
eDreams ODIGEO
RESULTS
PRESENTATION
1Q FY2022
1st September 2021

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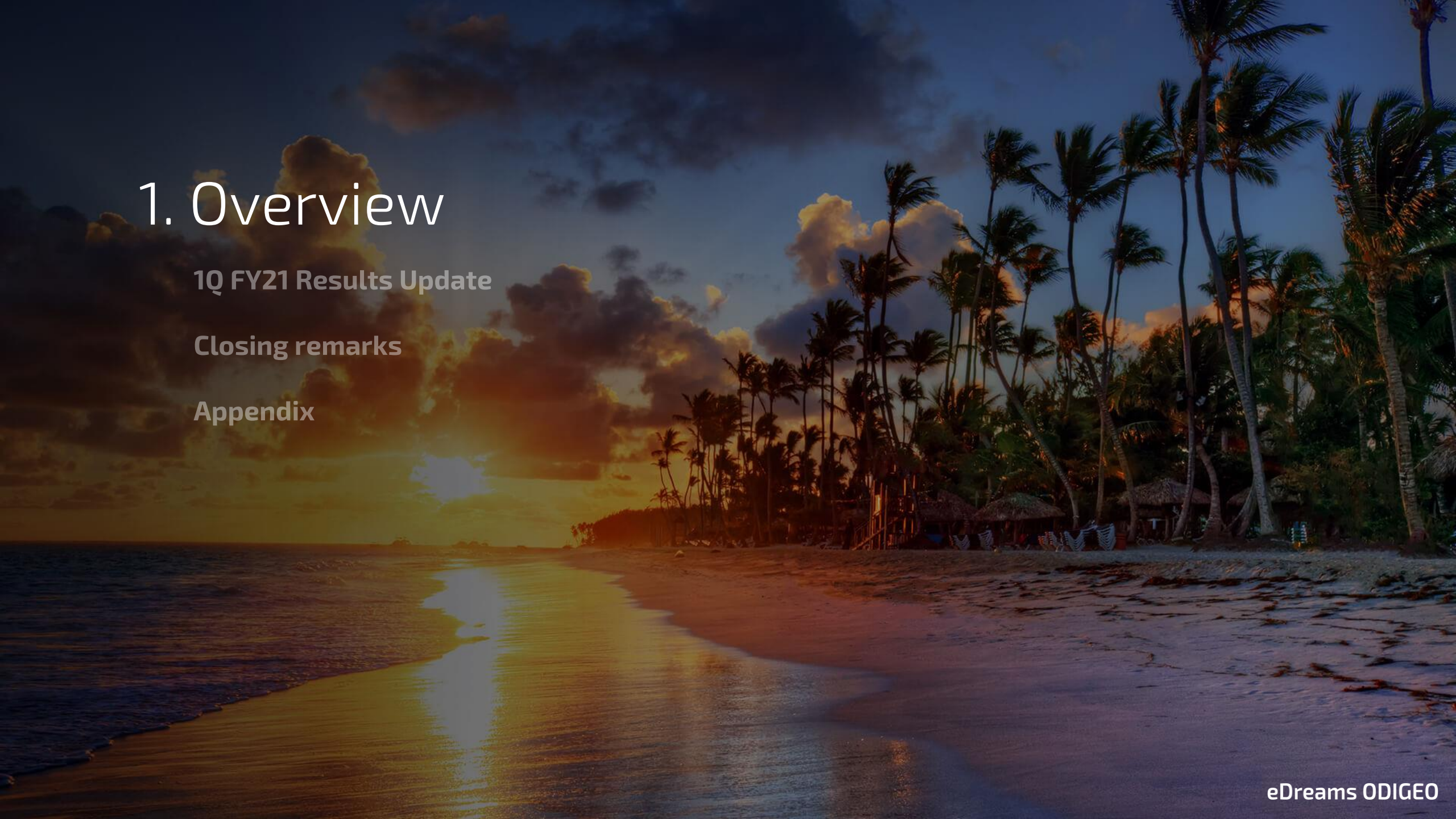


1. Overview

1Q FY21 Results Update

Closing remarks

Appendix

1 eDO BOOKINGS AHEAD OF PRE-COVID-19 LEVELS, GAINING MARKET SHARE AND PRIME SURPASSES 1.5 MILLION MEMBERS

BOOKINGS AHEAD OF PRE-COVID LEVELS

- In June 2021, Bookings improved to even surpass pre-COVID-19 levels.
- In July and August, trading continues to improve and year-on-year growth rates for Bookings vs pre-COVID-19 levels accelerating (July +6% vs FY19; and August +27% vs FY19)

RESULTS ARE ENCOURAGING

- Revenue Margin in 1Q FY22 increased 313% year on year. COVID-19 induced restrictions still resulted in Cash Revenue Margin (*) being 48% below pre-COVID-19 levels (including Prime contribution) due to disproportionate demand in shorter distance flights.
- Cash EBITDA (*) €3.1 million positive in 1Q FY22
- Marginal Profit, stood at €13.4 million positive for 1Q FY22, 11x the amount of 1Q FY21.
- Strong liquidity position maintained: €136 million at end July. The liquidity of eDO was never at risk

PRIME CONTINUES TO REINVENT TRAVEL AND TRAVEL PROVISION

- Leader and inventor of the first and highly successful subscription-based model in travel: Prime
- Grew Prime members by 116% year on year to 1.2 million subscribers
- Reached over 1.5 million Prime members in August (500,000 in just 3 months, previous 500,000 took 15 months to achieve).
- We will continue to grow Prime through product innovation and geographic expansion, and
- Achieve our target of 2 million members over one year ahead of schedule. Revised target was before the end of summer 2022. Very likely we will move forward our self-imposed target set last May by another 3-6 months.

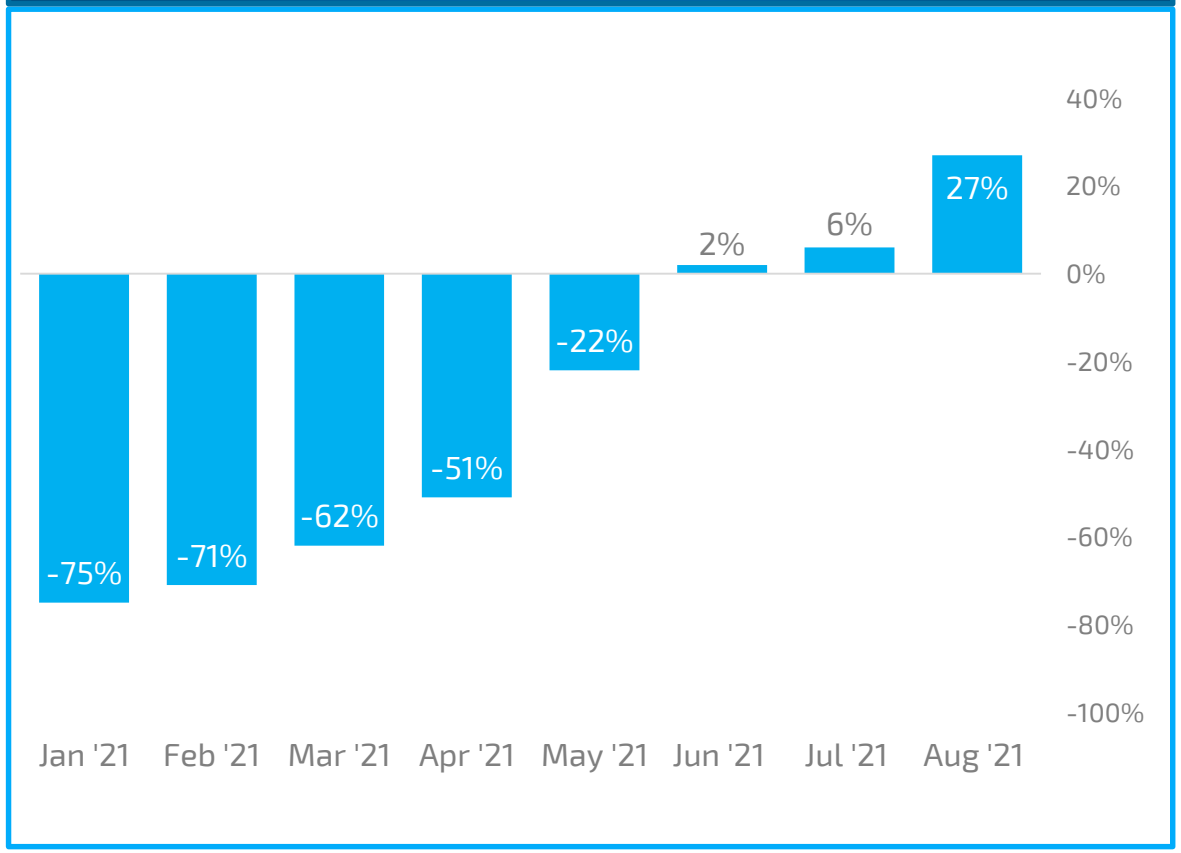
eDO WILL BE A CLEAR WINNER POST COVID WORLD

