
eDreams ODIGEO
RESULTS
PRESENTATION
2Q FY2022
17th November 2021

Disclaimer

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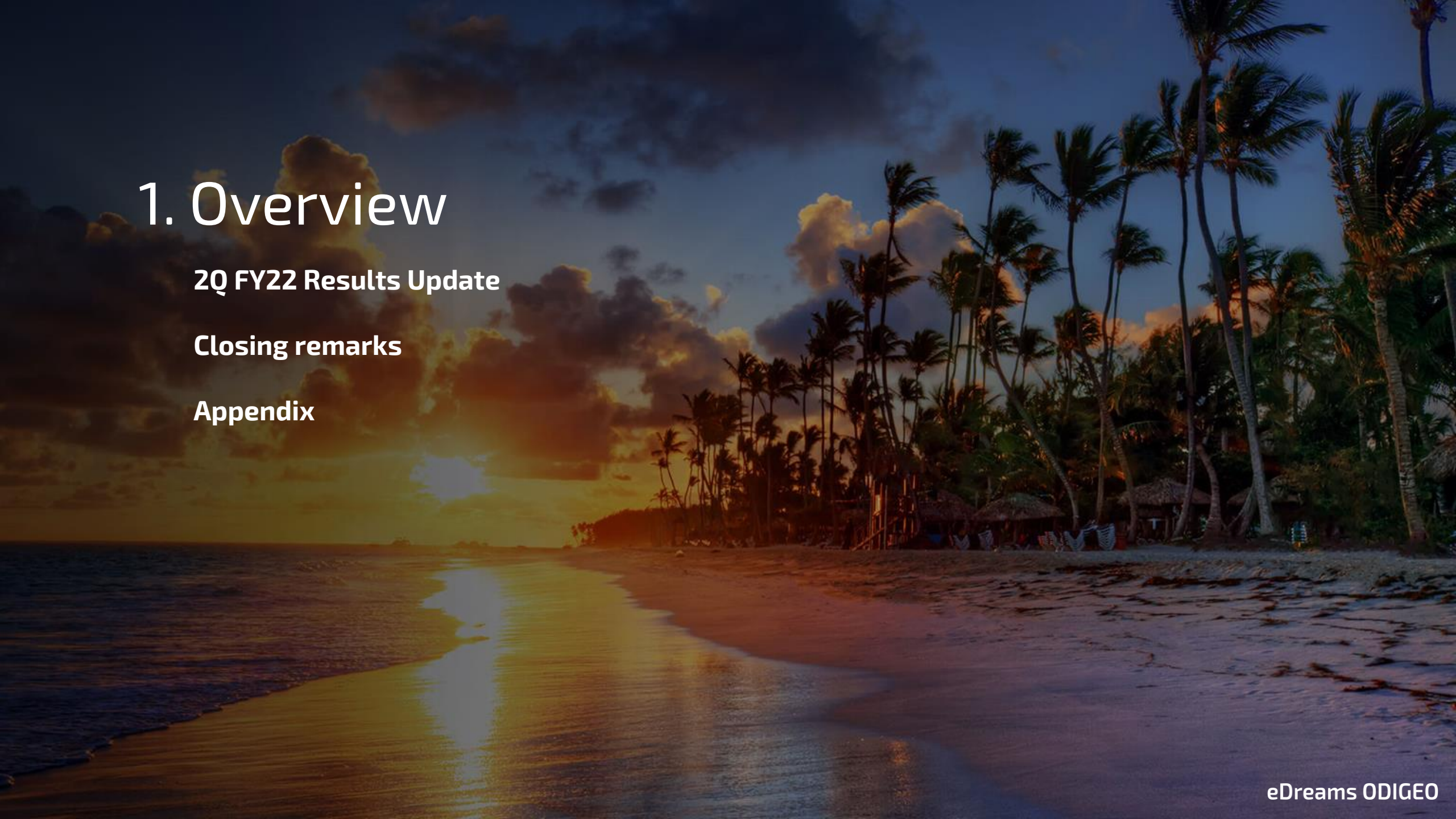


1. Overview

2Q FY22 Results Update

Closing remarks

Appendix

1 eDO STRONG BOOKINGS AHEAD OF PRE-COVID-19 LEVELS, GAINING MARKET SHARE AND PRIME ALMOST SURPASSES 2 MILLION MEMBERS

STRONG BOOKINGS GROWTH, AHEAD PRE-COVID LEVELS

- In 2Q FY22, Bookings 22% above pre-COVID-19 levels (in 1H FY22, Bookings only 1% below pre-COVID 19)
- Trading continues to improve and year-on-year growth rates for Bookings vs pre-COVID-19 levels accelerating (September +33% vs 2019; October +42% vs 2019 and November +53% vs 2019)

ENCOURAGING SIGNS OF eDO RAPID RECOVERY

- Revenue Margin in 2Q FY22 increased 190% year-on-year. COVID-19 induced restrictions still resulted in Cash Revenue Margin (*) being 18% below pre-COVID-19 levels (including Prime contribution) due to disproportionate demand in shorter distance flights
- Cash Marginal Profit (*), stood at €30.7 million positive for 2Q FY22 (€49.2 million in 1H FY22)
- Cash EBITDA (*) €16.2 million positive in 2Q FY22; 5.3x the amount in 1Q FY22 (€3.1 million in 1Q FY22 totalling €19.4 million in 1H FY22)
- Strong liquidity position maintained: €144 million at end September. The liquidity of eDO was never at risk

REINVENTING TRAVEL - SUPERIOR RETURNS WHILE TRANSFORMING THE INDUSTRY

- Leader and inventor of the first and highly successful subscription-based model in travel: Prime
- In 2Q FY22 grew Prime members by 159% year-on-year to 1.7 million subscribers
- Almost 2M members (as of 10th of November), achieved much earlier than accelerated target of summer 2022. Added 1M members in six months
- Prime has more loyal and de-risked consumer base and more predictable and sustainable business model

