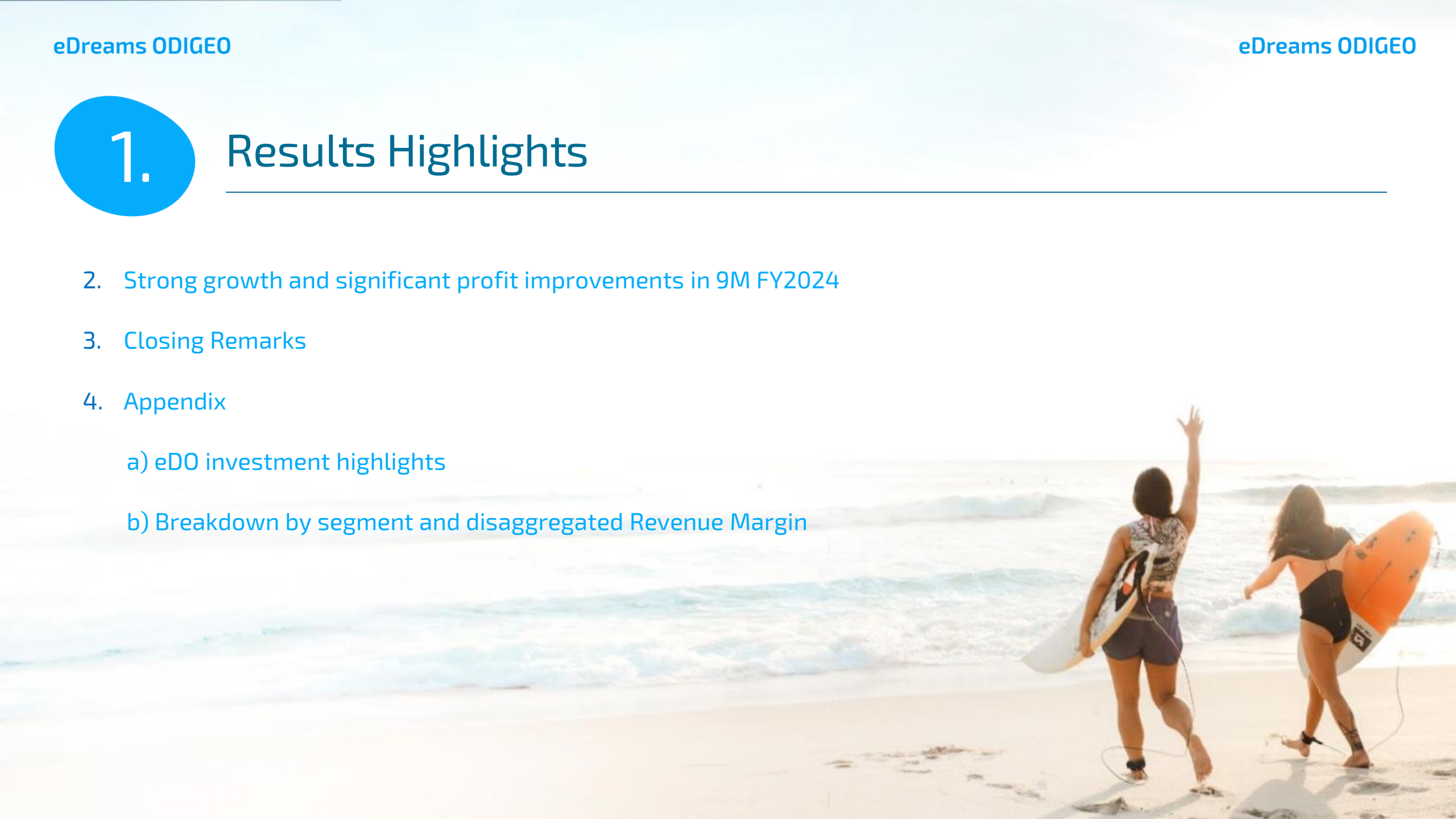
The financial information included in this presentation includes, in addition to the financial information prepared in accordance with International Financial Reporting Standards ("IFRS") and derived from the Group financial statements, alternative performance measures ("APMs") as defined in the Guidelines on Alternative Performance Measures issued by the European Securities and Markets Authority (ESMA) on 5 October 2015 (ESMA/2015/1415en) and other non-IFRS measures ("Non-IFRS Measures"), including "Bookings", "Gross Bookings", "EBITDA", "Adjusted EBITDA", "Cash EBITDA", "Revenue Margin", "Cash Revenue Margin", "Cash Marginal Profit", "Prime ARPU" and "Variable Costs", which are not accounting measures as defined by IFRS. These financial measures that qualify as APMs and non-IFRS measures have been calculated with information from the Group; however those financial measures are not defined or detailed in the applicable financial reporting framework nor have been audited or reviewed by the Group auditors.

We have presented these measures because we believe that they are useful indicators of our financial performance and our ability to incur and service our indebtedness and can assist analysts, investors and other parties to evaluate our business. However, these measures should not be used instead of, or considered as alternatives to, the unaudited condensed consolidated interim financial statements for the Group based on IFRS. Further, these measures may not be comparable to similarly titled measures disclosed by other companies.

For further details on the definition, explanation on the use of and calculation between APMs and Non-IFRS Measures please see the section 5 on "Alternative performance measures" (of the Group's unaudited condensed consolidated interim financial statements and notes for the nine months ended on 31st December 2023, published on 28th February 2024. The documents are available on the Company's website (<https://www.edreamsodigeo.com>).

1. Results Highlights

- 2. Strong growth and significant profit improvements in 9M FY2024
- 3. Closing Remarks
- 4. Appendix
 - a) eDO investment highlights
 - b) Breakdown by segment and disaggregated Revenue Margin



Strength of the prime model continues to drive strong growth and profit improvements

- Cash EBITDA (*) up 54% to €88.6 million compared to €57.4 million reported in 9M FY23. Cash EBITDA Margin(*) increased 5pp in just one year, from 12.5% to 17.5% in 9M FY24. This was driven by Prime Cash EBITDA Margin (*) improvement from 21.4% in 9M FY23 to 26.0% in 9M FY24. As guided, the maturity of Prime members (*) is the most important driver for profitability, and this has resulted in substantial improvements in profitability as we have more and more Prime members (*) renewing their memberships.
- Cash Marginal Profit (*) up 38% to €158.9 million in 9M FY24, and the margin had a 6pp improvement since 9M FY23.
- (Free) Cash Flow ex Non-Prime Working Capital (*) up from €20 million in FY23 to €41 million in 3Q FY24 LTM, doubling in less than one year.

Prime model proven to be a success

- Prime members reached 5.4 million members in 9M FY24 (up 38% year-on-year).
- Cash Revenue Margin (*) for Prime shows significant improvement, the Prime share of total Cash Revenue Margin increased from 45% in 9M FY23 to 62% in 9M FY24.
- Growth in Cash Marginal Profit (*) for Prime, increased more than Cash Revenue Margin (*) as share of year 2+ Prime members has a very positive impact on margins. Cash Marginal Profit (*) for Prime stood at €123.2 million, up 82% the amount in FY23 (€67.6 million in 9M FY23). Prime share of Cash Marginal Profit (*) stood at 78% of the Group total compared to 59% in 9M FY23. Cash Marginal Profit Margin (*) for Prime up 7pp from 32.6% to 39.4% in 9M FY24.

Outlook

- FY24: Prime Members (*) between 5.75 and 5.9 million, and Cash EBITDA between €120-122 million.
- On track and reconfirm all our FY25 targets: Prime Members (*) – In excess of 7.25 million Prime members; Prime ARPU (*) – Around €80 per user; and Cash EBITDA (*) – Our 9M FY24 results demonstrated that an increasing share of year 2+ Prime members has a very positive impact on margins (doubled since 1Q FY23). Our results continue to demonstrate we continue to be well on track to meet our self-imposed target of over €180 million of Cash EBITDA in FY25.
- Longer term – eDO has strong fundamental growth potential beyond FY25.
- Share Buy-back - The Board of Directors has approved a share repurchase plan of 5.5 million shares in order to fund the LTI plans for employees until FY27, for a maximum amount of €50 million.

2.

Strong growth and significant profit improvements in 9M FY2024

3. Closing remarks

4. Appendix

a) eDO investment highlights

b) Breakdown by segment and disaggregated Revenue Margin



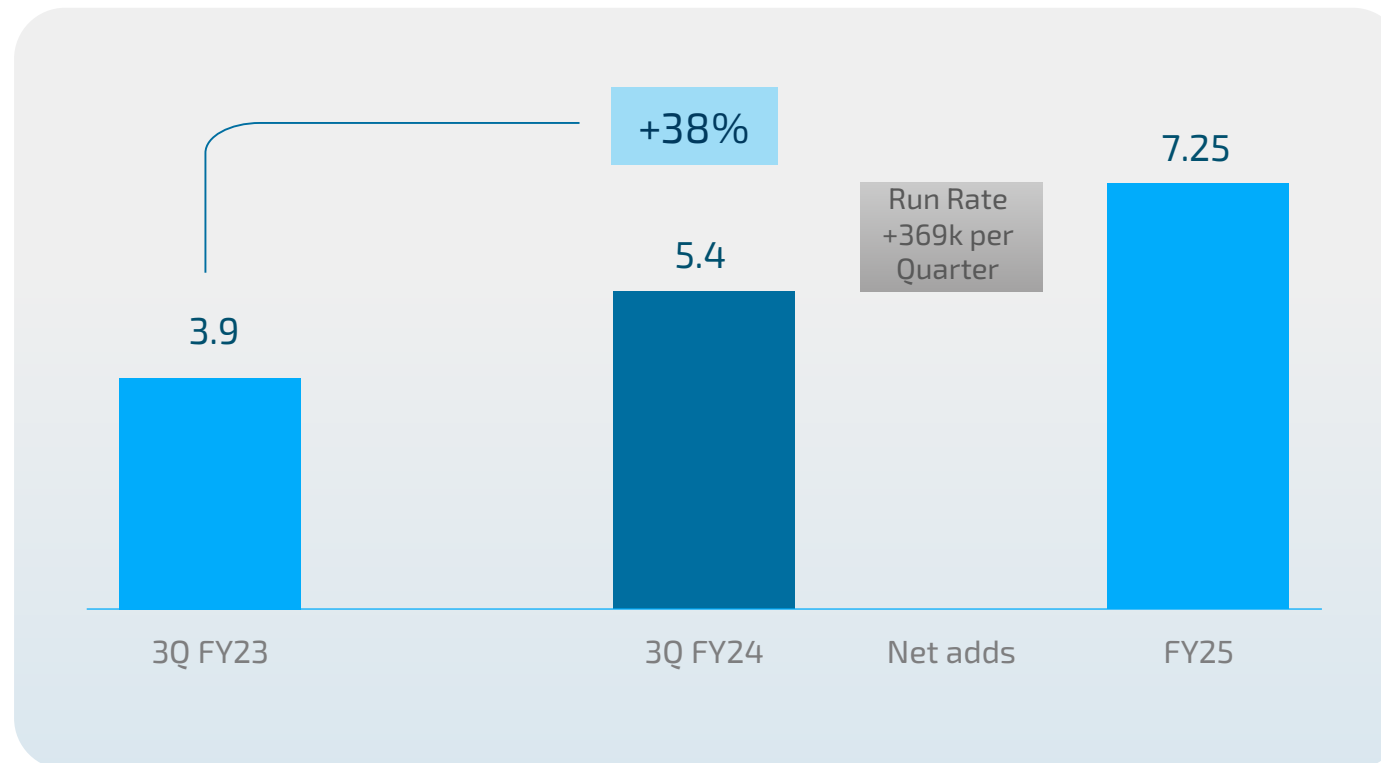
2.