- Unique relationship-based (subscription) model with customers
- We have an unrivalled scale advantage and are now number 2 in the world in retailing flights
- Our market share in Europe grew by 6pp to 37%
- We have a balanced business with Diversification Revenue of 63%, up +10pp year on year, and mobile Bookings in excess of 50%.

(*) Definitions of Non-GAAP measures on page 22-24

1 eDO BOOKINGS SURPASS PRE-COVID-19 LEVELS…EVEN IN A NOT FULLY RECOVERED MARKET

eDO BOOKINGS GROWTH VS 2019



Source: Company data
(*) Until the 29th of August

STRONG DESIRE FOR CONSUMERS TO TRAVEL

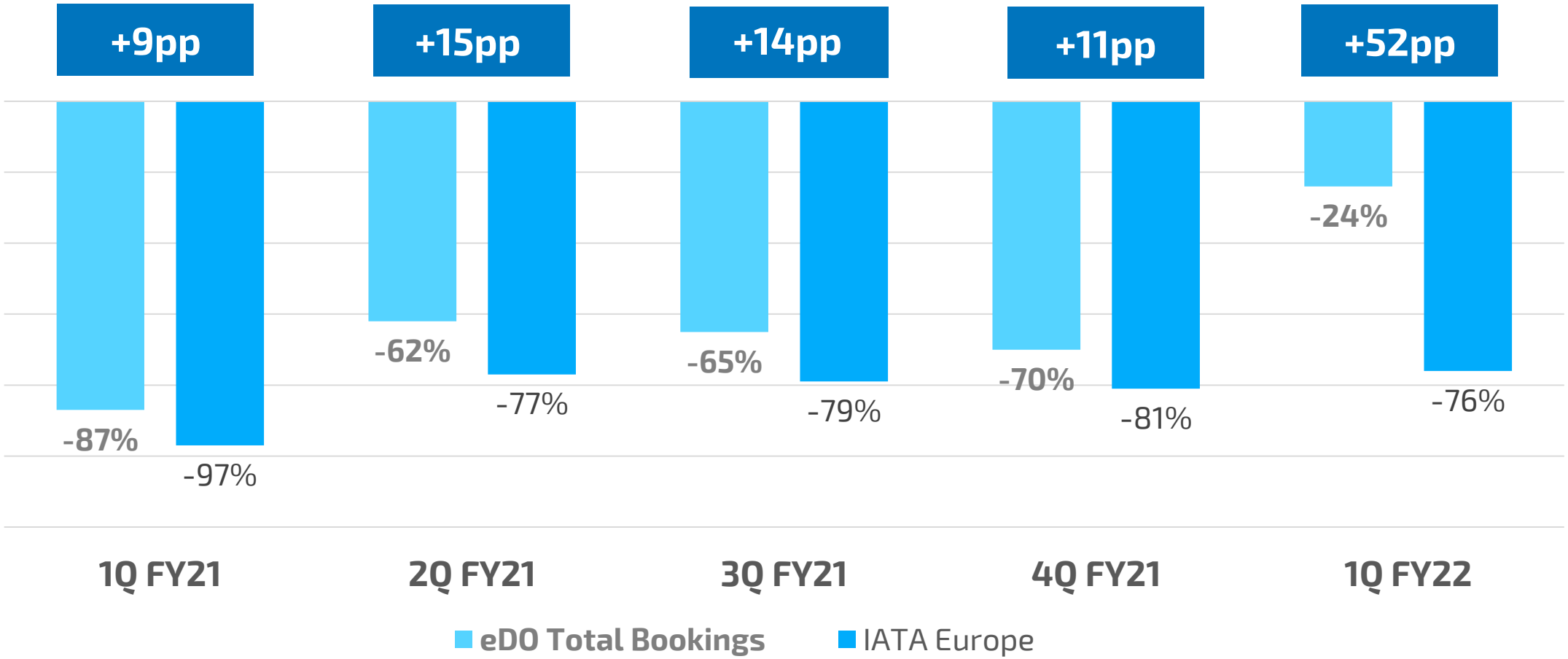
PENT-UP DEMAND MATERIALISED IN SUMMER BOOKINGS CLOSE TO DEPARTURE DATE

STRONG eDO PERFORMANCE

1 WE CONTINUE TO OUTPERFORM THE MARKET

YEAR-ON-YEAR TRADING AHEAD OF AIRLINE INDUSTRY AND EXPANDING

eDO vs IATA (Bookings)



Source: IATA Economics & Company Data

1 MARKET YET TO FULLY RECOVER



Restrictions

There are still significant restrictions from free travel including forms, tests, uncertainty of rules, and disparate vaccination levels



Demand

As a result consumers are staying closer to home, e.g. shorter haul



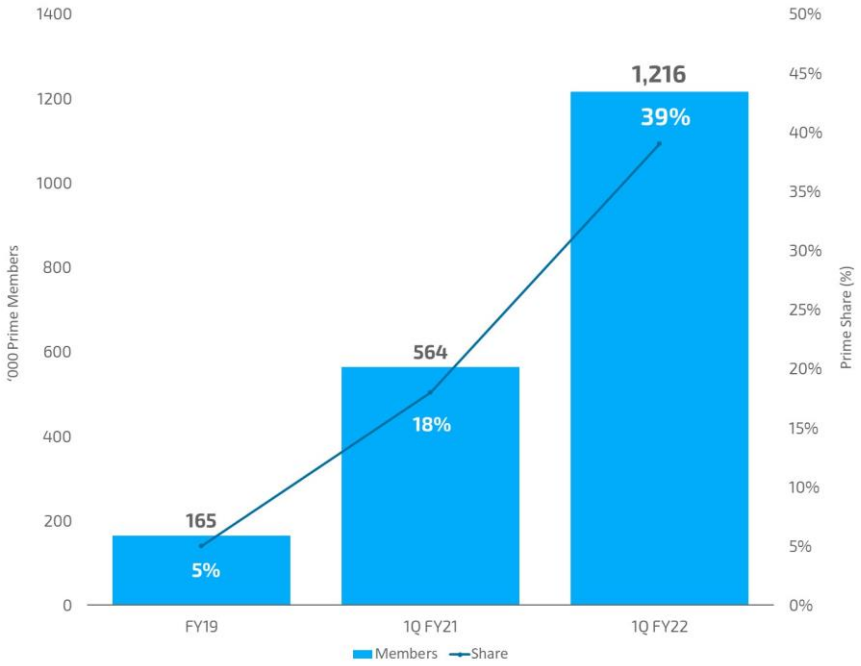
Revenue per Booking

Average basket value is 35% below 2019

eDO RESULTS SHOWS STRONG PERFORMANCE IN CURRENT MARKET AND WILL PROSPER FULLY AS MARKET TRANSITIONS TO A POST COVID-19 MARKET