eDO WILL BE A CLEAR WINNER POST COVID WORLD

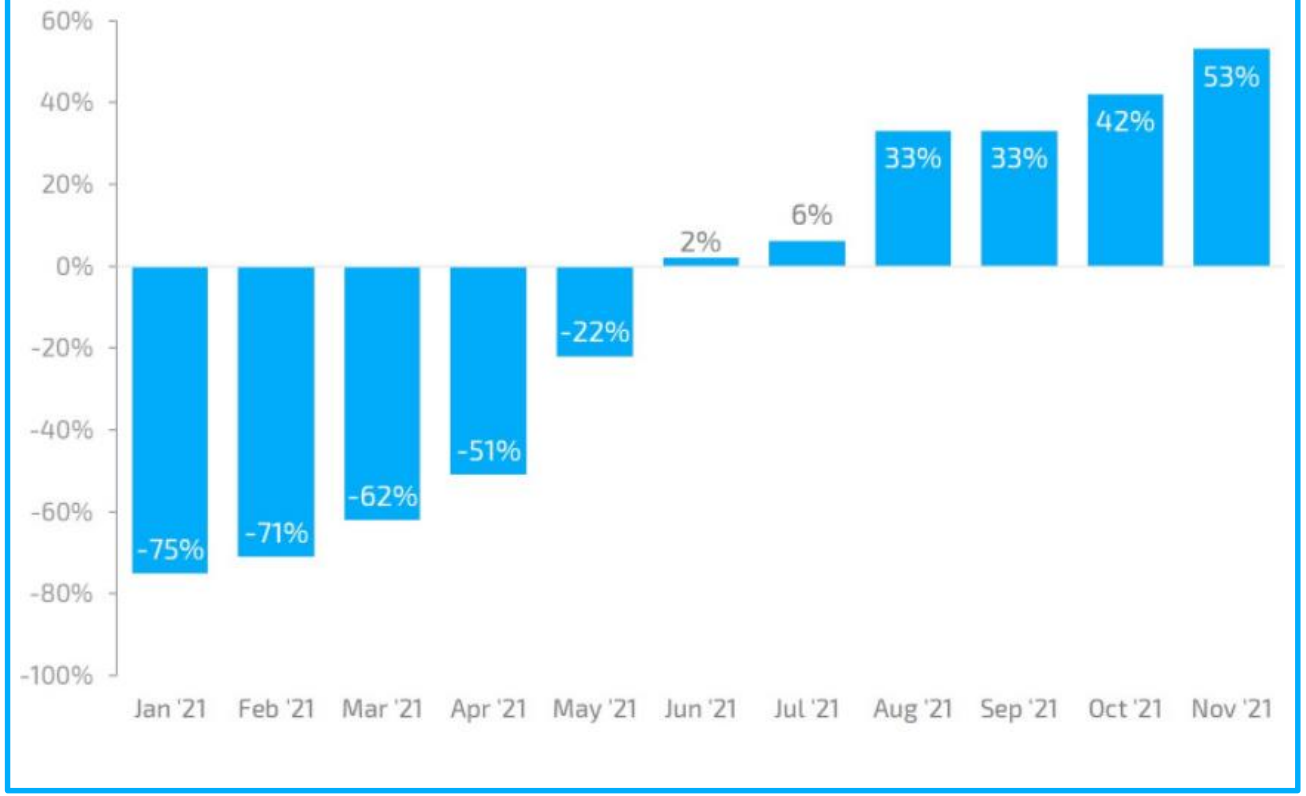
- Unique relationship-based (subscription) model with customers
- We have an unrivalled scale advantage. eDO is the global leader in flights, excluding China
- Our market share in Europe grew by 6pp to 37%
- We have a balanced business with Diversification Revenue of 67%, up +11pp year-on-year, and mobile Bookings in excess of 55%.

FY 2025 TARGETS AND NEW REPORTING KPIs TO BE DISCLOSED ON TODAY's CAPITAL MARKETS DAY

(*) Definitions of Non-GAAP measures on page 20-22

1 eDO STRONG BOOKINGS GROWTH, 6 CONSECUTIVE MONTHS AHEAD PRE-COVID-19 LEVELS…EVEN IN A NOT FULLY RECOVERED MARKET

eDO BOOKINGS GROWTH VS 2019



Source: Company data
Note: eDO Bookings growth until the 10th of November 2021

STRONG DESIRE FOR CONSUMERS TO TRAVEL

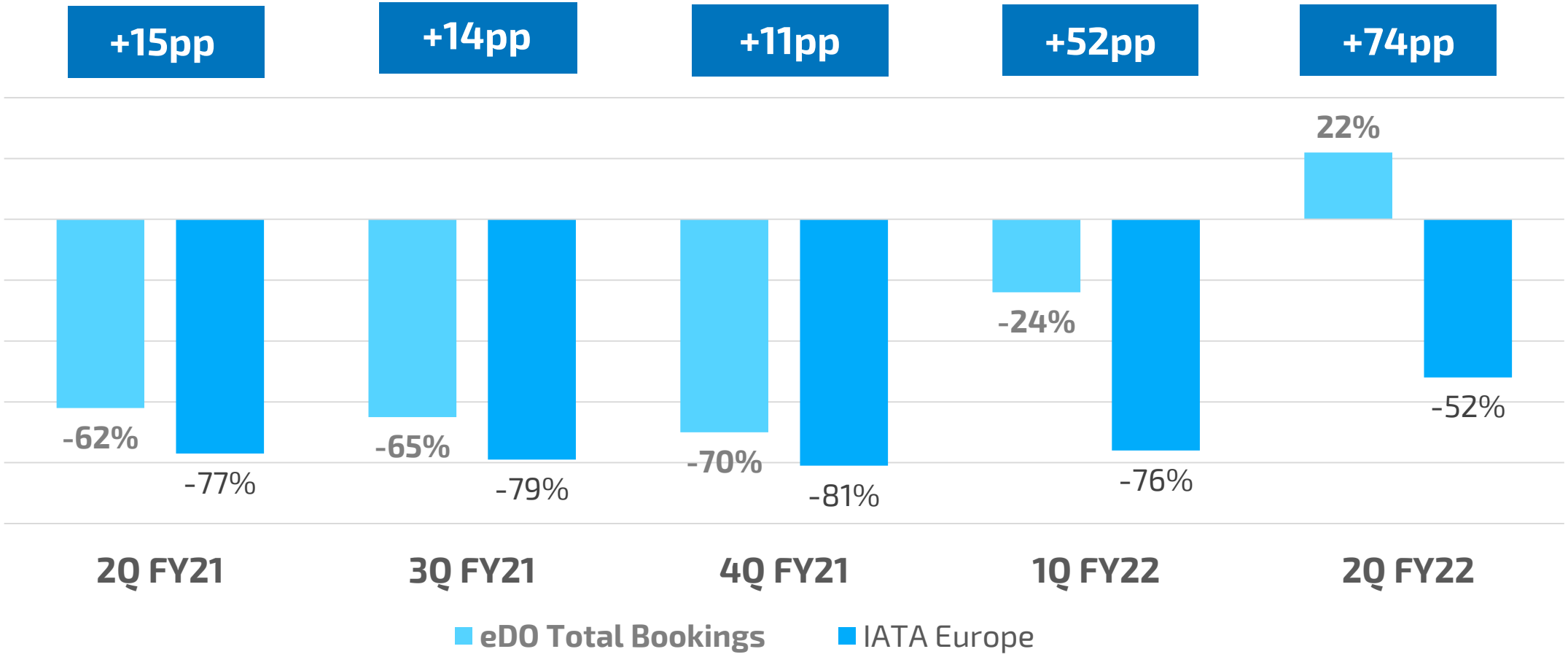
PRIME PROGRAM DRIVING STRONG BOOKINGS GROWTH - IN OCTOBER WE HAD OUR 2nd PRIME DAY