As expected, net adds (*) in the quarter were impacted as the lowest seasonal quarter given less people are looking for a trip

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Quarterly net adds (*) in the quarter affected by seasonality but run rate needed for next 5 quarters in line with the one achieved in the past 4 quarters.

Quarterly run rate stable in the last 12 months
(Million Members)



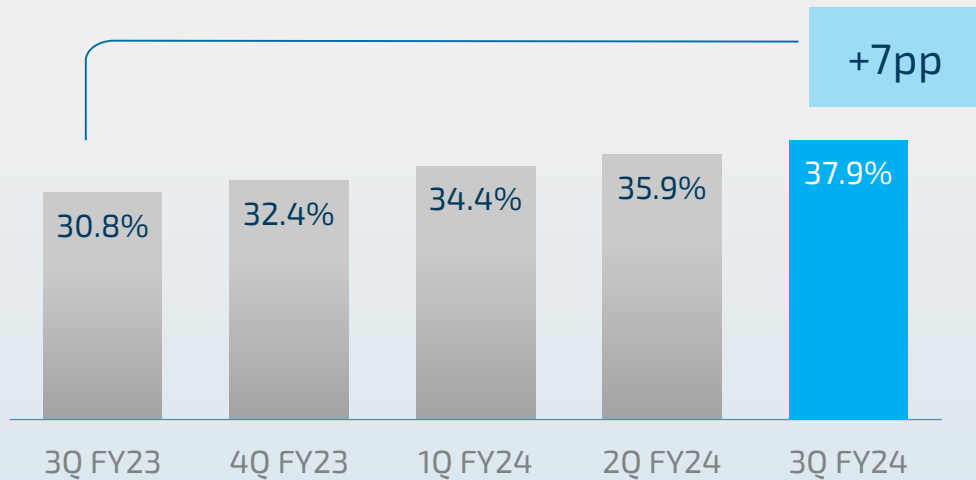
Source: Company data.

(*) Net Adds: Gross Adds-Churn.

Prime delivers significant uplifts in profit margins as the Prime member (*) base matures

CASH MARGINAL PROFIT MARGIN (*) CONTINUES TO IMPROVE AS MATURITY OF PRIME MEMBERS (*) INCREASES

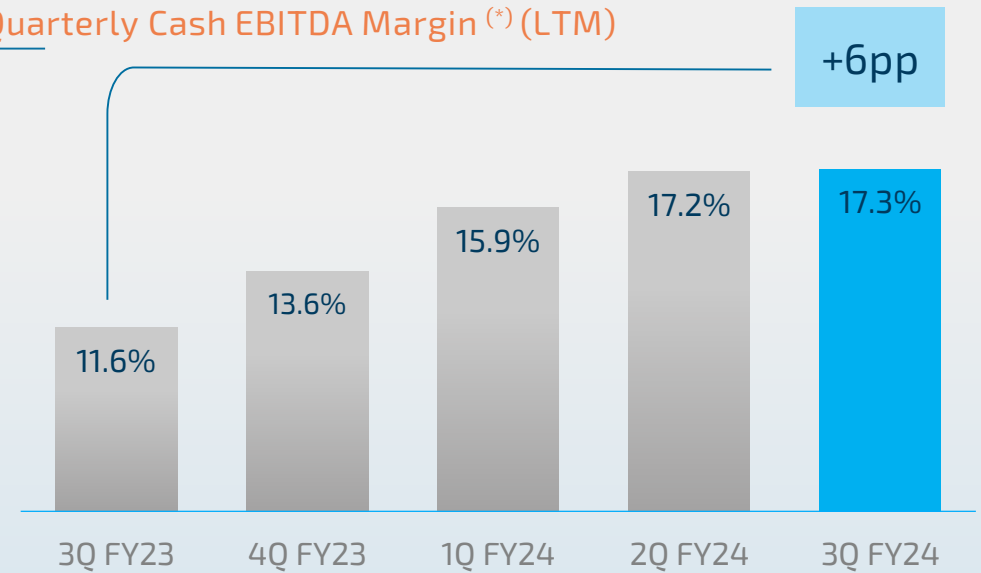
Cash Marginal Profit Margin (*) (LTM) for Prime



Source: Company data.

CASH EBITDA MARGIN (*) IMPROVED ALSO AS A RESULT OF THIS MATURITY

Quarterly Cash EBITDA Margin (*) (LTM)



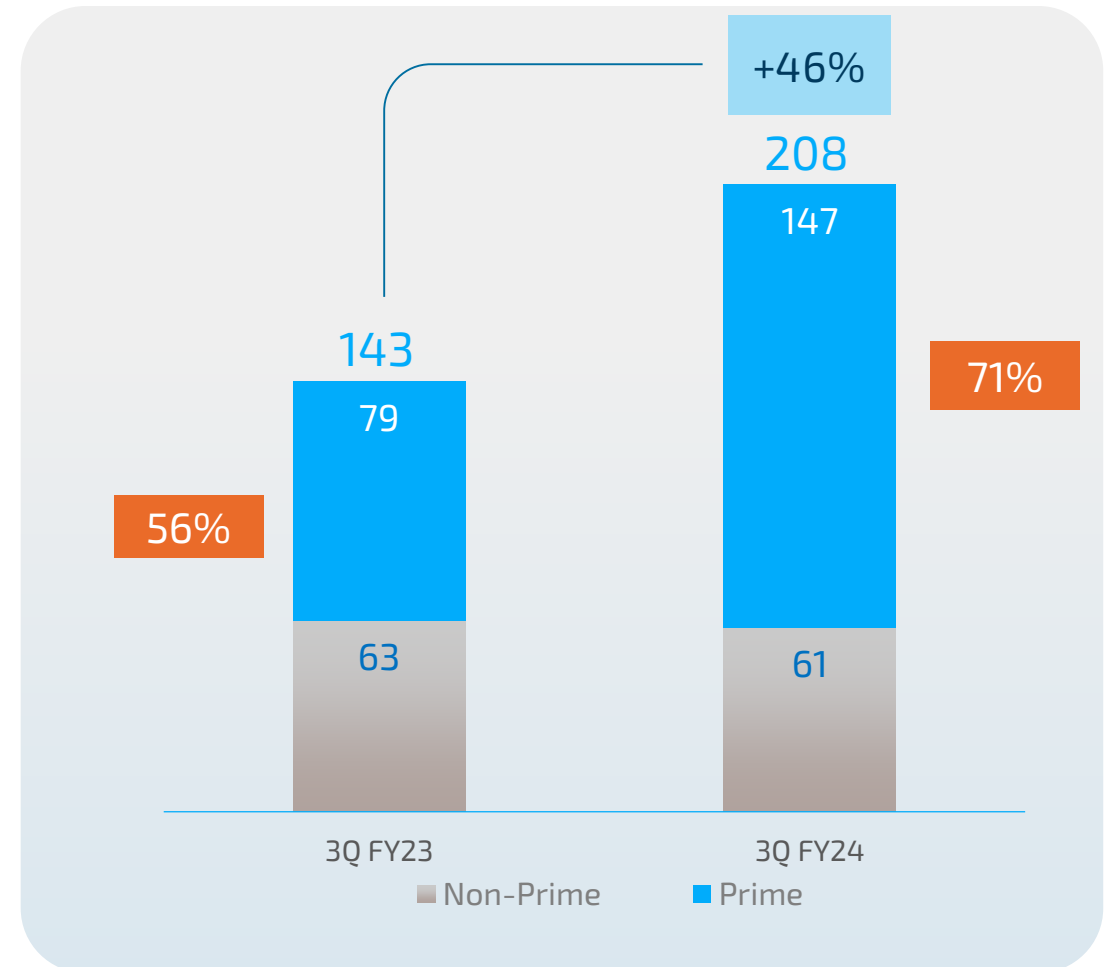
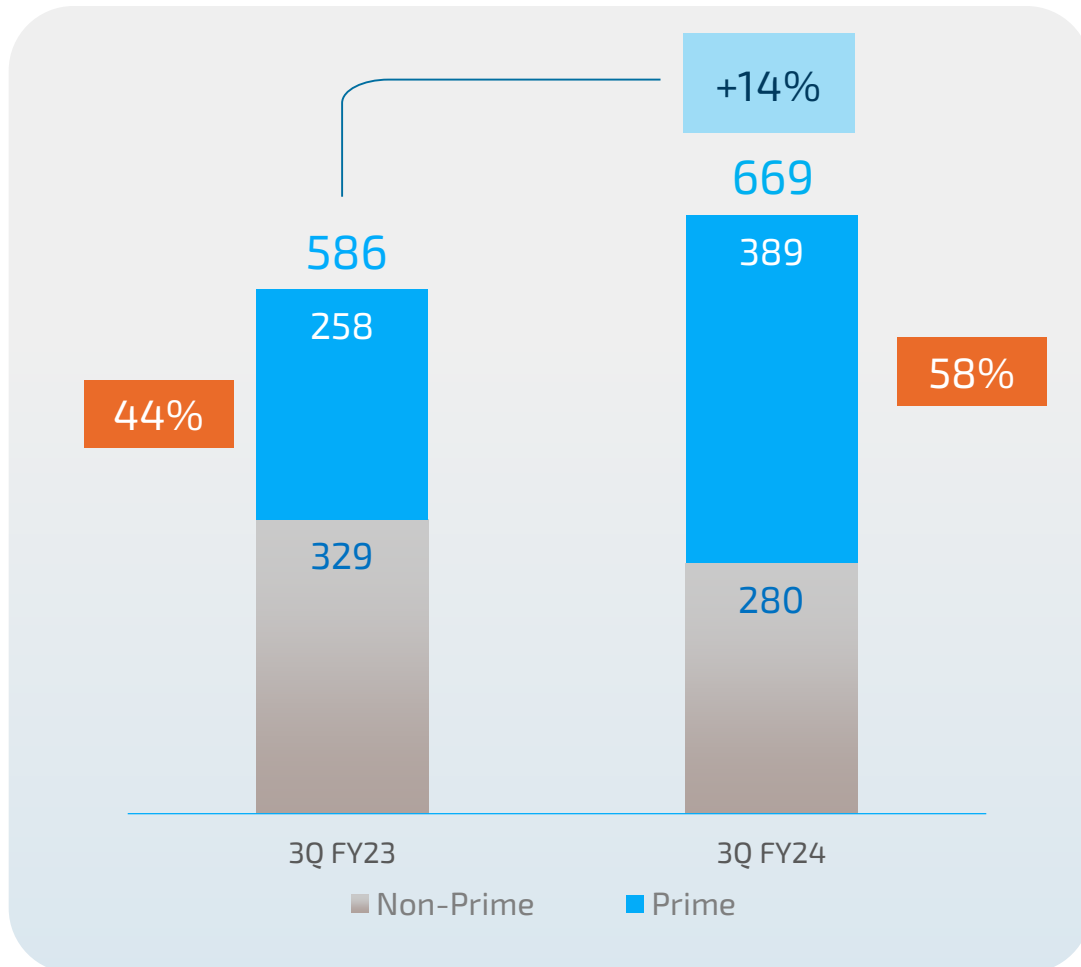
Source: Company data.