1 eDO SURPASSES 1.5 MILLION PRIME MEMBERS, ADDING 500,000 MEMBERS IN LESS THAN 3 MONTHS

EVOLUTION OF PRIME MEMBERS AND SHARE OF TOTAL FLIGHT BOOKINGS

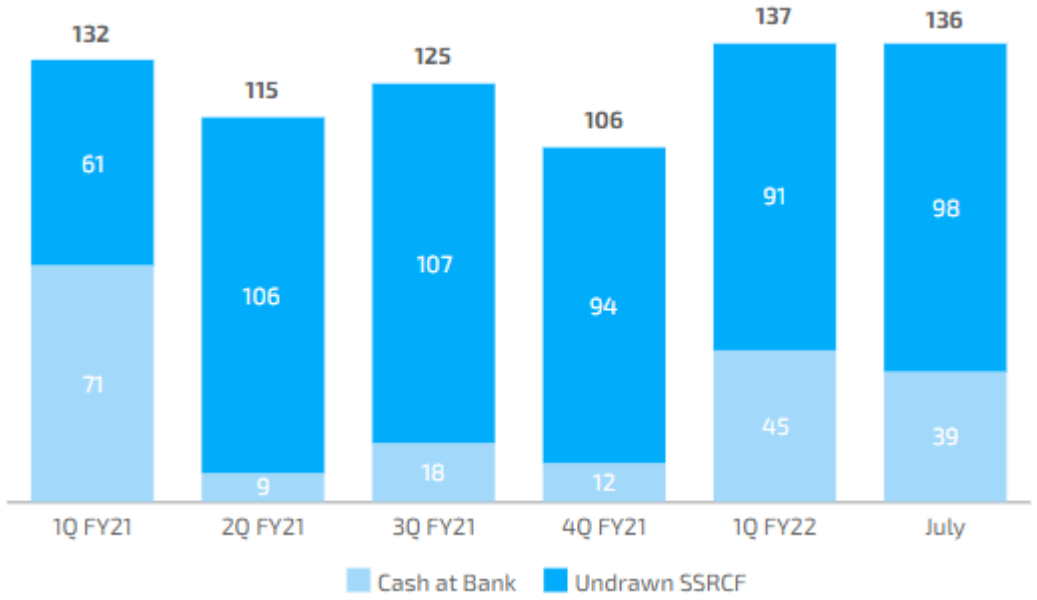


IN AUGUST OVER 1.5M MEMBERS

- **eDO is inventor and leader of subscription in travel with over 4 years of investment**
- In the 12 months to June 2021 **our subscribers grew by 116% to 1,2 million**
- **39% of our flight Bookings are now** from **Prime** members
- **Added 500k members in the last 3 months, whereas the previous half million subscribers took 15 months to achieve**

1 STRONG LIQUIDITY – THE LIQUIDITY OF eDO WAS NEVER AT RISK

LIQUIDITY HAS REMAINED STABLE THROUGHOUT THE PANDEMIC, AT THE END OF JULY, WE HAD A STRONG LIQUIDITY POSITION OF €136 MILLION



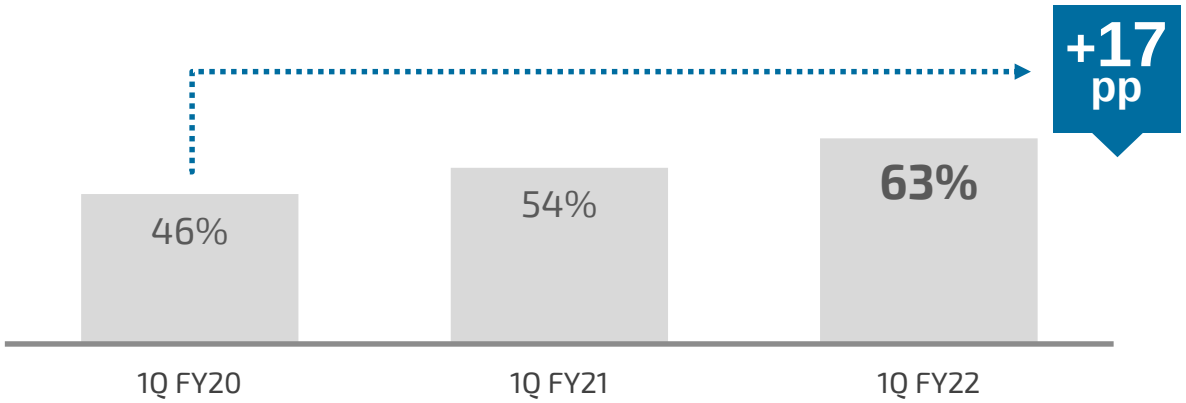
STRONG LIQUIDITY GOING INTO SEASONALLY LOW PERIOD FROM SEPTEMBER TO DECEMBER

WE ARE THE ONLY GLOBAL OTA THAT DID NOT REQUIRE A CAPITAL OR DEBT RAISE TO NAVIGATE THROUGH THE PANDEMIC

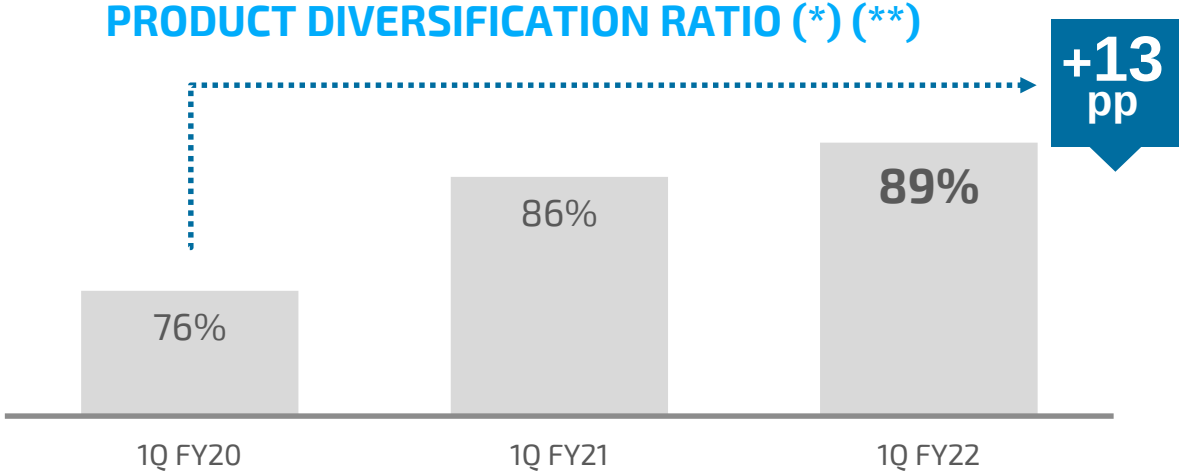
Source: Company Data

1 REVENUE DIVERSIFICATION ON TRACK AND THE LARGEST CONTRIBUTOR TO REVENUES

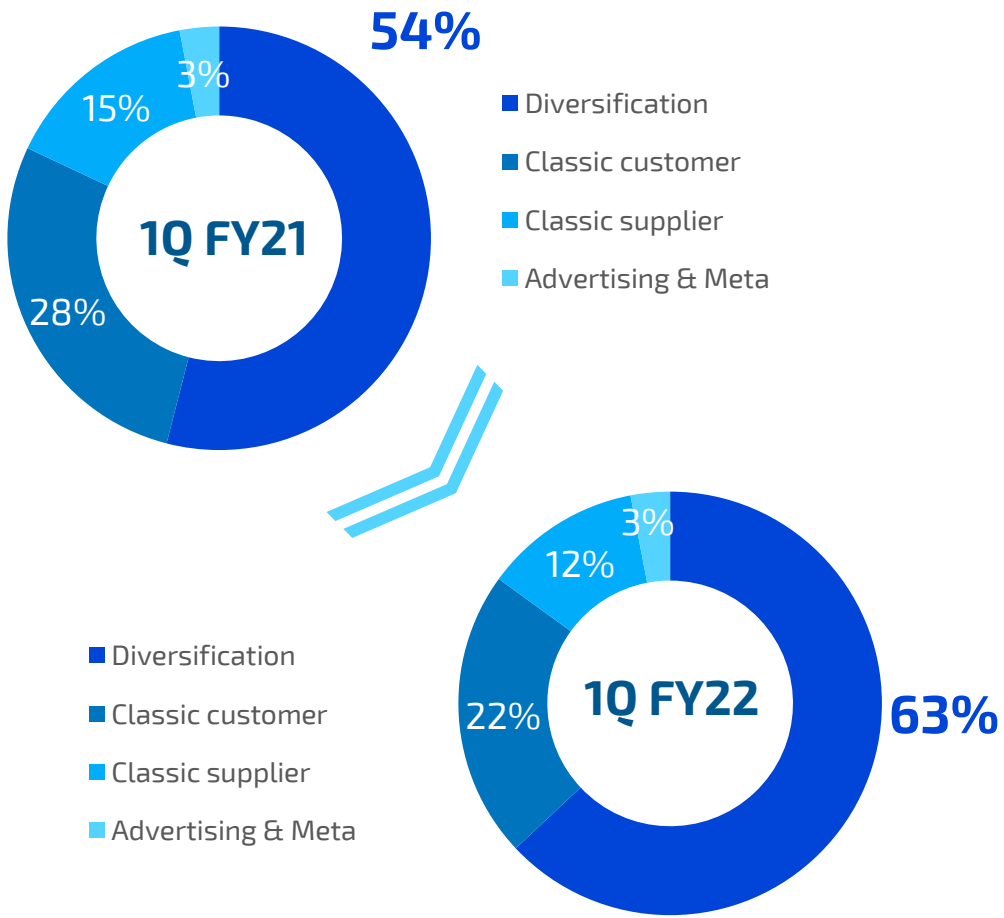
REVENUE DIVERSIFICATION RATIO (*) (**)