STRONG eDO PERFORMANCE

1 WE CONTINUE TO OUTPERFORM THE MARKET

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

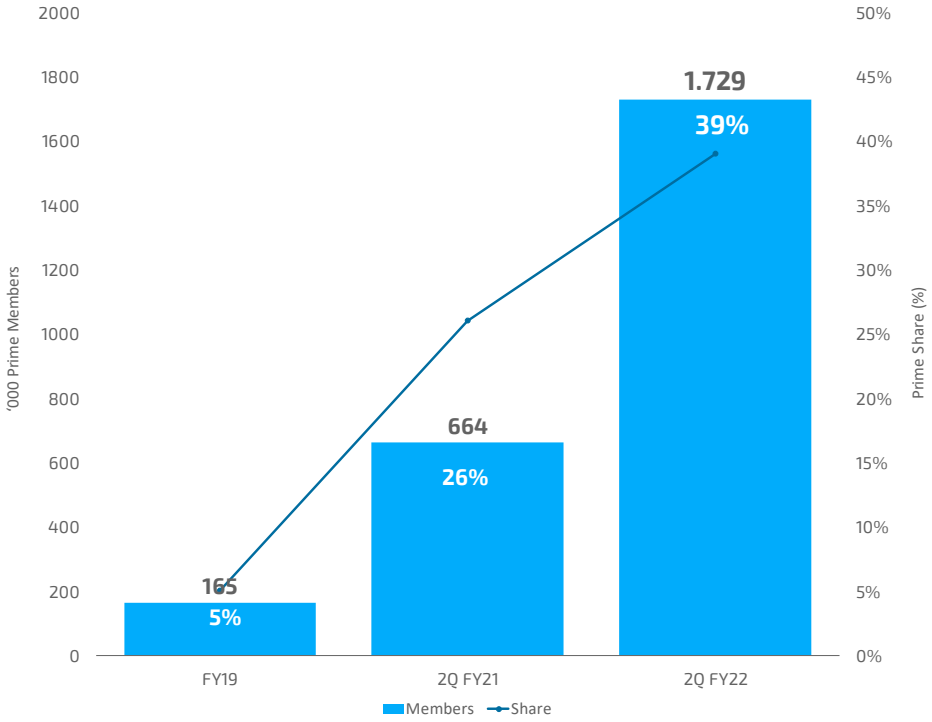
eDO vs IATA (Bookings)



Source: IATA Economics & Company Data

1 ALMOST 2M MEMBERS, ACHIEVED MUCH EARLIER THAN ACCELERATED TARGET OF SUMMER 2022. ADDED 1M MEMBERS IN 6 MONTHS

EVOLUTION OF PRIME MEMBERS AND SHARE OF TOTAL FLIGHT BOOKINGS



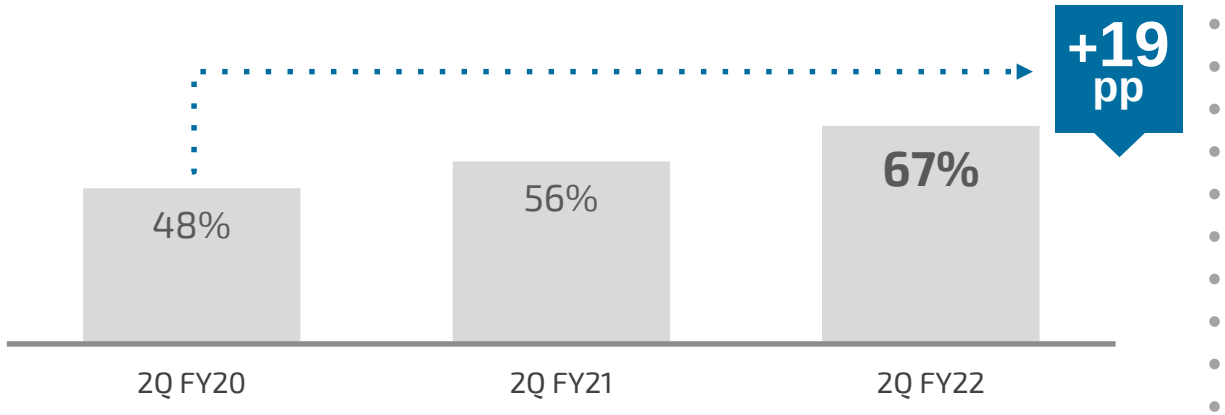
IN NOVEMBER(*) ALMOST 2M MEMBERS

- **eDO is inventor and leader of subscription in travel with over 4 years of investment**
- In the 12 months to September 2021 **our subscribers grew by 159% to 1.7 million**
- **39% of our flight Bookings are now** from **Prime** members

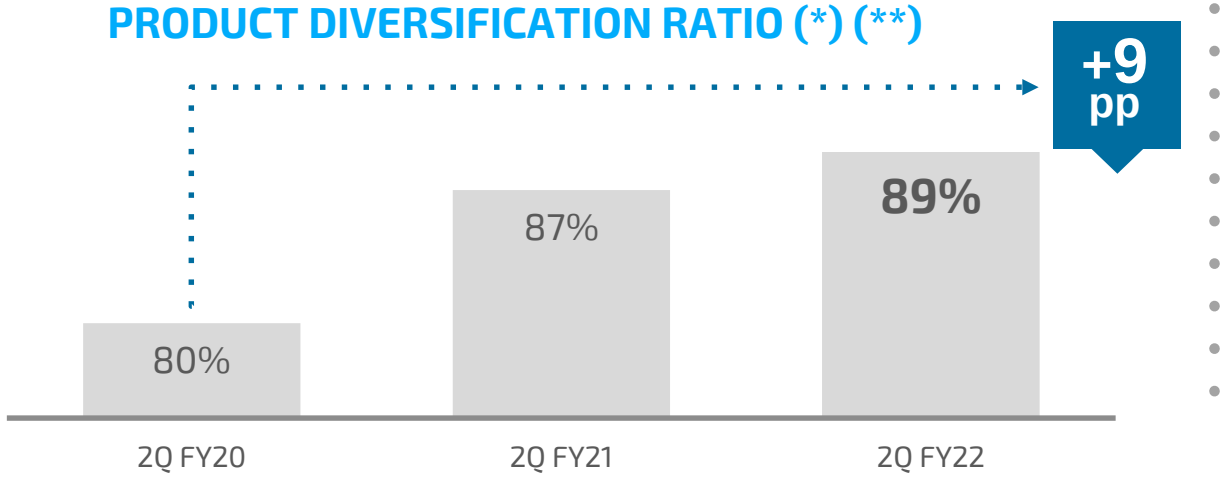
Source: Company data
(*) eDO Prime members as of 10th of November 2021