2.

Prime represents more of the overall business: almost 60% of the Cash Revenue Margin (*) and more than 2/3 of the Cash Marginal Profit (*)

Cash Revenue Margin (*) (LTM)
(€M)

Cash Marginal Profit (*) (LTM)
(€M)



(*) Definitions of Non-GAAP measures on page 27-29.

Prime weight of total

Strong growth in Cash EBITDA^(*) and substantial improvement in margins as the maturity of Prime members^(*) increases

P&L with increase in Prime Deferred Revenue

(IN EURO MILLION)	3Q FY24	VAR. FY24 VS FY23	3Q FY23	9M FY24	VAR. FY24 VS FY23	9M FY23
REVENUE MARGIN^(*) (excl. Adj. Revenue Items)^(**)	147.2	13%	130.5	474.2	13%	419.5
INCR. PRIME DEFERRED REVENUE ^(*)	5.7	(55%)	12.7	33.1	(18%)	40.2
CASH REVENUE MARGIN^(*)	152.9	7%	143.2	507.3	10%	459.7
VARIABLE COSTS ^(*)	(102.9)	1%	(102.1)	(348.4)	1%	(344.2)
CASH MARGINAL PROFIT^(*)	50.0	22%	41.1	158.9	38%	115.5
FIXED COSTS ^(*)	(24.9)	37%	(18.1)	(70.4)	21%	(58.1)
CASH EBITDA^(*)	25.1	9%	23.0	88.6	54%	57.4
INCR. PRIME DEFERRED REVENUE ^(*)	(5.7)	(55%)	(12.7)	(33.1)	(18%)	(40.2)
ADJUSTED EBITDA^(*)	19.4	89%	10.3	55.5	222%	17.2
ADJUSTED ITEMS ^(*)	(4.2)	7%	(3.9)	(3.4)	(65%)	(9.8)
EBITDA^(*)	15.2	139%	6.3	52.1	N.A.	7.4

(*) Definitions of Non-GAAP measures on page 27-29.

(**) Excluding in 9M FY24, €7.9 million of Prime Revenue as a result of a change in estimation (see note 3.3 of Unaudited Condensed Consolidated Interim Financial Statements).

Highlights 9M FY24

1. Cash Revenue Margin^(*) is 10% above 9M FY23. Cash Marginal Profit^(*) and Cash EBITDA^(*) improved 38% and 54% respectively between 9M FY23 and 9M FY24. As a greater percentage of Prime members^(*) move from year 1 to year 2+, our Cash Marginal Profit^(*) and Cash EBITDA^(*) improve.
2. Over the past year our subscribers grew by 38% to 5.4 million. In addition, 62% and 78% of our Cash Revenue Margin^(*) and Cash Marginal Profit^(*) in 9M FY24 respectively, are now from Prime members^(*).
3. In 1Q FY24 the Group decided to change the base of Prime revenue recognition from "based on usage" to "based on gradual model". Due to the evolution of the Prime product and the information collected on the relevance of customer service for subscribers, the Group has estimated that the pattern of consumption aligned better with recognising revenue of Prime gradually.
4. As guided, the maturity of Prime members^(*) is the most important driver for profitability, this has resulted in strong improvements in profitability as we have more and more Prime members^(*) renewing their memberships.
5. Cash Marginal Profit Margin^(*) increased to 31% in 9M FY24 from 25% in 9M FY23, a 6pp improvement. Cash EBITDA Margin^(*) in 9M FY24, also achieved very substantial improvements and stood at 17% vs. 12% in 9M FY23.
6. Cash EBITDA^(*) stood at €88.6 million in 9M FY24, up 54% year-on-year.

(IN EURO MILLION)	3Q FY24	VAR. FY24 VS FY23	3Q FY23	9M FY24	VAR. FY24 VS FY23	9M FY23
REVENUE MARGIN (*) (excl. Adj. Revenue Items) (**)	147.2	13%	130.5	474.2	13%	419.5
VARIABLE COSTS (*)	(102.9)	1%	(102.1)	(348.4)	1%	(344.2)
FIXED COSTS (*)	(24.9)	37%	(18.1)	(70.4)	21%	(58.1)
ADJUSTED EBITDA (*)	19.4	89%	10.3	55.5	222%	17.2
ADJUSTED ITEMS (*)	(4.2)	7%	(3.9)	(3.4)	(65%)	(9.8)
EBITDA (*)	15.2	139%	6.3	52.1	N.A.	7.4
D&A INCL. IMPAIRMENT	(9.7)	3%	(9.5)	(28.4)	11%	(25.6)
EBIT (*)	5.4	N.A.	(3.1)	23.7	N.A.	(18.2)
FINANCIAL RESULTS	(4.9)	(25%)	(6.6)	(19.3)	(4%)	(20.1)
INCOME TAX	(2.9)	N.A.	(0.4)	(8.3)	N.A.	4.2
NET INCOME	(2.4)	N.A.	(10.1)	(4.0)	N.A.	(34.1)
ADJUSTED NET INCOME (*)	1.8	N.A.	(6.8)	(0.2)	N.A.	(25.8)

Source: Unaudited Condensed Consolidated Interim Financial Statements.

(*) Definitions of Non-GAAP measures on page 27-29.

(**) Excluding in 9M FY24, €7.9 million of Prime Revenue as a result of a change in estimation (see note 3.3 of Condensed Consolidated Interim Financial Statements).

Highlights 9M FY24

- Revenue Margin (*) excluding adjusted revenue items (**)** increased by 13% to €474.2 million, mostly driven by an increase in Prime Revenue Margin (up 67%), following the successful expansion of the Prime Member Base. Prime Revenue Margin growth was offset by the Non-Prime Revenue Margin, which decreased 23% vs 9M FY23, due to both the positive impact of a catch-up of Omicron Bookings in 1Q FY23 and the focus on the Prime side of the business.
- Variable costs (*)** broadly in line with 9M FY23, despite higher Revenue Margin, as maturity of Prime members increases and reduces acquisition costs.
- Fixed costs (*)** increased by €12.3 million, mainly driven by higher personnel costs.
- Adjusted items (*)** changed by €6.4 million primarily due to the €7.9 million of Prime Revenue registered by the Group as a result of a change in estimation, which has been accounted for against the Prime deferred revenue.
- D&A and impairment** increased by €2.8 million mainly due to the amortisation of the newly capitalised items, partially offset by lower amortisation due to higher fully amortised items.
- Financial loss** decreased by €0.8 million, mainly due to lower interest expense in the SSRCF due to the non-use of the SSRCF during the FY24.
- The income tax expense** increased by €12.5 million from an income of €4.2 million in 9M FY23 to an expense of €8.3 million in 9M FY24 due to (a) higher taxable profits in Spain (€12.3 million higher tax expense), (b) lower correction of UK deferred tax (€0.4 million lower tax expense), (c) higher taxable profits in the US (€0.4 million higher tax expense), and (d) other differences (€0.2 million higher tax expense).

(IN EURO MILLION)	3Q FY24	3Q FY23	9M FY24	9M FY23
ADJUSTED EBITDA (*)	19.4	10.3	55.5	17.2
ADJUSTED ITEMS (*)	(4.2)	(3.9)	(3.4)	(9.8)
NON-CASH ITEMS	1.4	2.3	9.2	14.9
CHANGE IN WORKING CAPITAL	(26.1)	(7.8)	5.6	11.6
INCOME TAX (PAID) / COLLECTED	(1.6)	(2.0)	(4.4)	(2.0)
CASH FLOW FROM OPERATING ACTIVITIES	(11.2)	(1.2)	62.5	31.9
CASH FLOW FROM INVESTING ACTIVITIES	(13.0)	(10.7)	(36.0)	(27.0)
CASH FLOW BEFORE FINANCING	(24.2)	(11.9)	26.4	4.9
ISSUE OF SHARES	-	(0.3)	-	(3.7)
OTHER DEBT ISSUANCE / (REPAYMENT)	(0.8)	18.5	(5.7)	(16.2)
FINANCIAL EXPENSES (NET)	(0.4)	(1.0)	(12.2)	(13.2)
CASH FLOW FROM FINANCING	(1.2)	17.2	(17.9)	(33.1)
NET INCREASE / (DECREASE) IN CASH BEFORE BANK OVERDRAFTS	(25.4)	5.3	8.5	(28.2)
BANK OVERDRAFTS USAGE / (REPAYMENT)	6.2	(5.8)	2.3	22.7
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS NET OF BANK OVERDRAFTS	(19.2)	(0.5)	10.9	(5.4)

(*) Definitions of Non-GAAP measures on page 27-29.

Source: Condensed Consolidated Interim Financial Statements Unaudited.