PRODUCT DIVERSIFICATION RATIO (*) (**)



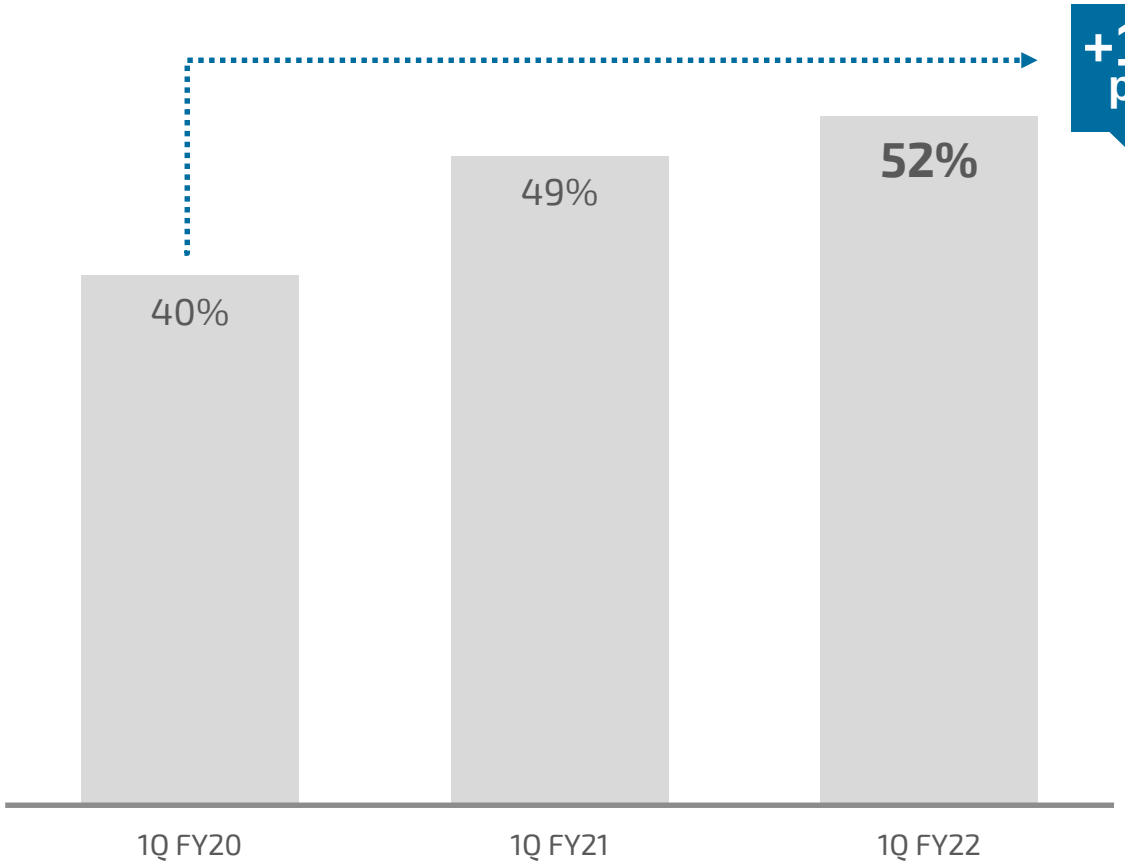
REVENUE EVOLUTION (*) (**)



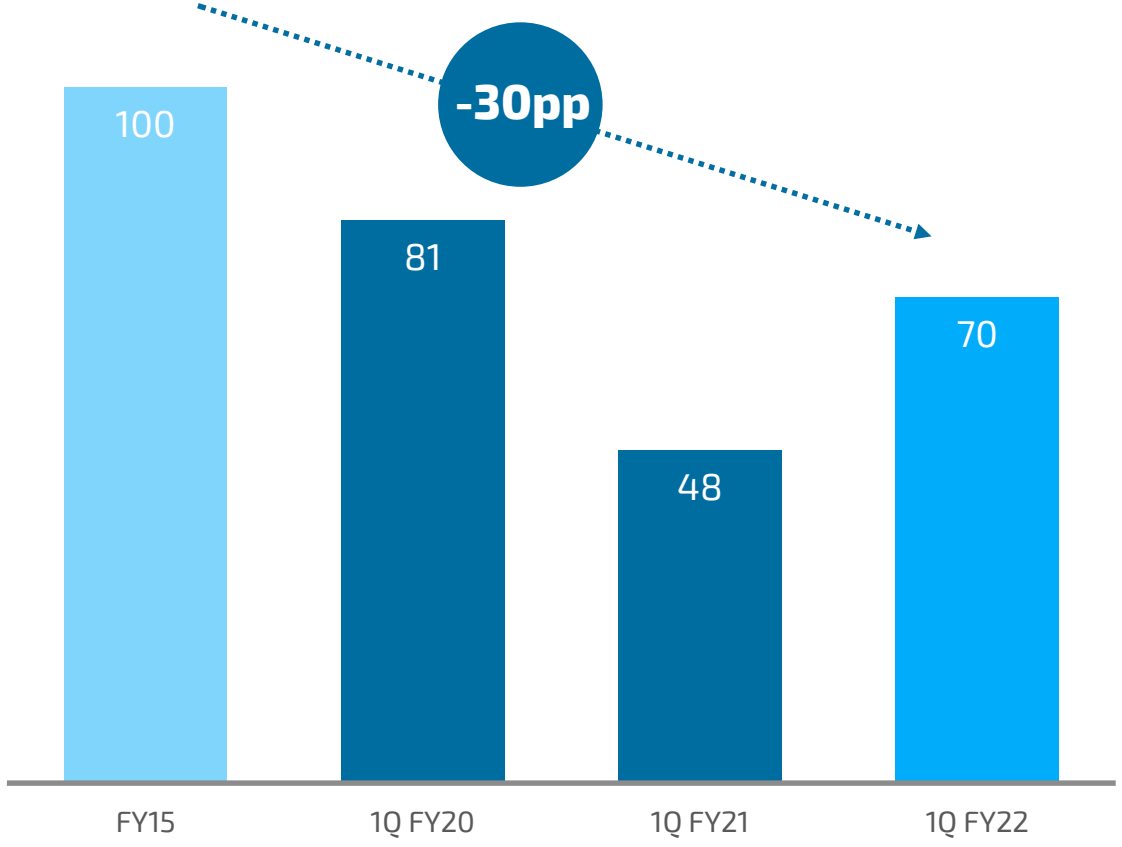
(*) Definitions of Non-GAAP measures on page 22-24 (**) Note: Ratios are calculated on last twelve month basis ending on the displayed quarter

1 WE CONTINUE TO LEAD IN MOBILE AND MAINTAIN A GOOD ACQUISITION COST PER BOOKING

MOBILE BOOKINGS AS SHARE OF FLIGHT BOOKINGS (*)