1 REVENUE DIVERSIFICATION ON TRACK AND THE LARGEST CONTRIBUTOR TO REVENUES

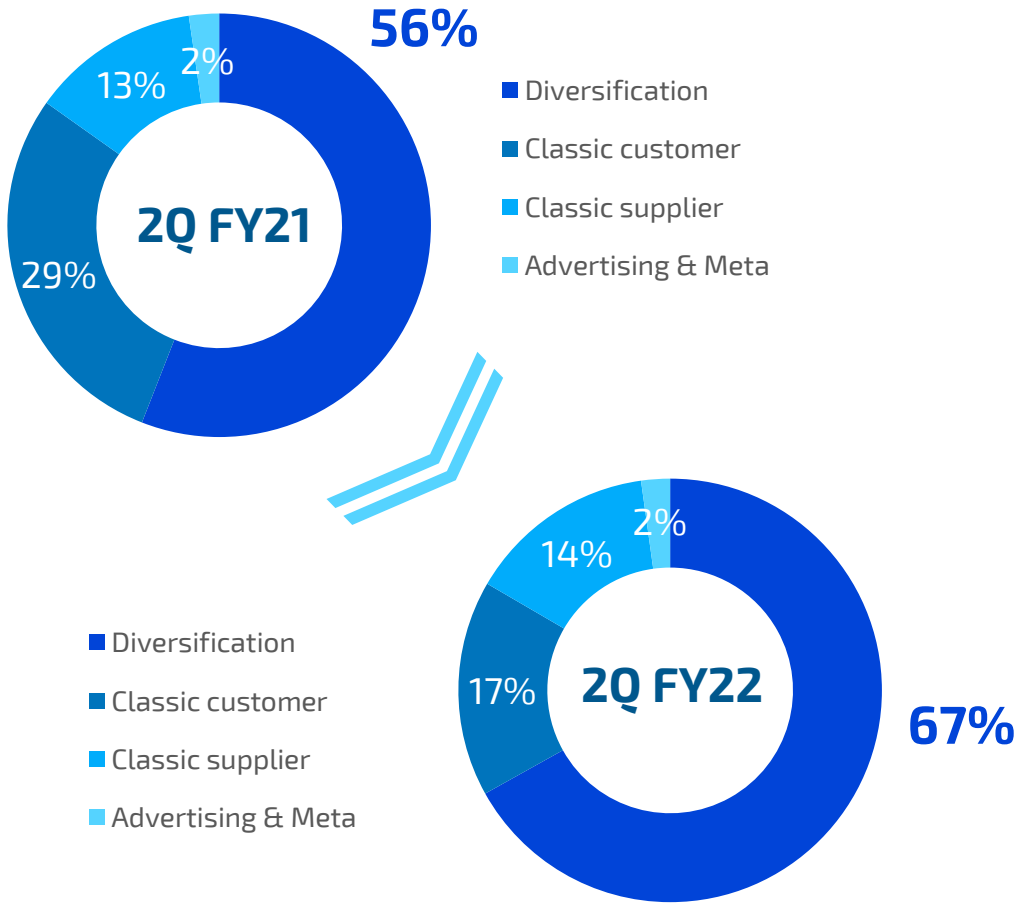
REVENUE DIVERSIFICATION RATIO (*) (**)



PRODUCT DIVERSIFICATION RATIO (*) (**)



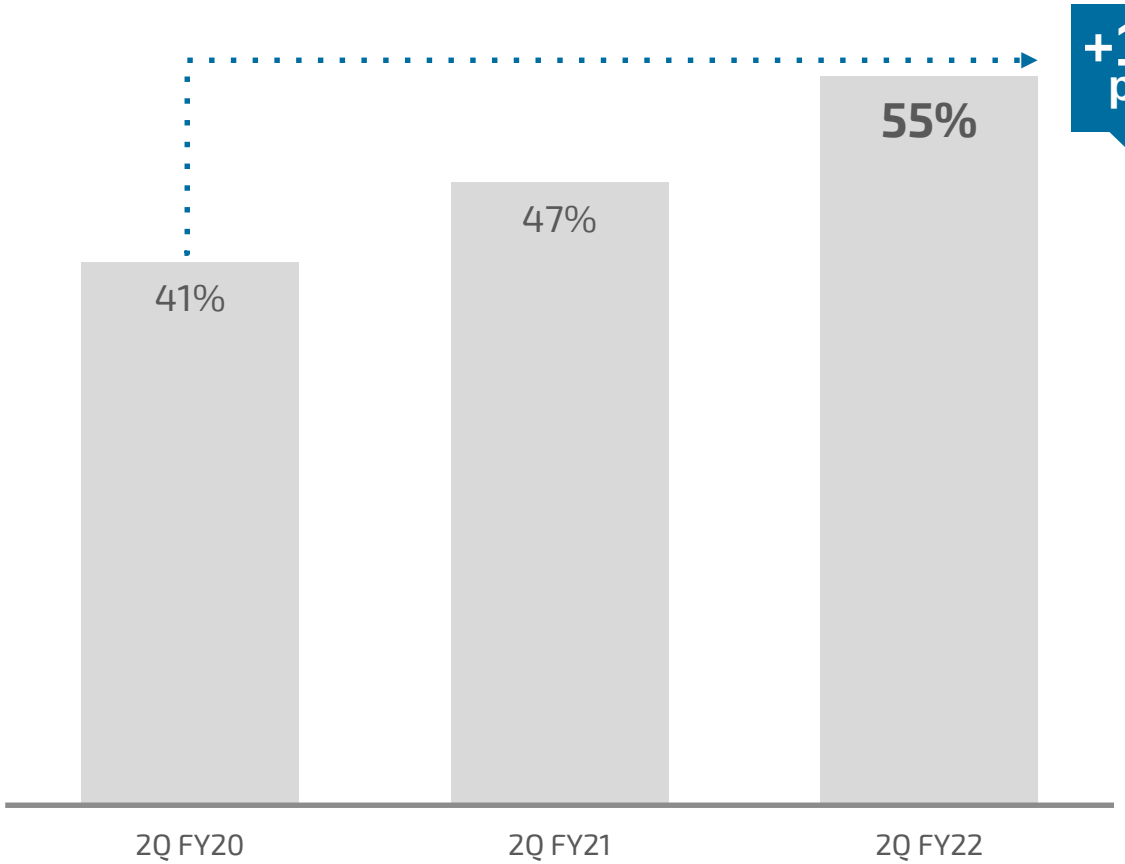
REVENUE EVOLUTION (*) (**)