Highlights 9M FY24

1. Net cash from operating activities increased by €30.6 million, mainly reflecting:
 - Working capital inflow of €5.6 million compared to an inflow of €11.6 million in 9M FY23. The lower inflow in 9M FY24 is driven by the higher increase in volumes between March 2022 and December 2022 mainly due to the catch-up effect of Omicron Bookings. The volumes between March 2023 and December 2023 have been more stable.
 - Income tax paid increased by €2.4 million from €2.0 million income tax paid in 9M FY23 to €4.4 million income tax paid in 9M FY24 due to (a) higher Spanish taxable profits, (b) the prepayment of Italian income tax in connection with the appeal to the Supreme Court and (c) higher US taxable profits.
 - Adjusted EBITDA (*) increased to €55.5 million from €17.2 million in 9M FY23.
 - Non-cash items: items accrued but not yet paid, decreased by €5.7 million mainly due to a lower variation in the operational provisions recorded.
2. We have used cash for investments of €36.0 million in 9M FY24, an increase of €9.1 million, mainly due to an increase in software acquisitions.
3. Cash used in financing amounted to €17.9 million, compared to €33.1 million from financing activities in 9M FY23. The variation of €15.2 million in financing activities mainly relates to the repayment of the SSRCF for €93.0 million in 9M FY23 and the payment of the costs associated with the refinancing for €4.9 million in 9M FY23, offset by the SSRCF drawdown of €82.0 million in 9M FY23.

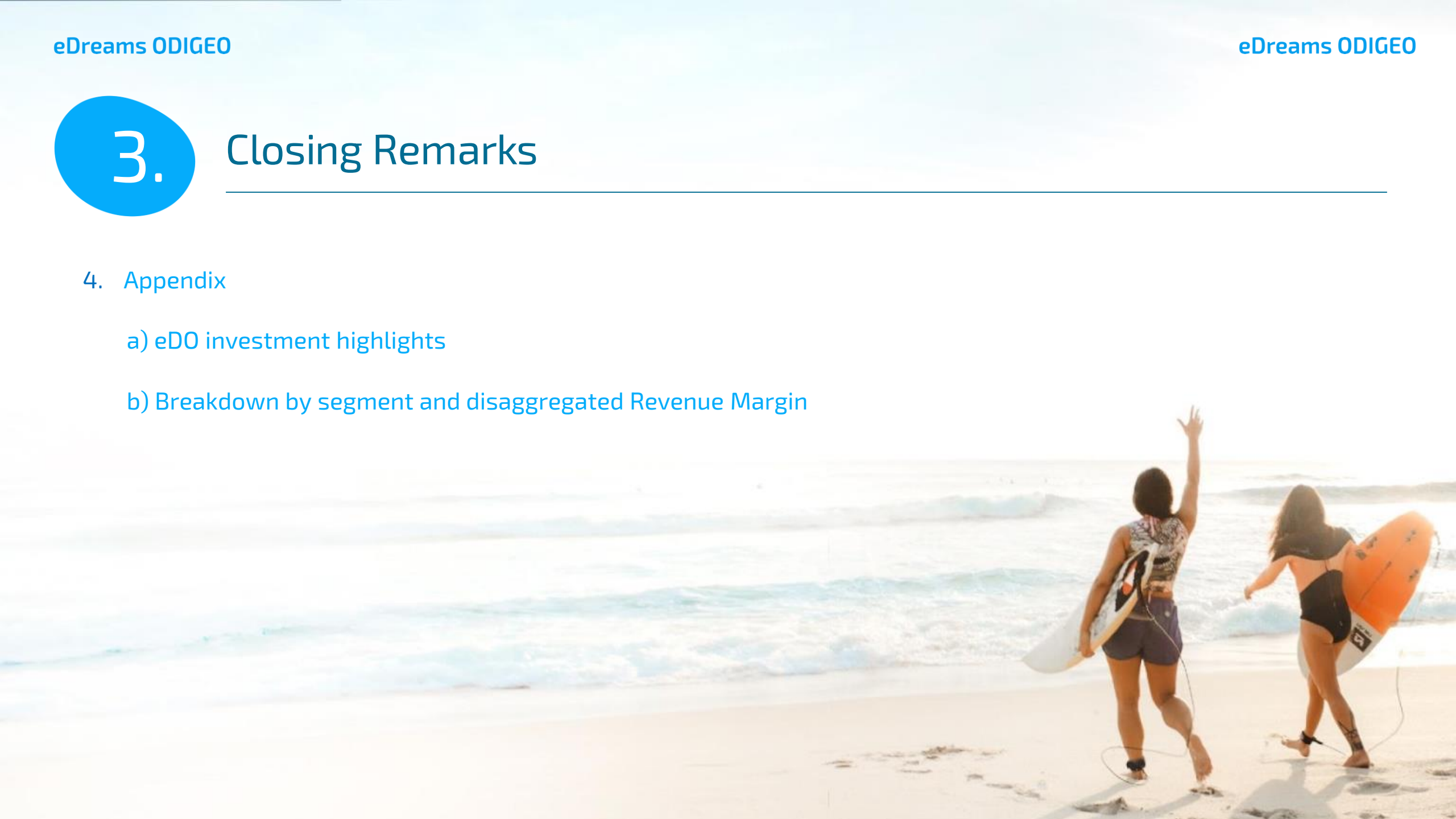
3.

Closing Remarks

4. Appendix

a) eDO investment highlights

b) Breakdown by segment and disaggregated Revenue Margin

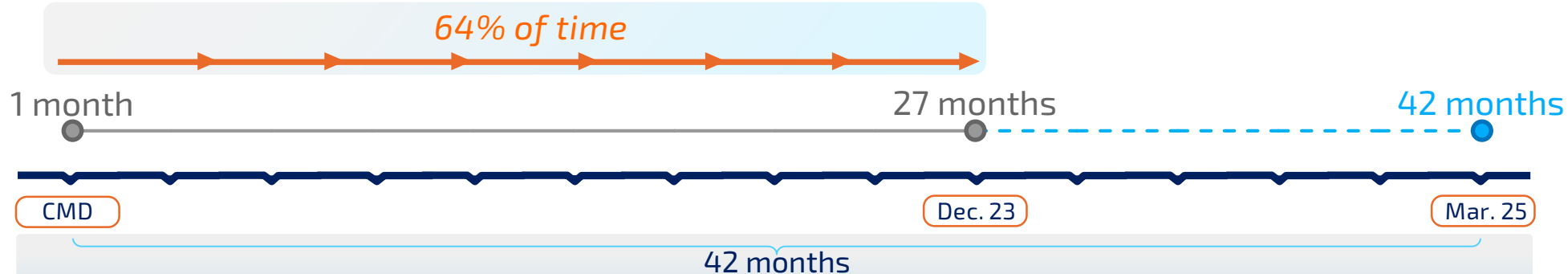


3.

Significant progress achieved since our Capital Markets Day (64% of the time since announcement), we are well on plan or slightly ahead to meet our targets

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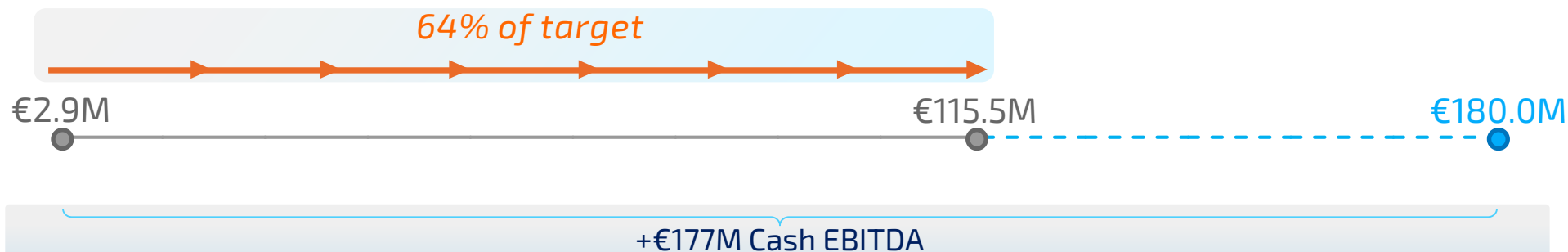
Time



Prime
Members (*)
(in million)



Cash EBITDA (*)
LTM
(in € million)

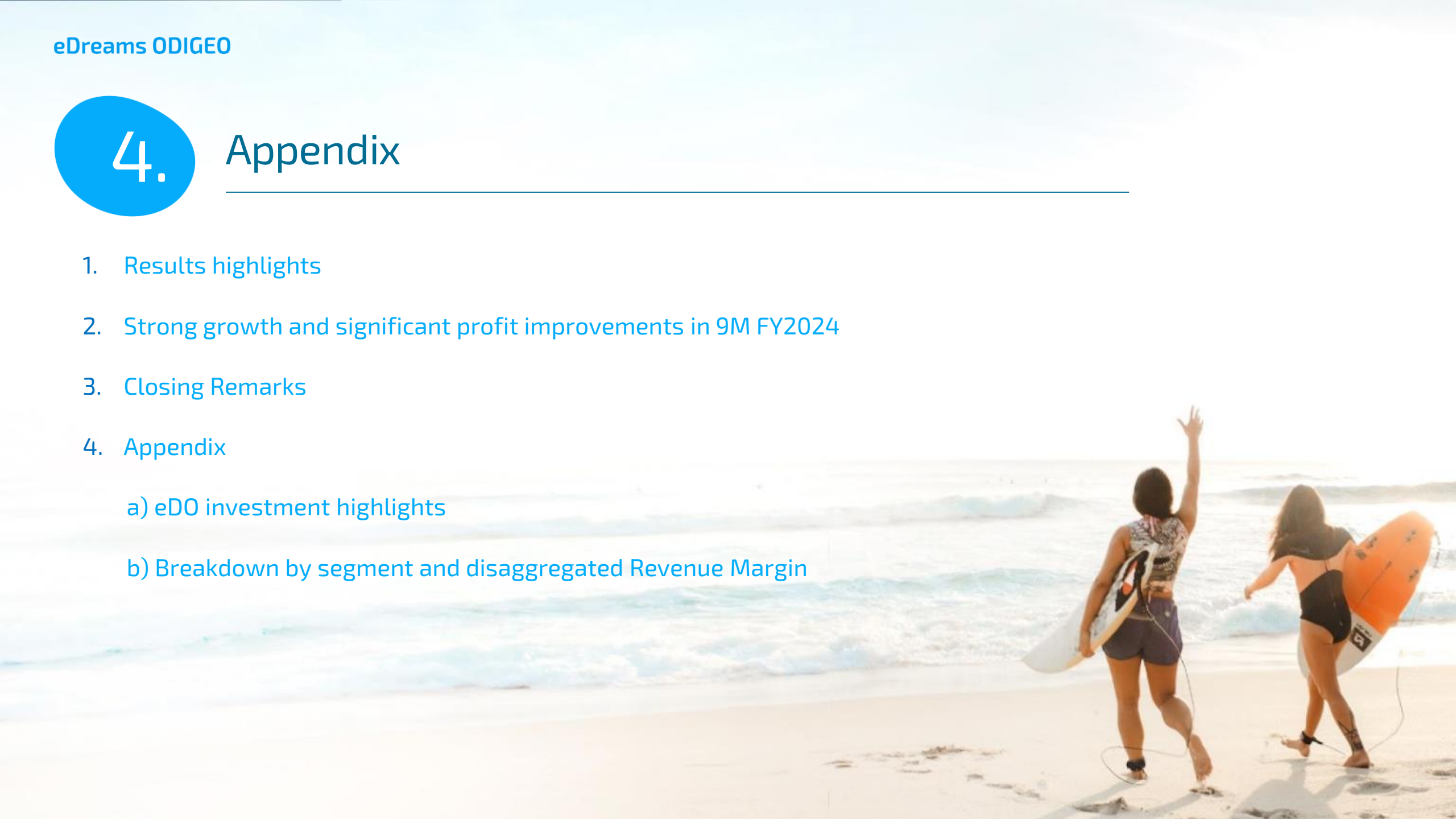


(*) Definitions of Non-GAAP measures on page 27-29.