ACQUISITION COST PER BOOKING INDEX (*)



Note: Definitions of Non-GAAP measures on page 22-24



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2. 1Q FY22 Results Update

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Appendix

2 INCOME STATEMENT

(IN EUROS MILLION)	1Q FY22	VAR FY22 VS FY21	1Q FY21
REVENUE MARGIN	**68.4**	**313%**	**16.6**
VARIABLE COSTS	(55.0)	256%	(15.4)
FIXED COSTS	(15.4)	(3%)	(15.9)
ADJUSTED EBITDA (*)	**(1.9)**	**(87%)**	**(14.7)**
ADJUSTED ITEMS	(2.3)	150%	(0.9)
EBITDA	**(4.2)**	**(73%)**	**(15.6)**
D&A INCL. IMPAIRMENT & RESULTS ON ASSET DISPOSALS	(8.6)	(3%)	(8.9)
EBIT	**(12.8)**	**(48%)**	**(24.5)**
FINANCIAL LOSS	(7.4)	24%	(6.0)
INCOME TAX	(3.7)	N.A	6.0
NET INCOME	**(23.9)**	**(2%)**	**(24.4)**
ADJUSTED NET INCOME (*)	**(15.5)**	**(34%)**	**(23.6)**

(*) Definitions of Non-GAAP measures on page 22-24

Source: Condensed consolidated interim financial statements, unaudited

Highlights **1Q FY22**

1. **Revenue Margin** increased by 313%, to €68.4 million, due to the 491% increase in Bookings following the progress of vaccination rollout and increase in leisure travel demand. This was partly offset by a lower Revenue Margin/Booking, driven by a lower average basket value of Bookings.
2. **Variable costs** increased by 256% in line with Bookings increase, thanks to the adaptability of our business model.
3. **Fixed costs** decreased by 3%, mainly due to last years results being negatively impacted by FX.
4. **Adjusted items** increased by €1.4 million primarily due to the increase in the Long Term Incentive expenses of €1.5 million in FY22.
5. **D&A and impairment** mainly in line with the previous year.
6. **Financial loss** increased by €1.4 million, mainly due to the negative impact of the variation of the foreign exchange by €1.6 million, offset by a lower interest expense on the SSRCF for €0.2 million due to lower usage.
7. **The income tax expense** increased by €9.7 million from €6.0 million income in 1Q FY21 to €3.7 million expense in 1Q FY22 due to higher deferred income tax expense on UK intangible assets due a UK rate change, lower UK & Spanish tax losses (lower income tax), higher US deferred income tax expense relating to the impact of Spanish tax losses on US foreign tax credits, and higher miscellaneous tax expense.

2 eDO EBITDA POSITIVE INCLUDING FULL CONTRIBUTION FROM PRIME

PRIME P&L

(in € million)	12M FY20	1Q FY21	1H FY21	9M FY21	12M FY21	1Q FY22	1Q FY21	Var. %
Bookings (in thousands)	**10,768**	**377**	**1,469**	**2,344**	**3,244**	**2,227**	**377**	**491 %**
Revenue Margin	**528.7**	**16.6**	**51.0**	**81.0**	**111.1**	**68.4**	**16.6**	**313 %**
Increases Prime Deferred Revenue	5.6	2.3	5.8	8.7	10.7	5.1	2.3	120 %
Cash Revenue Margin (*)	**534.3**	**18.9**	**56.8**	**89.7**	**121.8**	**73.5**	**18.9**	**289 %**
Variable Cost	(350.8)	(15.4)	(38.4)	(62.4)	(86.1)	(55.0)	(15.4)	257 %
Fixed Cost	(62.8)	(15.9)	(29.5)	(45.8)	(63.2)	(15.4)	(15.9)	(3)%
Cash EBITDA (*)	**120.7**	**(12.4)**	**(11.0)**	**(18.6)**	**(27.4)**	**3.1**	**(12.4)**	**N/A**
Increases Prime Deferred Revenue	5.6	2.3	5.8	8.7	10.7	5.1	2.3	120 %
Adjusted EBITDA	**115.1**	**(14.7)**	**(16.8)**	**(27.3)**	**(38.2)**	**(1.9)**	**(14.7)**	**(87)%**
Adjusted items	(14.4)	(0.9)	(2.4)	(4.0)	(6.9)	(2.3)	(0.9)	150 %
EBITDA	**100.7**	**(15.6)**	**(19.3)**	**(31.2)**	**(45.0)**	**(4.2)**	**(15.6)**	**(73)%**

- In **FY21**, the i**ncrease in deferred revenue driven by Prime** amounted to €10.7 million euros, a **91% increase** year-on-year, and **in 1Q FY22** it continued to grow amounting to €5.1 million (**up 120% year-on-year**). This amount is **expected to continue increasing** in time as we continue to see a rise in Prime customers.
- **Cash EBITDA (*) €3.1 million positive**

(*) Definitions of Non-GAAP measures on page 22-24

2 CASH FLOW STATEMENT

(IN EUROS MILLION)	1Q FY22	1Q FY21
ADJUSTED EBITDA (*)	**(1.9)**	**(14.7)**
ADJUSTED ITEMS	(2.3)	(0.9)
NON CASH ITEMS	4.5	(13.9)
CHANGE IN WORKING CAPITAL	35.4	21.6
INCOME TAX (PAID) /COLLECTED	2.2	0.1
CASH FLOW FROM OPERATING ACTIVITIES	**37.9**	**(7.9)**
CASH FLOW FROM INVESTING ACTIVITIES	**(5.7)**	**(4.4)**
CASH FLOW BEFORE FINANCING	**32.2**	**(12.3)**
ACQUISITION OF TREASURY SHARES	0.0	0.0
OTHER DEBT ISSUANCE/ (REPAYMENT)	18.4	(0.6)
FINANCIAL EXPENSES (NET)	(1.0)	(1.1)
CASH FLOW FROM FINANCING	**17.4**	**(1.7)**
NET INCREASE / (DECREASE) IN CASH	**49.6**	**(14.0)**
CASH (NET OF BANK OVERDRAFTS)	**45.2**	**71.2**

(*) Definitions of Non-GAAP measures on page 22-24

Source: Condensed consolidated interim financial statements, unaudited

Highlights **1Q FY22**

1. **Net cash from operating activities increased by €45.8 million. mainly reflecting:**

   Working capital inflow of €35.4 million was driven by the increase in demand for leisure travel which led to better volume in the last two weeks of June 2021 vs. March 2021. The €21.6 million inflow during last year was due to volume improvements following the easing of some travel restrictions.