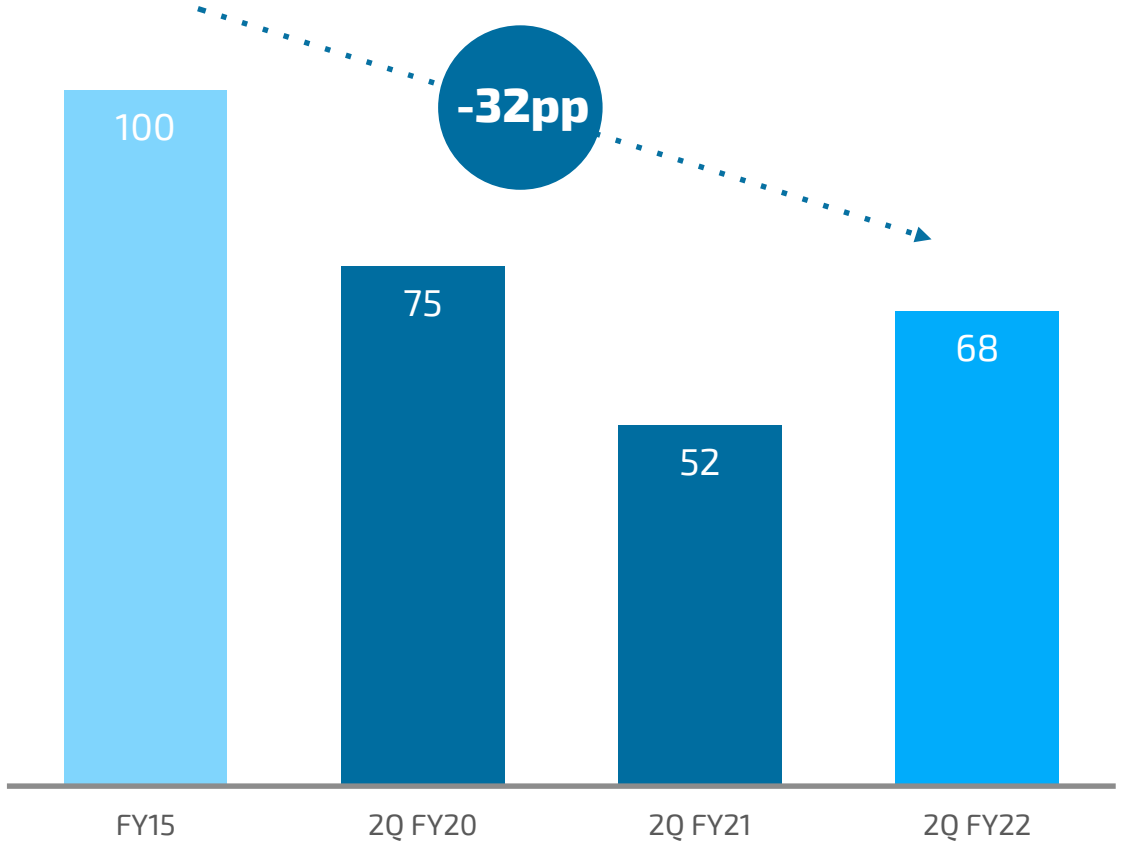
(*) Definitions of Non-GAAP measures on page 20-22 (**) Note: Ratios are calculated on last twelve month basis ending on the displayed quarter

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 (*)



(*) Definitions of Non-GAAP measures on page 20-22 (**) Ratios are calculated on last twelve month basis ending on the displayed quarter



Overview

2. 2Q FY22 Results Update

Closing remarks

Appendix

2 INCOME STATEMENT

(IN EUROS MILLION)	2Q FY22	VAR FY22 VS FY21	2Q FY21	1H FY22	VAR FY22 VS FY21	1H FY21
REVENUE MARGIN	**99.9**	**190%**	**34.4**	**168.4**	**230%**	**51.0**
VARIABLE COSTS	-82.8	261%	-22.9	-137.8	259%	-38.4
FIXED COSTS	-14.4	6%	-13.6	-29.8	1%	-29.5
ADJUSTED EBITDA (*)	**2.7**	**N.A**	**-2.1**	**0.7**	**N.A**	**-16.8**
ADJUSTED ITEMS	-1.9	26%	-1.5	-4.2	72%	-2.4
EBITDA	**0.7**	**N.A**	**-3.6**	**-3.5**	**N.A**	**-19.3**
D&A INCL. IMPAIRMENT & RESULTS ON ASSET DISPOSALS	-8.5	-11%	-9.5	-17.1	-7%	-18.3
EBIT	**-7.7**	**N.A**	**-13.1**	**-20.5**	**N.A**	**-37.6**
FINANCIAL LOSS	-8.4	32%	-6.3	-15.8	28%	-12.3
INCOME TAX	2.5	N.A	-1.3	-1.2	N.A	4.7
NET INCOME	**-13.6**	**N.A**	**-20.7**	**-37.5**	**N.A**	**-45.2**
ADJUSTED NET INCOME	**-12.2**	**N.A**	**-19.3**	**-27.7**	**N.A**	**-42.8**

(*) Definitions of Non-GAAP measures on page 20-22

Source: Condensed consolidated interim financial statements, unaudited

Highlights **2Q FY22**

1. **Revenue Margin** increased by 190%, to €99.9 million, due to the 222% increase in Bookings which was partly offset by a decrease in Revenue Margin per Booking of 10%.
2. **Variable costs** increased by 261% due to the increase in Bookings, and an increase of Variable Costs per Booking of 12%, from €21.0 in Q2 FY21, to €23.6 in Q2 FY22, as a result of higher marketing investment.
3. **Fixed costs** increased by 6%, mainly driven by higher personnel costs, due to the absence of government supported scheme (ERTE) for temporary salary reductions in 2Q FY22.
4. **Adjusted items** increased by €0.4 million primarily due to the increase in the Long Term Incentive expenses of €0.6 million in FY22.
5. **D&A and impairment** decreased by €1 million, mainly due to the decrease of the depreciable value of fixed assets.
6. **Financial loss** increased by €2.1 million, mainly due to the impact of the fluctuations on the foreign exchange rates for cash and cash equivalents that we have in currencies other than Euros.
7. **The income tax expense** decreased by €3.8 million from €1.3 million expense in 2Q FY21 to €2.5 million income in 2Q FY22 due to (a) lower income tax expense in the UK due to lower taxable profits in the UK, (b) lower income tax expense due to the recognition of the FY22 parent company's losses in Spain, (c) lower income tax expense due to carry back of French tax losses in FY22, which was partly offset by (d) higher income tax expense in Spain due to lower losses in Spain.