4.

Appendix

1. Results highlights
2. Strong growth and significant profit improvements in 9M FY2024
3. Closing Remarks
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Appendix: eDO investment highlights

4. Appendix

a) eDO investment highlights

b) Breakdown by segment and disaggregated Revenue Margin

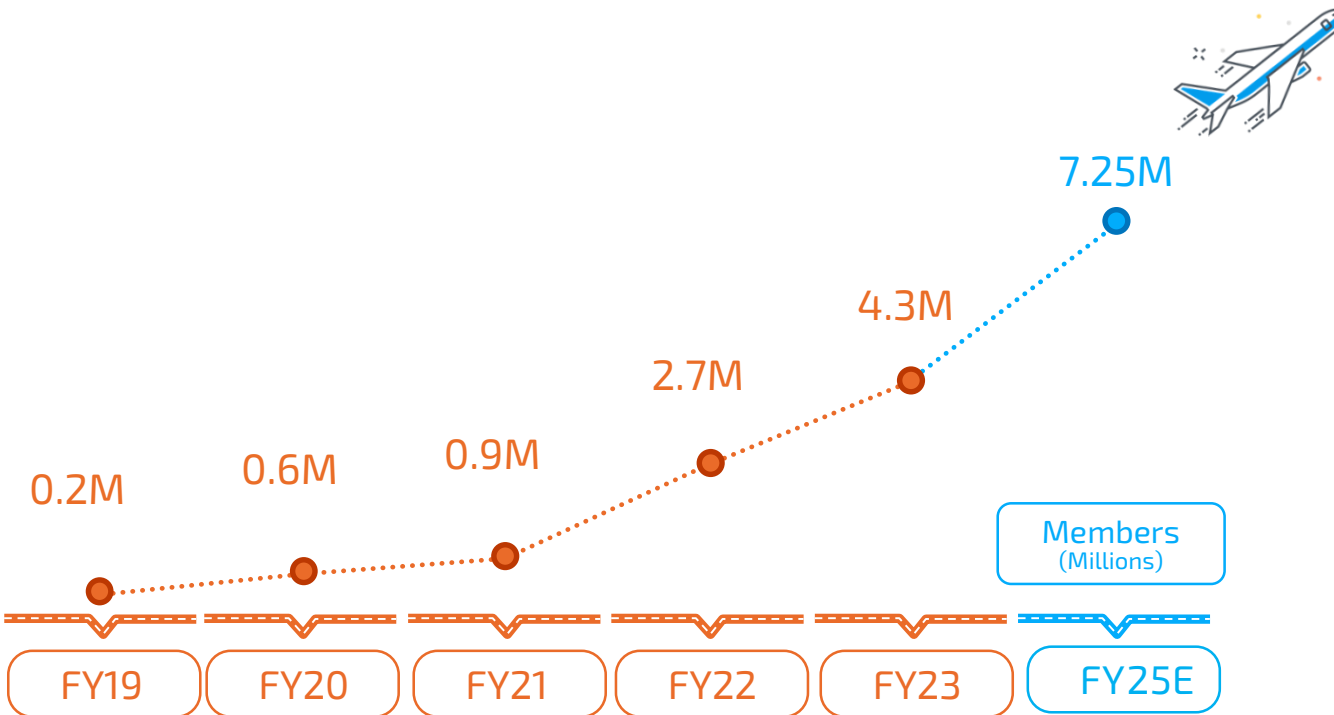


a.

eDO is the subscription company in travel through technology and AI

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eDO has one of the fastest paid members growth among subscription companies across all industries



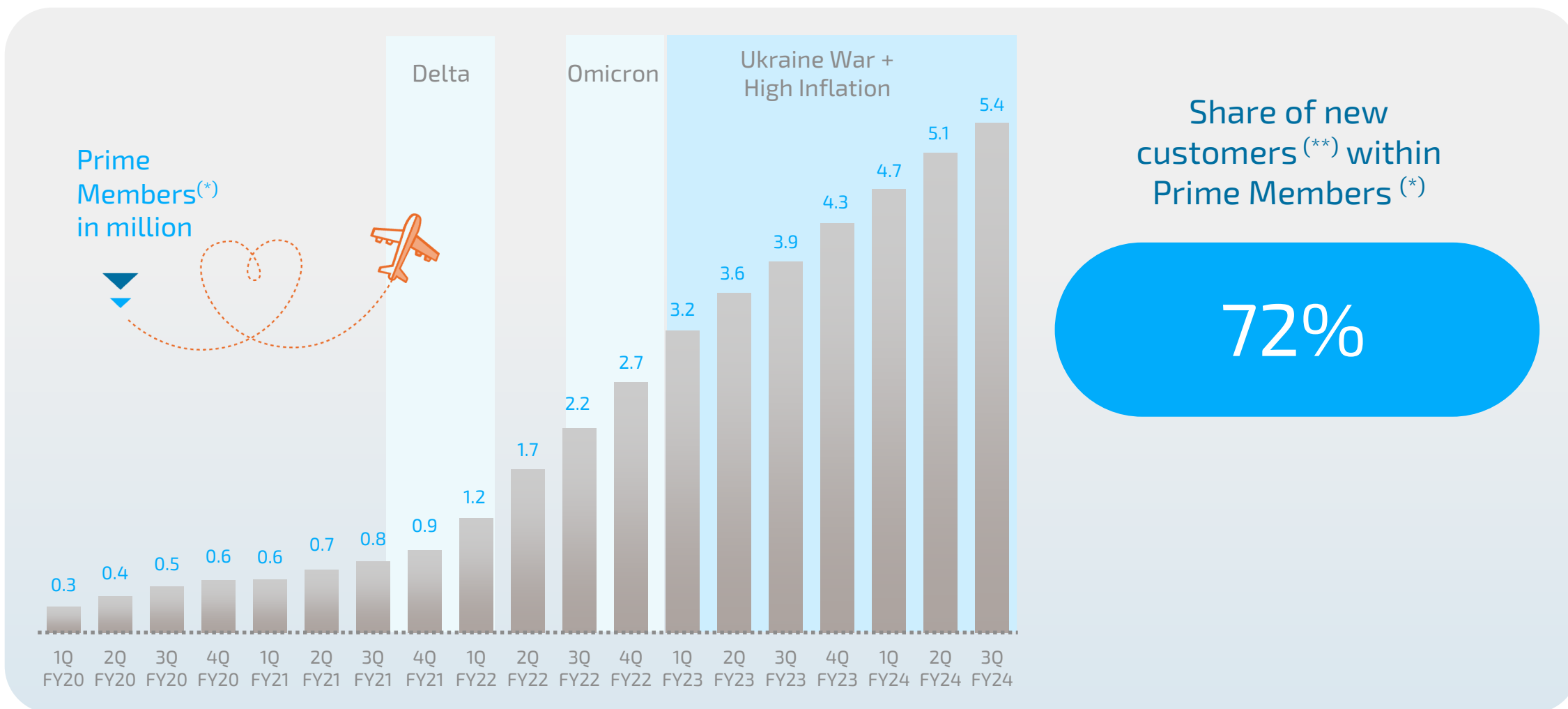
Source: Company data.



a.

eDO captures new customers through the Prime programme

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Source: Company data.

(*) Definitions of Non-GAAP measures on page 27-29.

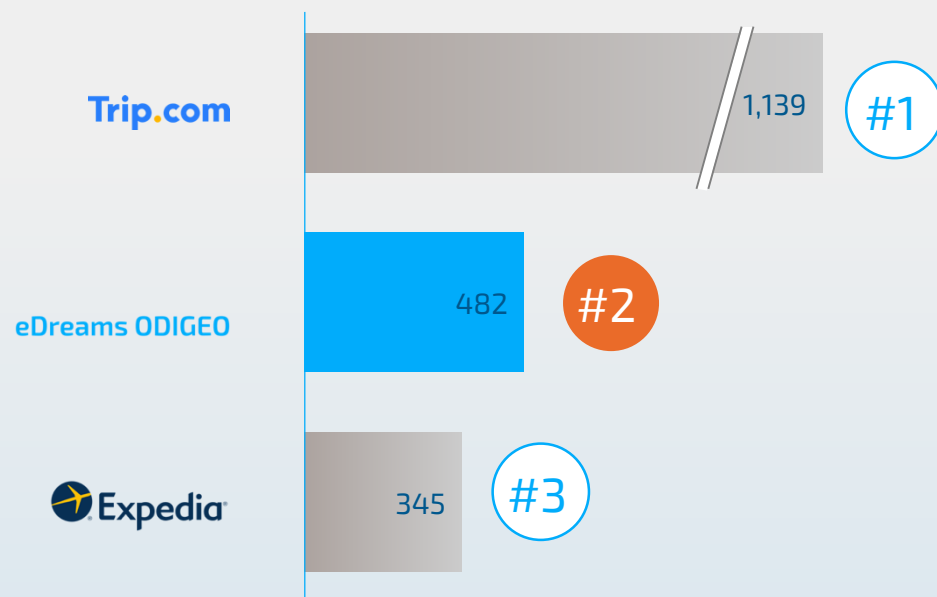
(**) New customers who have not booked on eDreams in the last 36 months.

a.

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

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#2 PLAYER IN FLIGHTS GLOBALLY

GLOBAL FLIGHT REVENUE
CY 2022 (€M)

Source: Company data, Cash Revenue Margin (*) for eDO. Financial Releases published by Trip.com and Expedia.