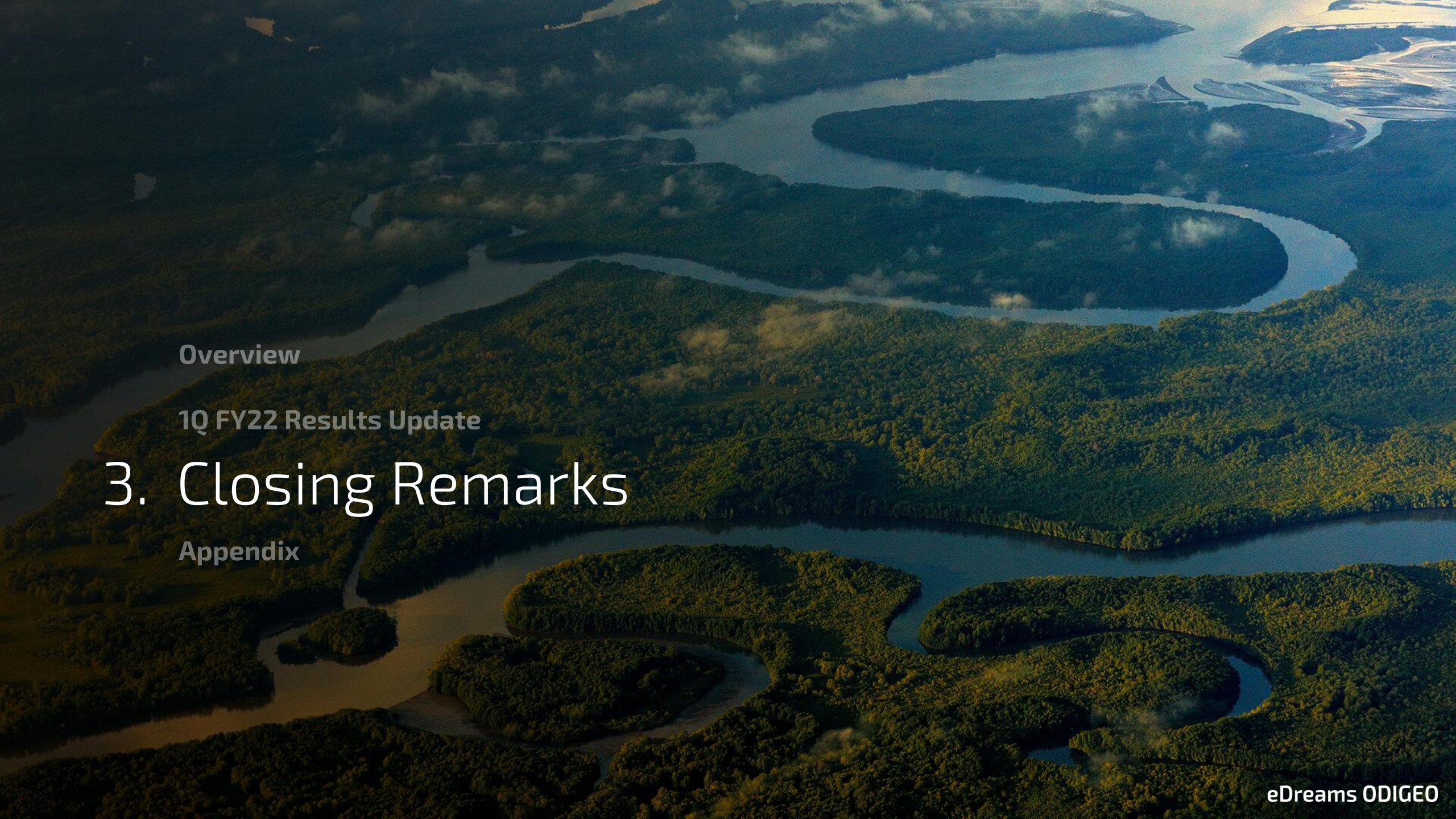
   Income tax collected increased by €2.1 million from €0.1 million in 1Q FY21 to €2.2 million in 1QFY22.

   Increase in Adjusted EBITDA(*) by €12.8 million.

   Better non-cash items: items accrued but not yet paid, increased by €18.4 million mainly due to the variation of provisions.

2. **We have increased cash used for investments** by €1.2 million mainly due to the implementation of cost-saving measures to minimize the temporary impact of COVID-19 in FY21.

3. **Cash used in financing** amounted to €17.4 million, compared to €1.7 million from financing activities in the same period of last year. The variation by €19.1 million in financing activities mainly relates to the drawdown of €19 million under the SSRCF.



Overview

1Q FY22 Results Update

3. Closing Remarks

Appendix

3 IN SUMMARY

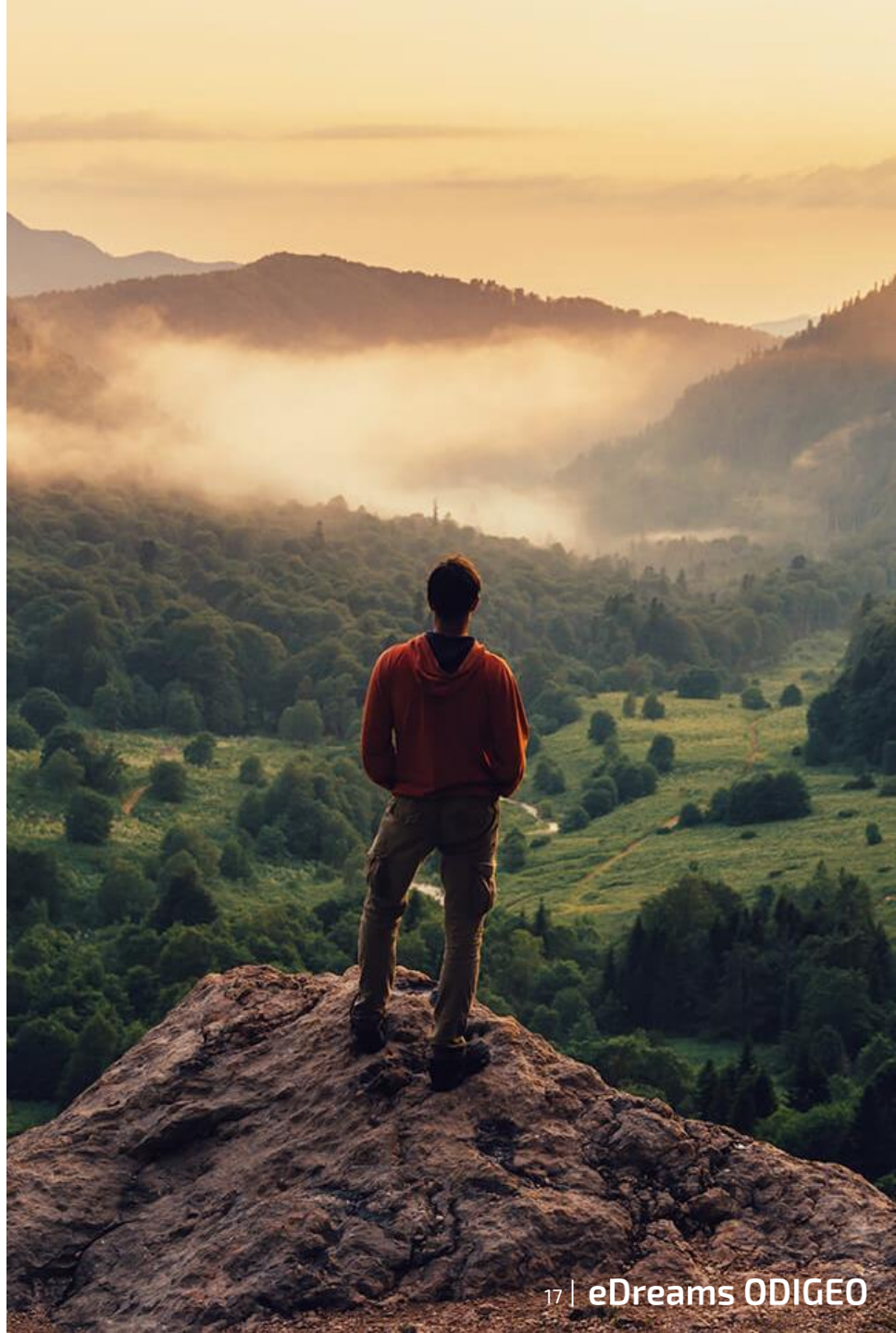
Our business **is strong, and we are positioned to be a winner from the Covid pandemic**.