2 eDO CASH EBITDA ACCELERATING DUE TO STRONG GROWTH IN PRIME MEMBERS

PRIME P&L

(in € million)	12M FY21	1Q FY22	2Q FY22	1H FY22	1H FY21	Var. %
Revenue Margin	**111.1**	**68.4**	**99.9**	**168.4**	**51.0**	**230 %**
Increases Prime Deferred Revenue	10.7	5.1	13.5	18.6	5.8	221 %
Cash Revenue Margin (*)	**121.8**	**73.5**	**113.5**	**187.0**	**56.8**	**229 %**
Variable Cost	(86.1)	(55.0)	(82.8)	(137.8)	(38.4)	259 %
Fixed Cost	(63.2)	(15.4)	(14.4)	(29.8)	(29.5)	1 %
Cash EBITDA (*)	**(27.4)**	**3.1**	**16.2**	**19.4**	**(11.0)**	**N/A**
Increases Prime Deferred Revenue	10.7	5.1	13.5	18.6	5.8	221 %
Adjusted EBITDA	**(38.2)**	**(1.9)**	**2.7**	**0.7**	**(16.8)**	**N/A**
Adjusted items	(6.9)	(2.3)	(1.9)	(4.2)	(2.4)	72 %
EBITDA	**(45.0)**	**(4.2)**	**0.7**	**(3.5)**	**(19.3)**	**N/A**

- In **FY21**, the i**ncrease in deferred revenue driven by Prime** amounted to €10.7 million euros, a **91% increase** year-on-year. **In 1H FY22** this **growth has accelerated driven by strong growth in Prime members** (781,000 more new members than in the same period last year) amounting to €18.6 million (**up 221% year-on-year**). This amount is **expected to continue increasing** in time as we continue to see a rise in Prime customers.
- **Cash EBITDA (*) €19.4 million positive in 1H FY22**

(*) Definitions of Non-GAAP measures on page 20-22

2 CASH FLOW STATEMENT

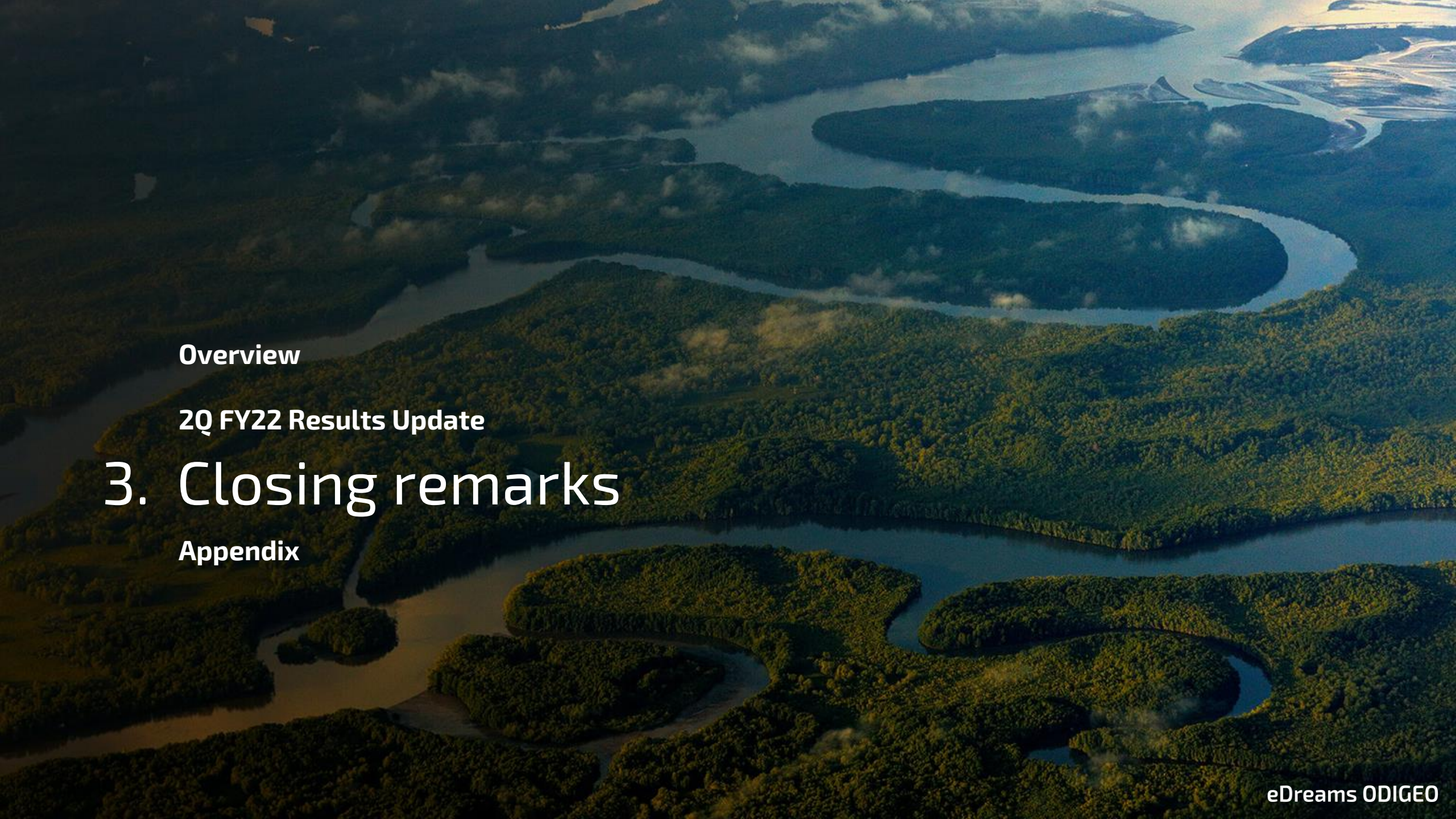
(IN EUROS MILLION)	2Q FY22	2Q FY21	1H FY22	1H FY21
ADJUSTED EBITDA (*)	**2.7**	**-2.1**	**0.7**	**-16.8**
ADJUSTED ITEMS	-1.9	-1.5	-4.2	-2.4
NON CASH ITEMS	0.1	-3.3	4.7	-17.2
CHANGE IN WORKING CAPITAL	26.4	-1.8	61.8	19.8
INCOME TAX PAID	0.0	-5.1	2.2	-5.1
CASH FLOW FROM OPERATING ACTIVITIES	**27.3**	**-13.9**	**65.2**	**-21.8**
CASH FLOW FROM INVESTING ACTIVITIES	**-6.0**	**-4.4**	**-11.7**	**-8.8**
CASH FLOW BEFORE FINANCING	**21.2**	**-18.3**	**53.4**	**-30.6**
OTHER DEBT ISSUANCE/ (REPAYMENT)	-19.6	-40.2	-1.1	-40.8
FINANCIAL EXPENSES (NET)	-12.8	-12.9	-13.8	-14.1
CASH FLOW FROM FINANCING	**-32.4**	**-53.2**	**-14.9**	**-54.9**
NET INCREASE / (DECREASE) IN CASH	**-11.2**	**-71.4**	**38.5**	**-85.4**
CASH (NET OF BANK OVERDRAFTS)	**33.4**	**0.5**	**33.4**	**0.5**