(*) Definitions of Non-GAAP measures on page 27-29.

a. In pole position in an attractive market

SIZEABLE MARKET AND ONE OF THE
LARGEST E-COMMERCE VERTICALS

ATTRACTIVE GROWTH PROSPECTS
AFTER THE PANDEMIC

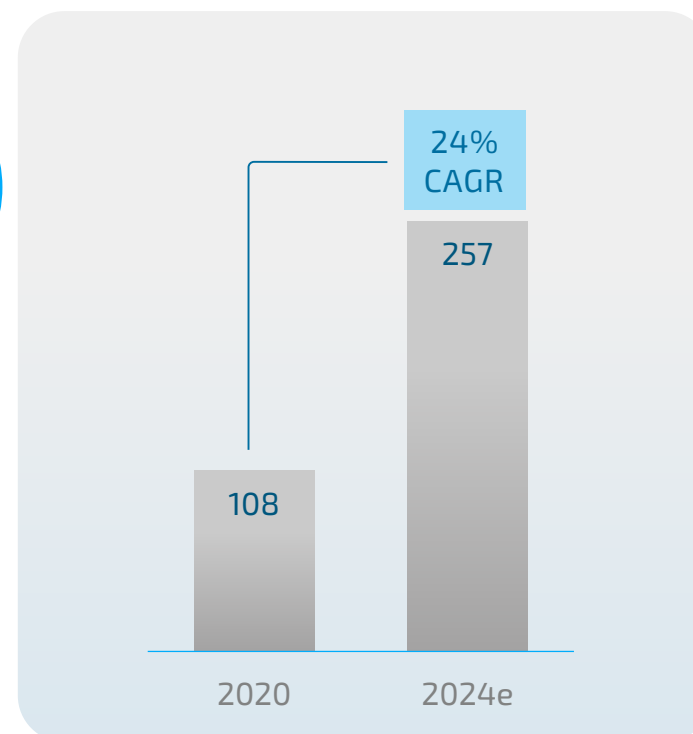
EDO IS POSITIONED IN THE RIGHT
SEGMENTS (ONLINE AND LEISURE)

€2.1Tn

Worldwide travel market, 2023e

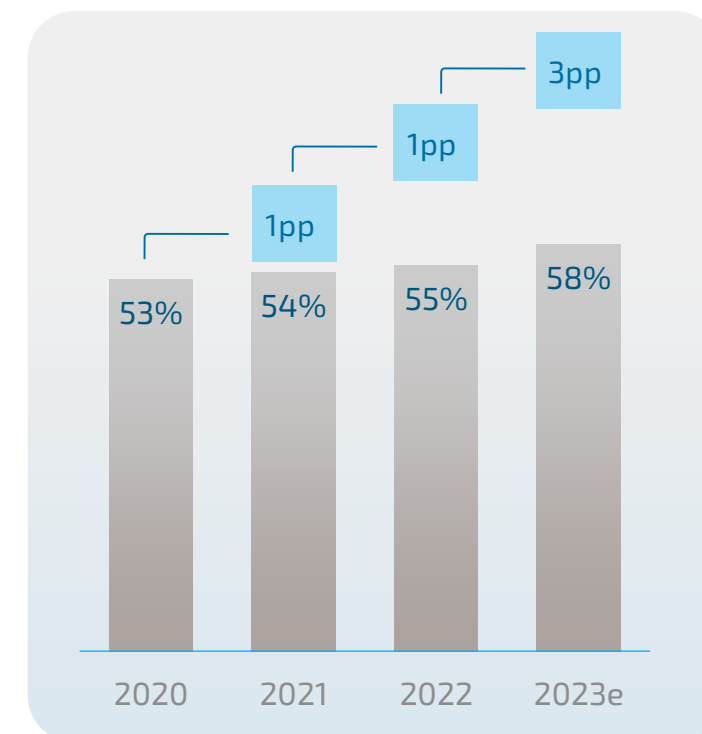
Source: Statista. Worldwide; IBISWorld;
2013 to 2022

European Travel Market Size
(€Bn)



Source: Phocuswright.

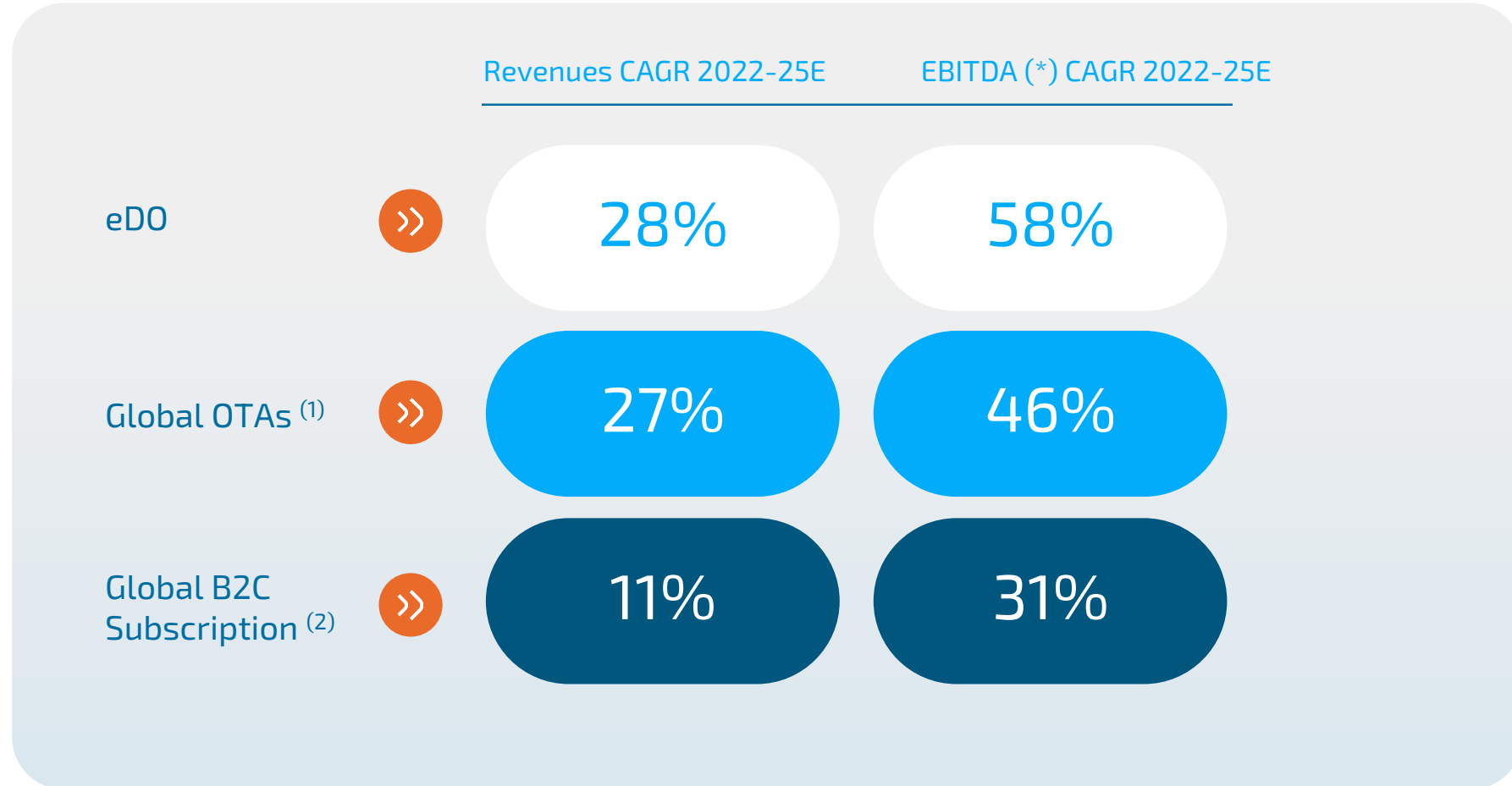
European Leisure Travel Market Online
penetration
(% over total Gross Bookings ^(*))



Source: Phocuswright.

(*) Definitions of Non-GAAP measures on page 27-29.

a. eDO is unique in terms of profitability and growth



(*) Definitions of Non-GAAP measures on page 27-29.

(1) Companies included: Booking Holding, Trip.com, Despegar, Expedia, lastminute.com and On the Beach.

(2) Companies included: Amazon, Netflix, Spotify, Bumble, Duolingo, Hello Fresh, Peloton, Dropbox and Wix.

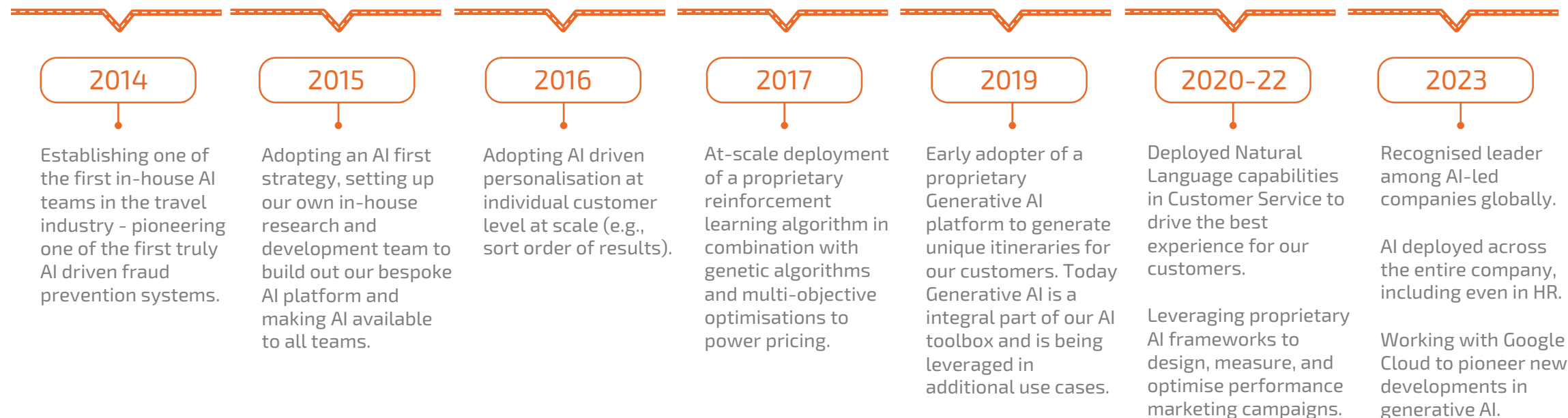
Source: Bloomberg consensus estimates as of 2nd November 2023 for peers and Company data and FY25 targets for eDO (Cash metrics).

a.

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

eDreams ODIGEO

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



... and this is being recognised in the industry



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



a.

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

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eDO
FY25
TARGETS



Prime Members (*)

>7.25M

Cash EBITDA (*)

>€180M

“

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

”

(*) See definition and reconciliation of Non GAAP measures on page 27-29.

a.

eDO has from FY25 onwards strong fundamental growth potential

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Appendix: Breakdown by segment and disaggregated Revenue Margin

4. Appendix

a) eDO investment highlights

b) Breakdown by segment and disaggregated Revenue Margin



b.