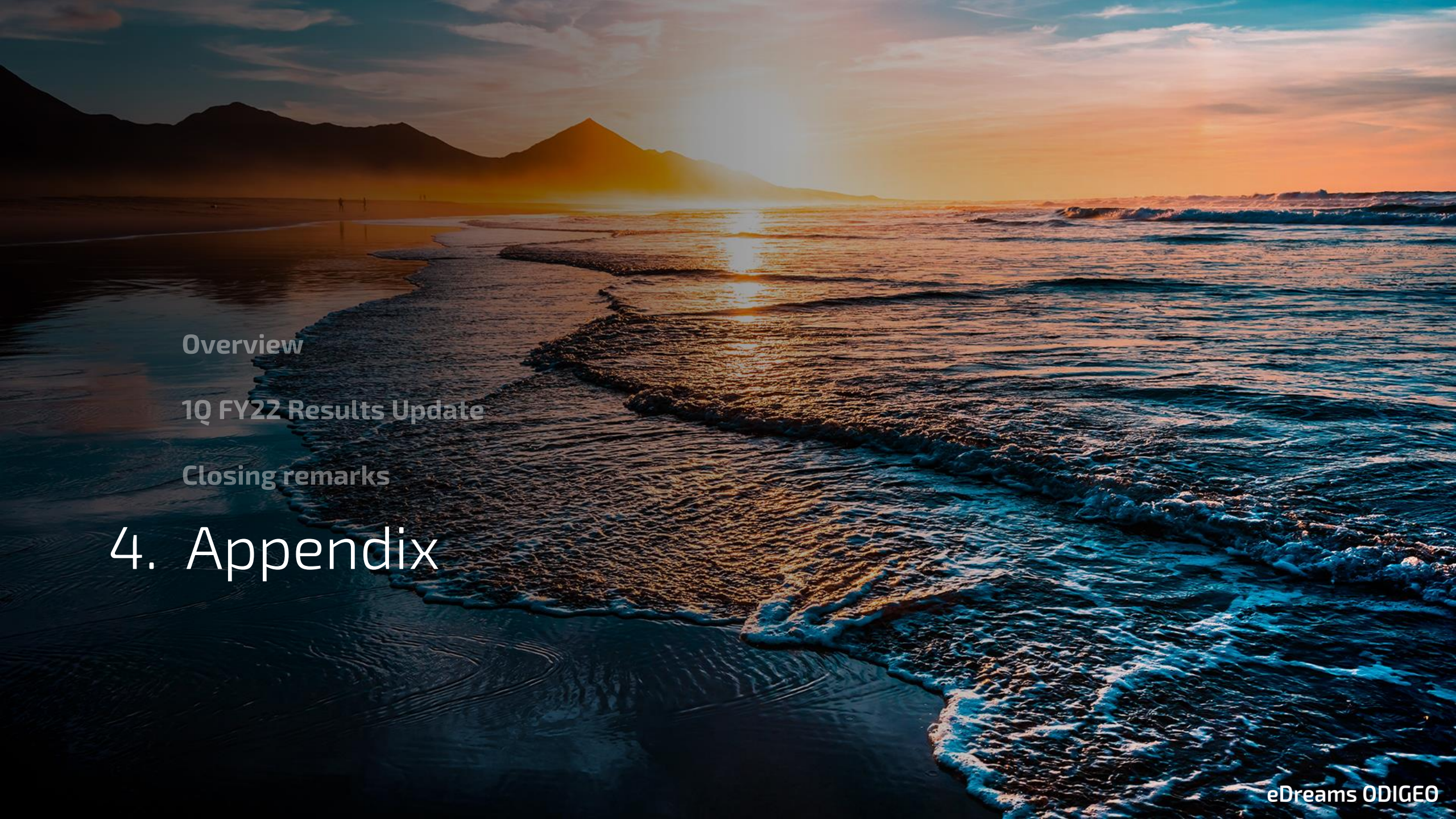
The travel industry is a €1 trillion market, **one of the largest industries in the world**. We are emerging from Covid stronger than ever.

We have **strong growth prospects** with the proven desire of consumers to travel, which is the heart of what we do. We continue to take market share through our superior strategy, product proposition and operational excellence.

Moreover, **we are reinventing travel through our Prime subscription program** which continues to grow. We have already over 1.5 million subscribers in August, adding 500k subscribers in the last 3 months. And 39% of flight Bookings are now from Prime members.

We **continue to expand our share of wallet of our customers via Prime** and expand our geographic base. And we continue to **deepen our customer loyalty and repeat business and we pioneer and reinvent travel and travel provision**.





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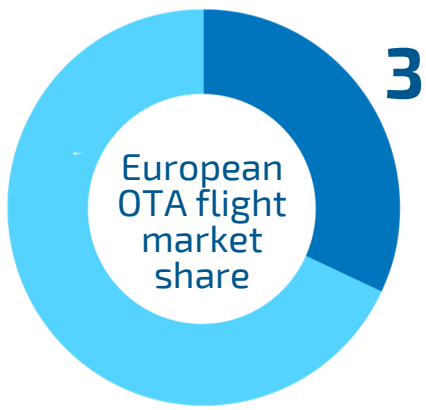
4. Appendix

eDO LEADING THE WAY - A PROVEN MODEL

- We have unrivalled scale advantage
  - #1 OTA in Europe – 37% market share
  - #2 OTA Worldwide in flight revenues
- We have Prime
  - Over 1.5 million subscribers
- We are extending our offer and expanding our footprint
- Tailwinds are in our favour
- In great shape, evidenced by our pent-up demand, and primed to win in a post COVID-19 world
- Superior business model demonstrated during the pandemic
- We still at unjustified meaningful discount vs peer group



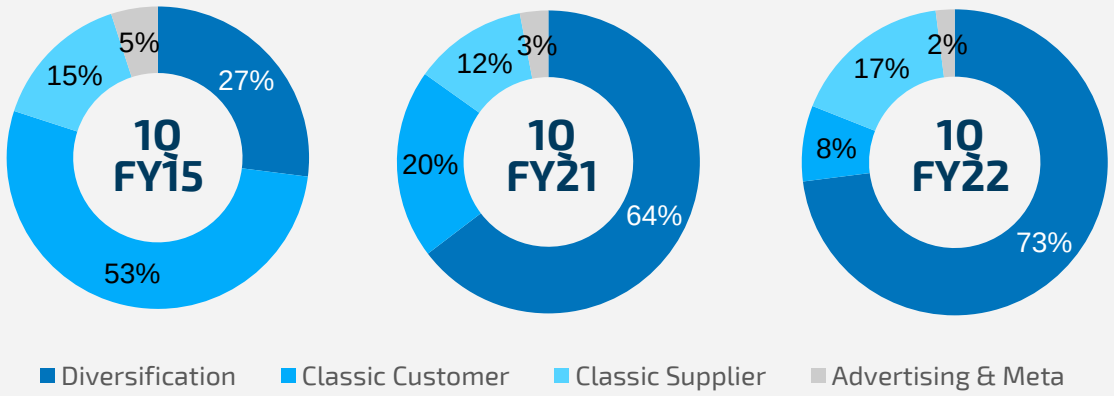
WHY EDREAMS ODIGEO?

Source: Internal analysis; Amadeus bookings data; PhocusWright Europe Travel Market Report 2020-24 (March 2021)

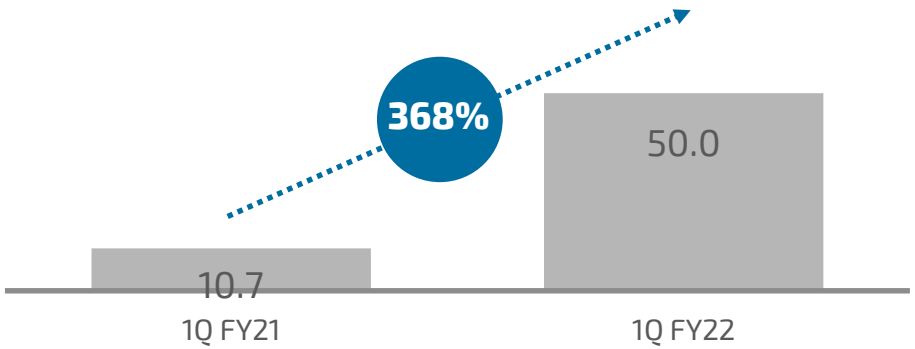
4 DIVERSIFICATION REVENUE CONTINUES AS THE LARGEST CONTRIBUTOR

REVENUE MARGIN (IN € MILLION)

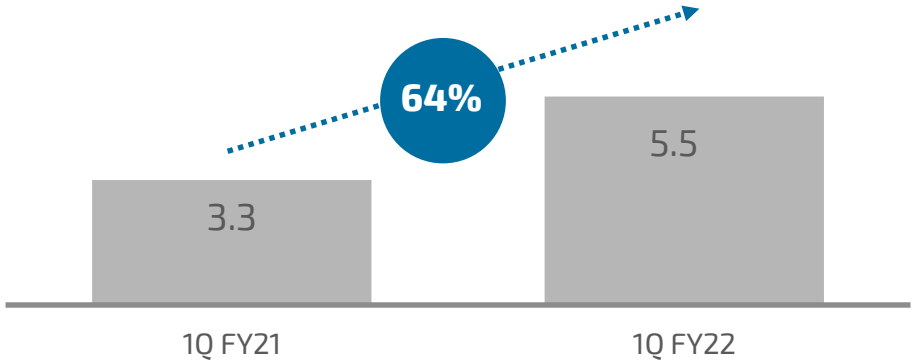
(IN EUROS MILLION)	1Q FY22	Var FY22 vs FY21	1Q FY21
DIVERSIFICATION	50.0	368%	10.7
CLASSIC CUSTOMER	5.5	64%	3.3
CLASSIC SUPPLIER	11.5	461%	2.1
ADVERTISING & META	1.5	188%	0.5
TOTAL	**68.4**	**313%**	**16.6**