(*) Definitions of Non-GAAP measures on page 20-22

Source: Condensed consolidated interim financial statements, unaudited

Highlights **2Q FY22**

1. **Net cash from operating activities increased by €41.2 million, mainly reflecting:**
   - Working capital inflow of €26.4 million compared to an outflow of €1.8 million in 2Q FY21. The inflow of €26.4 million is mainly driven by the increase in demand for leisure travel in September 2021 compared to June 2021 as well as by the increase in Prime Deferred Income.
   - Income tax paid decreased by €5.1 million from €5.1 million payment in 2Q FY21 to nil in 2Q FY22 due to the fact that the advance payment made in Portugal in FY21 was not due in FY22.
   - Increase in Adjusted EBITDA(*) by €4.8 million.
   - Non-cash items: items accrued but not yet paid, increased by €3.4 million mainly due a greater variation (decrease) in the provisions recorded.
2. **We have used cash for investments** of €6.0 million in 2Q FY22, an increase by €1.6 million, mainly due to an increase in software that was capitalized.
3. **Cash used in financing** amounted to €32.4 million, compared to €53.2 million from financing activities in the same period of last year. The variation by €20.8 million in financing activities mainly relates to the repayment of €54.5 million of the Super Senior Credit Facilities, partly offset by the drawdown in full of the €15 million Government-sponsored Loan in Q2 FY21 and the repayment of €19.0 million of the SSRCF in 2Q FY22.



Overview

2Q FY22 Results Update

3. Closing remarks

Appendix

3 CLOSING REMARKS

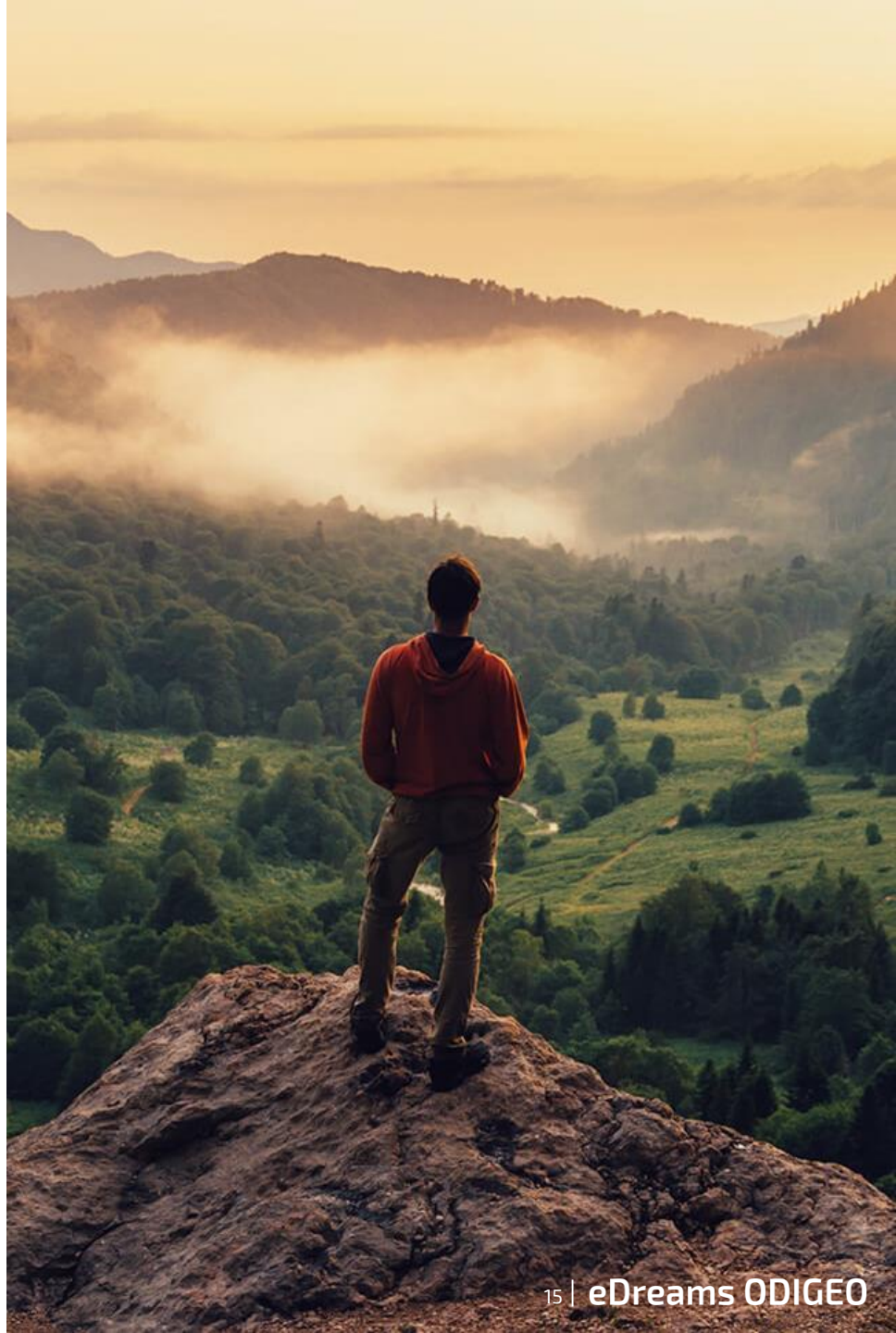
Overall we continue to outperform the market, gaining market share. In the past 6 months we have been continually above Pre-COVID-19 levels with the more recent months at plus 30 to 50%