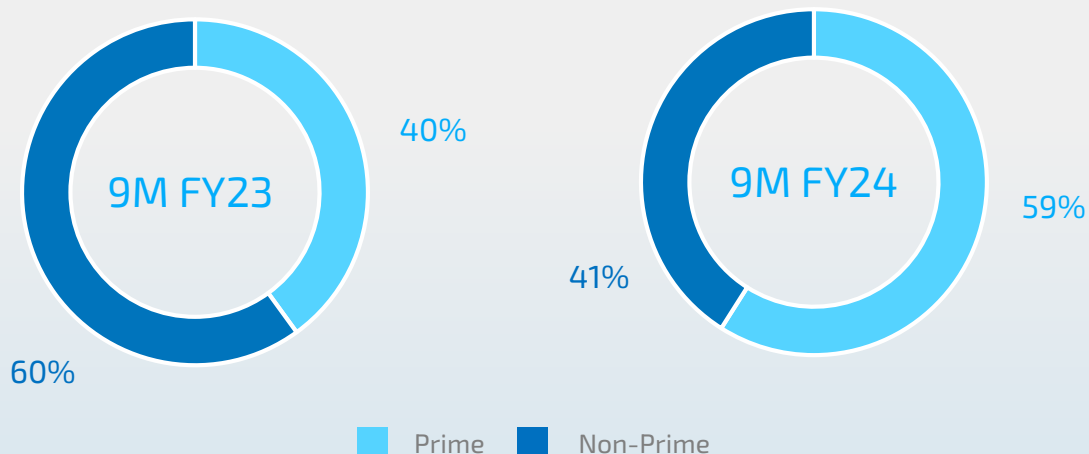
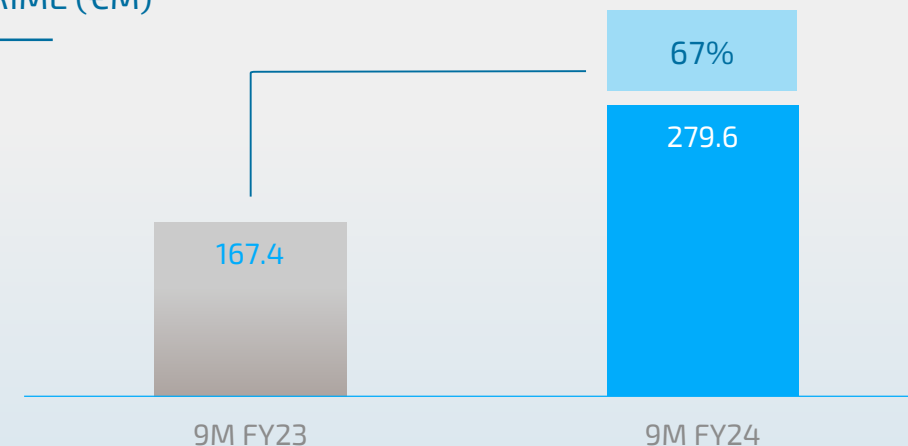
Prime Revenue Margin increases both in absolute numbers and as a share of the total Revenue Margin

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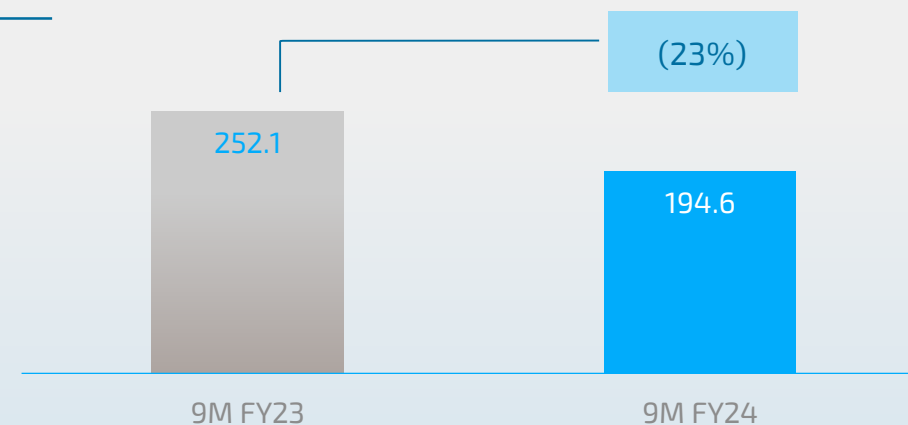
Revenue Margin ^(*) (excl. Adjusted Revenue Items) ^(**)

(In Euro million)	9M FY24	Var. FY24 vs FY23	9M FY23
Prime	279.6	67%	167.4
Non-Prime	194.6	(23)%	252.1
Total	474.2	13%	419.5

PRIME (€M)



Non-PRIME (€M)



(*) Definitions of Non-GAAP measures on page 27-29.

(**) Excluding in 9M FY24, €7.9 million of Prime Revenue as a result of a change in estimation (see note 3.3 of Unaudited Condensed Consolidated Interim Financial Statements).

b.

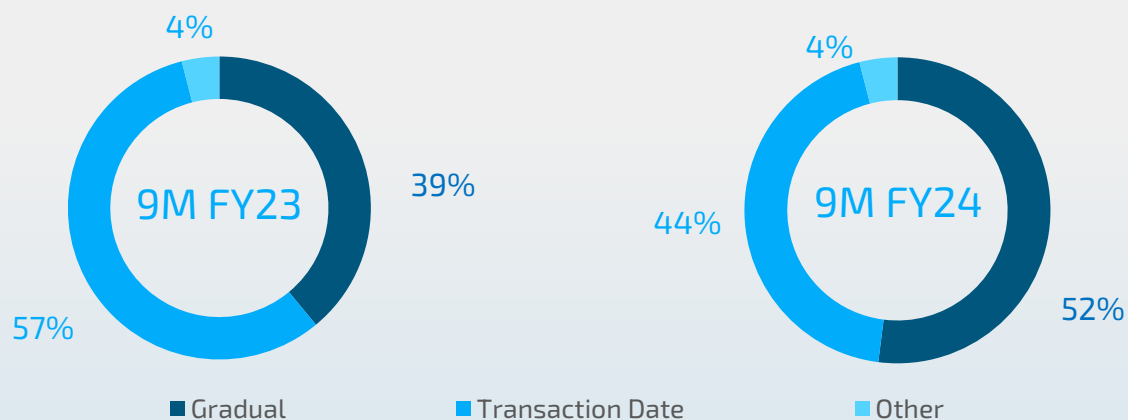
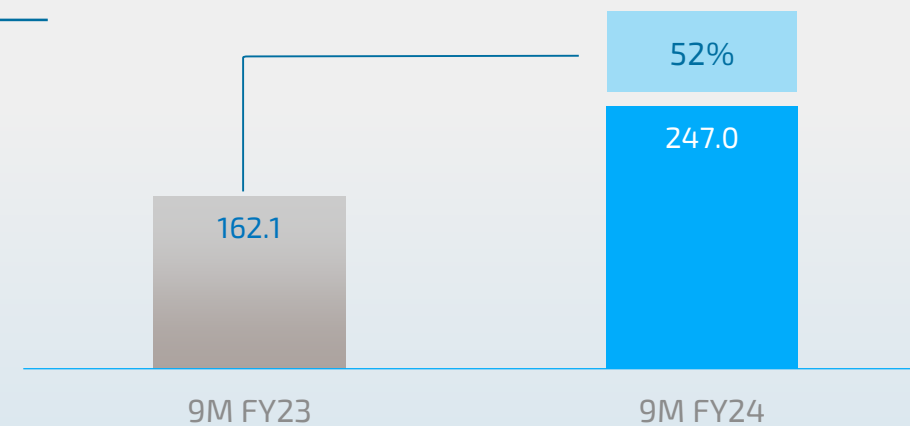
Gradual revenue increases as a result of the success of the subscription programme

eDreams ODIGEO

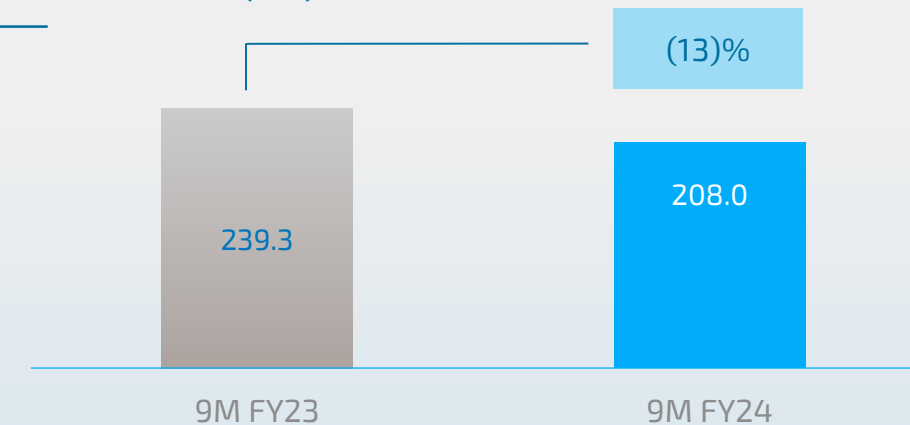
Revenue Margin ^(*) (excl. Adjusted Revenue Items) ^(**)

(In Euro million)	9M FY24	Var. FY24 vs FY23	9M FY23
Gradual	247.0	52%	162.1
Transaction date	208.0	(13)%	239.3
Other	19.2	6%	18.1
Total	474.2	13%	419.5

Gradual (€M)



Transaction Date (€M)



(*) Definitions of Non-GAAP measures on page 27-29.

(**) Excluding in 9M FY24, €7.9 million of Prime Revenue as a result of a change in estimation (see note 3.3 of Unaudited Condensed Consolidated Interim Financial Statements).

Glossary of Definitions

Non-reconcilable to GAAP measures

1. **Gross Bookings** refers to the total amount paid by customers for travel products and services booked through or with the Group (including the part that is passed on to, or transacted by, the travel supplier), including taxes, service fees and other charges and excluding VAT. Gross Bookings include the gross value of transactions. It also includes transactions made under white label arrangements and transactions where the Group acts as a "pure" intermediary, whereby the Group serves as a click-through and pass the reservations made by the customer to the relevant travel supplier. Gross Bookings provide to the reader a view about the economic value of the services that the Group mediates.