DIVERSIFICATION



CLASSIC CUSTOMER

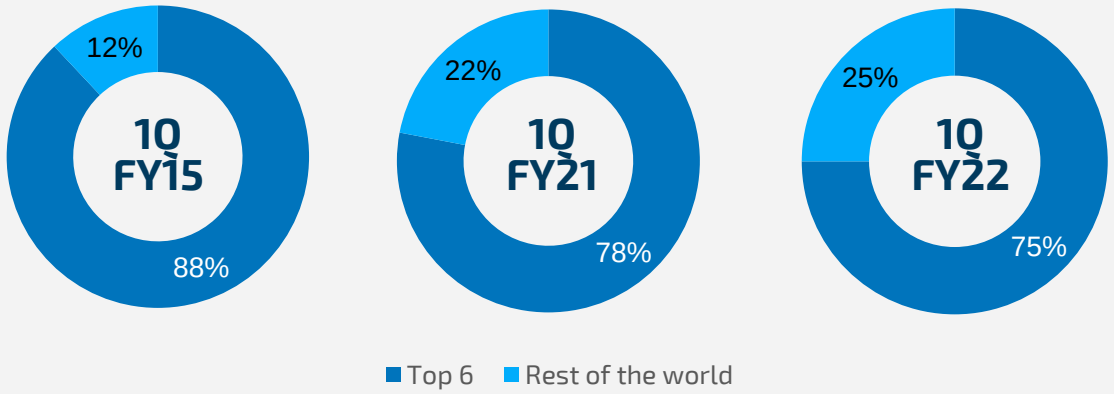


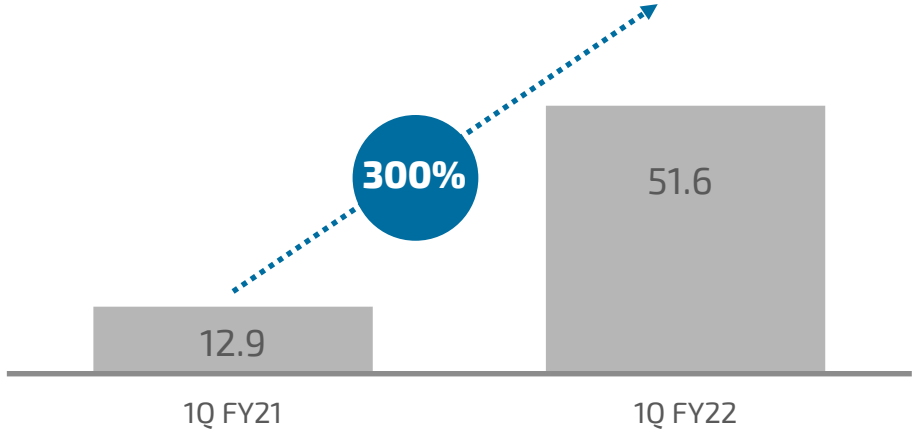
(*) Definitions of Non-GAAP measures on page 22-24

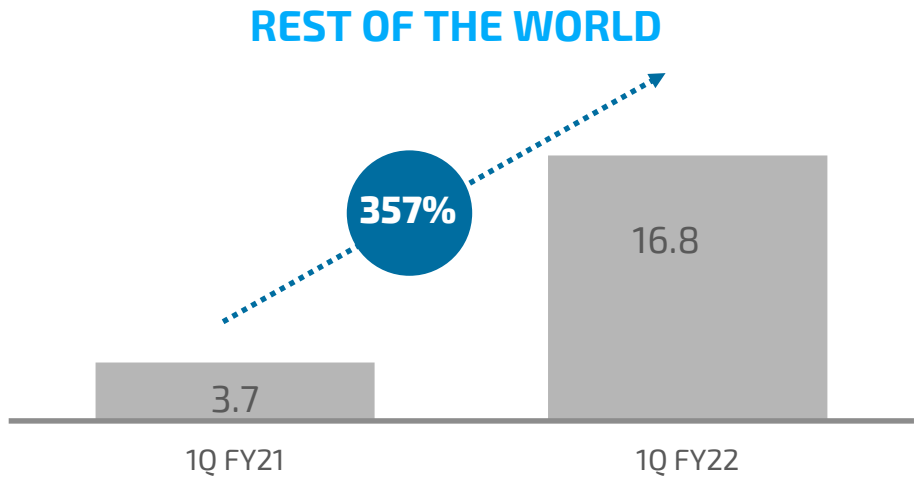
4 REVENUE DIVERSIFICATION CONTINUES TO EXPAND BEYOND TOP 6

REVENUE MARGIN (IN € MILLION)

(IN EUROS MILLION)	1Q FY22	Var FY22 vs FY21	1Q FY21
TOP 6	51.6	300%	12.9
REST OF THE WORLD	16.8	357%	3.7
TOTAL	68.4	313%	16.6







(*) Definitions of Non-GAAP measures on page 22-24

Glossary of Definitions

Non-reconcilable to GAAP measures

1. 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 3 months 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.
2. 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 measure

3. 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 provides to the reader a better view about the ongoing EBITDA generated by the Group.
4. Cash EBITDA means Adjusted EBITDA, plus the variation of the Prime deferred revenue corresponding to the Prime fees that have been collected and that are pending to be accrued. The Prime fees pending to be accrued are non-refundable and will be booked as revenue based on usage, which refers to each instance the customer uses Prime to make a Booking with a discount, or when the Prime contracted period expires. Cash EBITDA provides to the reader a view of the sum of the ongoing EBITDA and the full Prime fees generated in the period.
5. 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.
6. 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.
7. 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.
8. (Free) Cash Flow before financing means cash flow from operating activities plus cash flow from investing activities.
9. 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.
10. 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.
11. 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.
12. Net Income means Consolidated profit/loss for the year.
13. 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.
14. 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

Glossary of Definitions

15. 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.
16. Cash Revenue Margin means the IFRS revenue less cost of supplies, plus the variation of the Prime deferred revenue corresponding to the Prime fees that have been collected and that are pending to be accrued. The Prime fees pending to be accrued are non-refundable and will be booked as revenue based on usage, which refers to each instance the customer uses Prime to make a Booking with a discount, or when the Prime contracted period expires. Cash Revenue Margin provides a measure of the sum of the revenue margin and the full Prime fees generated in the period.
17. Liquidity position means the total amount of cash and cash equivalents, and remaining cash available under the SSRCF.

Other Defined Terms

18. 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.
19. Booking 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.
20. 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.
21. 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.
22. Top 6 Markets and Top 6 Segments refers to our operations in France, Spain, Italy Germany, UK and Nordics.
23. 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
24. 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, analyse and use data to make each of those interactions with customers as personalised and relevant as possible.
25. 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.
26. Rest of the World Markets and RoW segment refers to other countries in which we operate.
27. 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.

Glossary of Definitions

Other Defined Terms

28. Fixed Costs per Booking means fixed costs divided by the number of bookings. See definitions of "Fixed costs" and "Bookings".
29. 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.
30. 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 a Booking (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.
31. 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.
32. Variable Costs per Booking means variable costs divided by the number of bookings. See definitions of "Variable costs" and "Bookings".
33. Marginal Profit means “Revenue Margin” less “Variable Costs”.
34. Cash burn refers to the amount of cash used by the Group, considering the normalization of interest payments, and excluding the repayment and disposal of loans, the variation in working capital except Prime, and other items which are considered by management to not be reflective of the ongoing operations.