Reconcilable to GAAP measure

2. **Adjusted EBITDA** means operating profit / loss before depreciation and amortisation, impairment and profit / loss on disposals of non-current assets, as well as adjusted items corresponding to certain share-based compensation, restructuring expenses and other income and expense items which are considered by Management to not be reflective of the Group's ongoing operations. Adjusted EBITDA provides to the reader a better view about the ongoing EBITDA generated by the Group.
3. **Adjusted EBITDA Margin** means Adjusted EBITDA divided by Revenue Margin.
4. **Adjusted EBITDA per Booking (Non-Prime)** means Adjusted EBITDA of the Non-Prime segment divided by the number of Non-Prime Bookings. See definitions of "Adjusted EBITDA" and "Non-Prime Bookings".
5. **Adjusted Items** refers to share-based compensation, restructuring expenses and other income and expense items which are considered by Management to not be reflective of the Group's ongoing operations. It corresponds to the sum of adjusted personnel expenses and adjusted operating (expenses) / income and Adjusted Revenue items.
 - Adjusted personnel expenses refers to adjusted items that are included inside personnel expenses
 - Adjusted operating (expenses) / income refers to adjusted items that are included inside other operating expenses.
 - Adjusted Revenue items refers to adjusted items that are included inside revenue.
6. **Adjusted Net Income** means the IFRS net income less certain share-based compensation, restructuring expenses and other income and expense items which are considered by Management to not be reflective of the Group's ongoing operations. Adjusted Net Income provides to the reader a better view about the ongoing results generated by the Group.
7. **Capital Expenditure ("CAPEX")** represents the cash outflows incurred during the period to acquire non-current assets such as property, plant and equipment, certain intangible assets and capitalisation of certain development IT costs, excluding the impact of any business combination. It provides a measure of the cash impact of the investments in non-current assets linked to the ongoing operations of the Group.
8. **Cash EBITDA** means "Adjusted EBITDA", plus the variation of the Prime deferred revenue corresponding to the Prime fees that have been collected and that are pending to be accrued. The Prime fees pending to be accrued are non-refundable and will be booked as revenue based on a gradual method. Cash EBITDA provides to the reader a view of the sum of the ongoing EBITDA and the full Prime fees generated in the period. The Group's main sources of financing (the 2027 Notes and the SSRCF) consider Cash EBITDA as the main measure of results and the source to meet the Group's financial obligations. Additionally, under the SSRCF, the Group is subject to the Adjusted Gross Leverage Financial Covenant, that is a Financial Covenant based on Gross Financial Debt divided by Cash EBITDA, further adjusted by certain corrections. Cash EBITDA for Prime refers to the Cash EBITDA of the Prime segment.
9. **Cash EBITDA Margin** means Cash EBITDA divided by Cash Revenue Margin. Cash EBITDA Margin is shown both for Prime / Non-Prime segments.
10. **Cash Marginal Profit** means "Marginal Profit" plus the variation of the Prime deferred revenue corresponding to the Prime fees that have been collected and that are pending to be accrued. The Prime fees pending to be accrued are non-refundable and will be booked as revenue based on a gradual method. Cash Marginal Profit provides a measure of the sum of the Marginal Profit and the full Prime fees generated in the period. Cash Marginal Profit for Prime refers to the Cash Marginal Profit of the Prime segment.
11. **Cash Marginal Profit Margin** means Cash Marginal Profit divided by Cash Revenue Margin. See definitions of "Cash Marginal Profit" and "Cash Revenue Margin". Cash Marginal Profit Margin is shown both for Prime / Non-Prime segments.

Glossary of Definitions

12. **Cash Revenue Margin** means "Revenue Margin" plus the variation of the Prime deferred revenue corresponding to the Prime fees that have been collected and that are pending to be accrued. The Prime fees pending to be accrued are non-refundable and will be booked as revenue based on a gradual method. Cash Revenue Margin provides a measure of the sum of the Revenue Margin and the full Prime fees generated in the period. Cash Revenue Margin for Prime refers to the Cash Revenue Margin of the Prime segment.
13. **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.
14. **EBITDA** means operating profit / loss before depreciation and amortisation, impairment and profit / loss on disposals of non-current assets. This measure, although it is not specifically defined in IFRS, is generally used in the financial markets and is intended to facilitate analysis and comparability.
15. **Fixed Costs** includes IT expenses net of capitalisation write-off, personnel expenses which are not Variable Costs, external fees, building rentals and other expenses of fixed nature. The Group's Management believes the presentation of Fixed Costs may be useful to readers to help understand its cost structure and the magnitude of certain costs that it has the ability to reduce in response to changes affecting the number of transactions processed.
16. **(Free) Cash Flow ex Non-Prime Working Capital** means Cash EBITDA and adjusted for capital expenditure, tax payments and interest payments. The Group believes this measure is useful as it provides a simplified overview of the cash generated by the Group from activities needed to conduct business and mainly before debt issuance and repayments. This measure does not include changes in working capital other than the variation of the prime deferred liability as management believes it may reflect cash that is temporary and not necessarily associated with core operations.
17. **Gross Financial Debt or Gross Debt** means total financial liabilities including financing cost capitalised (regardless of whether these costs are classified as liabilities or assets) plus accrued interests pending to be paid and overdraft. It includes both non-current and current financial liabilities. This measure offers to the reader a global view of the Financial Debt without considering the payment terms.
18. **Gross Leverage Ratio** means the total amount of outstanding Gross Financial Debt on a consolidated basis divided by "Cash EBITDA". This measure offers to the reader a view about the capacity of the Group to generate enough resources to repay the Gross Financial Debt. Management considers that Gross Leverage Ratio calculated based on Cash EBITDA provides a more accurate view of the capacity to generate resources to repay its debt. The Group's main sources of financing (the 2027 Notes and the SSRCF) consider Cash EBITDA as the main measure of results and the source to meet the Group's financial obligations. Additionally, under the SSRCF the Group is subject to the Adjusted Gross Leverage Financial Covenant, that is a Financial Covenant based on Gross Financial Debt divided by Cash EBITDA, further adjusted by certain corrections.
19. **Liquidity position** means the total amount of cash and cash equivalents, and remaining cash available under the SSRCF. This measure provides to the reader a view of the cash that is available to the Group.
20. **Marginal Profit** means "Revenue Margin" less "Variable Costs". It is the measure of profit that Management uses to analyse the results by segments. Marginal profit excludes Adjusted Revenue items for APM purposes.
21. **Marginal Profit per Booking (Non-Prime)** means Marginal Profit of the Non-Prime segment divided by the number of Non-Prime Bookings. See definitions of "Marginal Profit" and "Non-Prime Bookings".
22. **Net Financial Debt or Net Debt** means "Gross Financial Debt" less "cash and cash equivalents". This measure offers to the reader a global view of the Financial Debt without considering the payment terms and reduced by the effects of the available cash and cash equivalents to face these future payments.
23. **Net Leverage Ratio** means the total amount of outstanding Net Financial Debt on a consolidated basis divided by "Cash EBITDA". This measure offers to the reader a view about the capacity of the Group to generate enough resources to repay the Net Financial Debt, also considering the available cash in the Group. Management considers that Net Leverage Ratio calculated based on Cash EBITDA provides a more accurate view of the capacity to generate resources to repay its debt. The Group's main sources of financing (the 2027 Notes and the SSRCF) consider Cash EBITDA as the main measure of results and the source to meet the Group's financial obligations.

24. **Prime ARPU** means the Cash Revenue Margin generated from Prime users on a last twelve months basis. It is calculated considering all the Cash Revenue Margin elements linked to the bookings done by Prime members (such as, but not limited to, the Prime fees collected, GDS incentives, commissions, ancillary services, etc.) divided by the average number of Prime members during the same period. Management considers this is a relevant measure to follow the Prime performance. As Prime is a yearly programme, this measure is calculated on a last twelve months basis.
25. **Revenue Margin** means the IFRS revenue less cost of supplies. The Group's Management uses Revenue Margin to provide a measure of its revenue after reflecting the deduction of amounts payable to suppliers in connection with the revenue recognition criteria used for products sold under the principal model (gross value basis). Accordingly, Revenue Margin provides a comparable revenue measure for products, whether sold under the agency or principal model. The Group acted under the principal model in regards to the supply of hotel accommodation until September 2022. As of that date, the Group only offers hotel intermediation services, therefore no cost of supply is registered and Revenue and Revenue Margin are of equal amounts. Prime Revenue Margin refers to the Revenue Margin of the Prime segment. Revenue disaggregation has been updated by the Group to better align with the new reportable segments and how the Leadership Team evaluates the operating performance. Revenue Margin is split into the following categories:
 - Gradual - represents revenue which is recognised gradually over the period of the service agreement and mostly relates to recognised subscription fees, the service of Cancellation for any reason and Flexiticket and airlines overcommissions.
 - Transaction Date - represents revenue which is recognised at booking date and mostly relates to service fees, ancillaries, insurance, incentives (other than airlines overcommissions) and other fees.
 - Other- is a residual category and mainly relates to advertising and metasearch revenue, tax refunds and other fees. Advertising and Metasearch Revenue represents revenue margin from other ancillary sources, such as advertising on the Group's websites and revenue from metasearch activities.
26. **Revenue Margin per Booking (Non-Prime)** means Revenue Margin of the Non-Prime segment divided by the number of Non-Prime Bookings. See definitions of "Revenue Margin" and "Non-Prime Bookings".
27. **Variable Costs** includes all expenses which depend on the number of transactions processed. These include acquisition costs, merchant costs and other costs of a variable nature, as well as personnel costs related to call centers as well as corporate sales personnel. The Group's Management believes the presentation of Variable Costs may be useful to readers to help understand its cost structure and the magnitude of certain costs. The Group has the ability to reduce certain costs in response to changes affecting the number of transactions processed.

Other definitions

28. **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. The Group acted under the principal model in regards to the supply of hotel accommodation until September 2022. As of that date, the Group only offers hotel intermediation services.
29. **Non-Prime Bookings** as the Group is aiming towards a subscription-oriented strategy and focusing on achieving its Prime member targets, Non-Prime Bookings references solely to the bookings done by Non-Prime members.
30. **Mobile bookings (as share of flight bookings)** means the number of flight Bookings done on a mobile device over the total number of flight Bookings, on a last twelve months basis.
31. **Prime members** means the total number of customers that have a Prime subscription in a given period.
32. **Prime / Non-Prime.** The Group presents certain profit and loss measures split by Prime and Non-Prime. In this context, Prime means the profit and loss measure generated from Prime users. Non-Prime means the profit and loss measure generated from Non-Prime users. For instance, in the case of Prime Cash Revenue Margin, it includes elements such as, but not limited to, the Prime fees collected, GDS incentives, commissions, ancillary services, etc. consumed by Prime clients. As Prime is a yearly programme, Prime / Non-Prime profit and loss measures are presented on a last twelve months basis. As of the beginning of the year, Prime / Non-Prime are the new reportable segments
33. **Top 6 Markets** refers to the Group's operations in France, Spain, Italy, Germany, United Kingdom and Nordics. Formerly, the Group's Top 6 Markets were used to represent its geographical segments. However, as of the beginning of the year, Prime / Non-Prime are the new reportable segments since it was considered it better reflected the reality of the Leadership Team's analysis and decision making process.