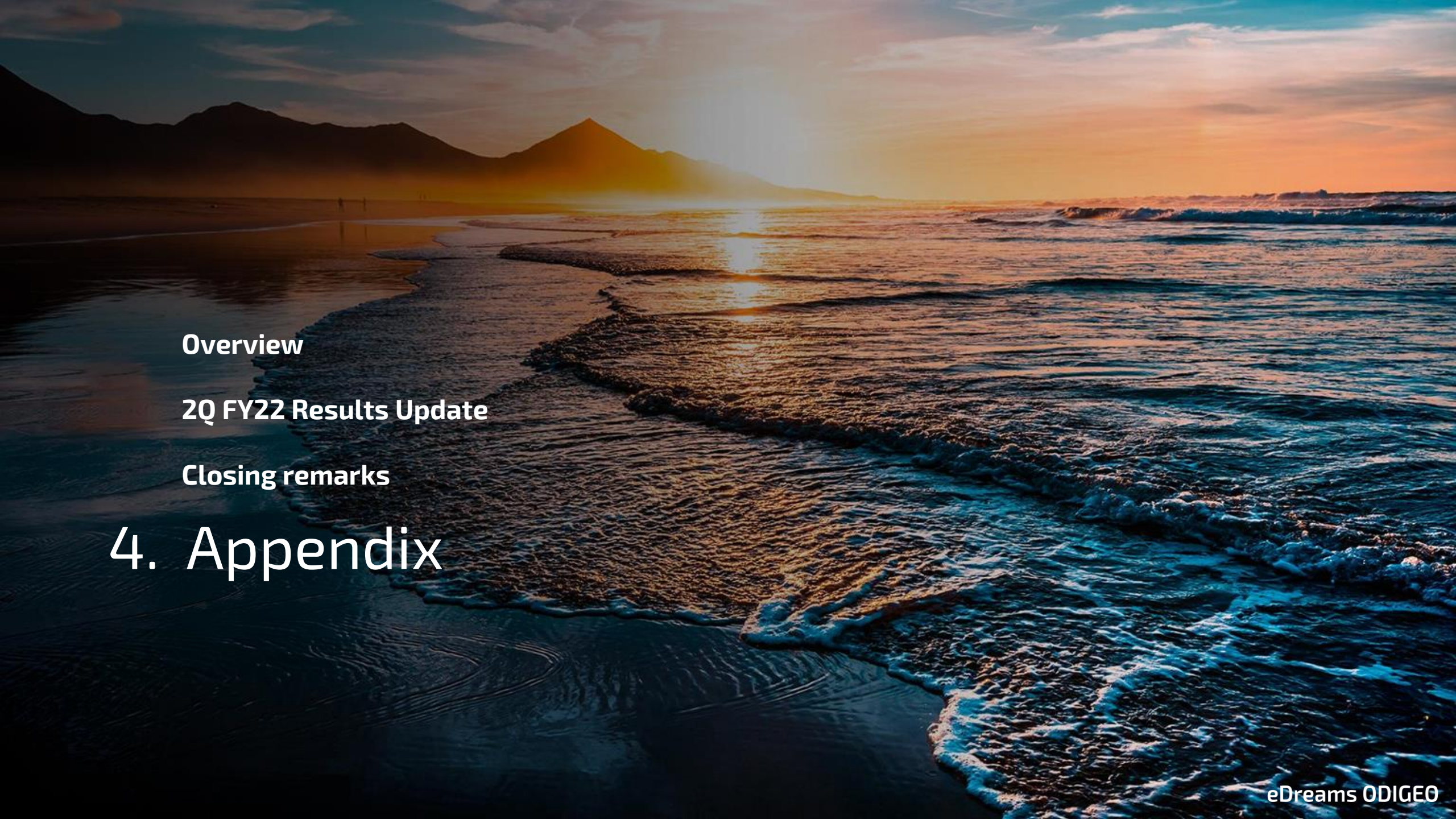
Our customer proposition is unique and very compelling for consumers. In Prime we continue to add more customers, having added over a million customers in the past 6 months and are today almost at 2 million subscribers.

Economically for eDreams Odigeo, **Prime changes the relationship it has with its customers from transactional to repeat customer** which lowers the cost of ongoing customer re-acquisition, i.e. marketing costs and allowing further investment in flight and non-flight products to delight and secure more customers.

In practice this means we are becoming a subscription business. Already today **we have almost 40% of our bookings coming from Prime subscribers and this will continue to grow. With the return of leisure travel, the opportunity is very large for us. With a proven proposition, proven economic model, and a large total addressable market this provides a large opportunity like other subscription based businesses.**

FY 2025 TARGETS AND NEW KPIs TO BE DISCLOSED ON TODAY's CMD





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2Q FY22 Results Update

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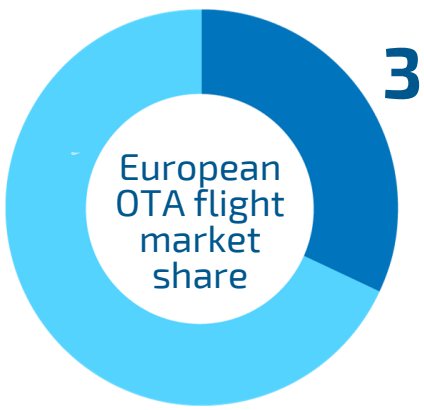
4. Appendix

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
  - Almost 2 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



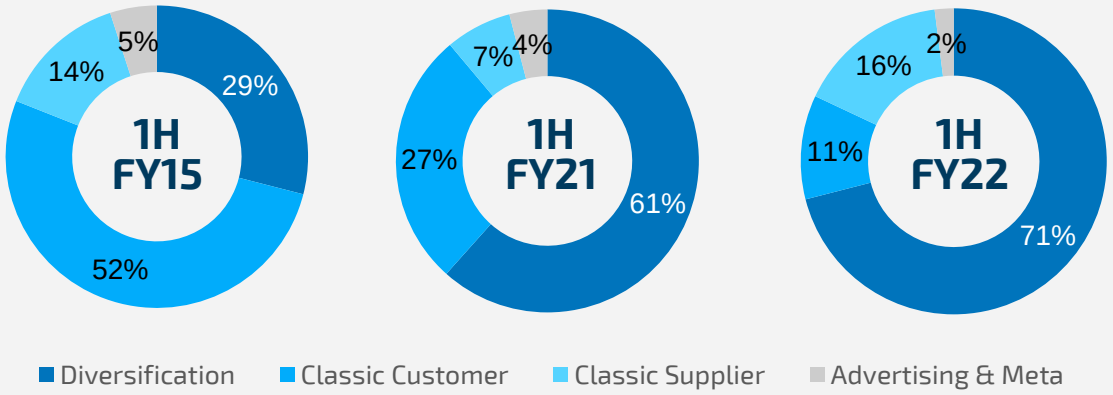
WHY EDREAMS ODIGEO?

Source: Phocuswright Europe Travel Market Report 2020-24 (March 2021) , France, Germany, Italy, UK, Scandinavia and Spain Travel Market 2020-2024: By the Numbers, annual report company data and eDO estimates

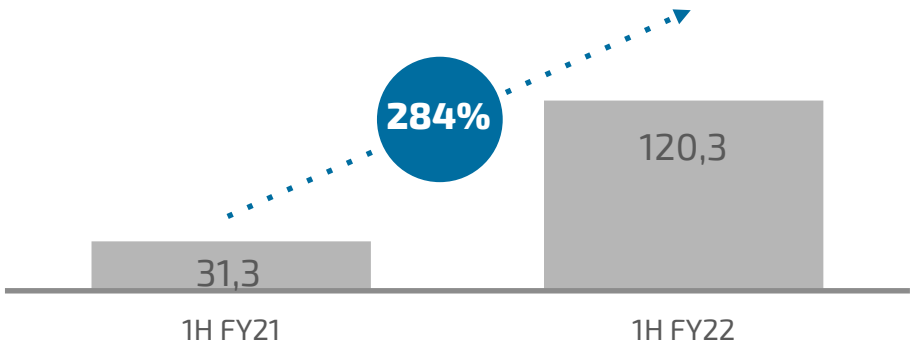
4 DIVERSIFICATION REVENUE CONTINUES AS THE LARGEST CONTRIBUTOR

REVENUE MARGIN

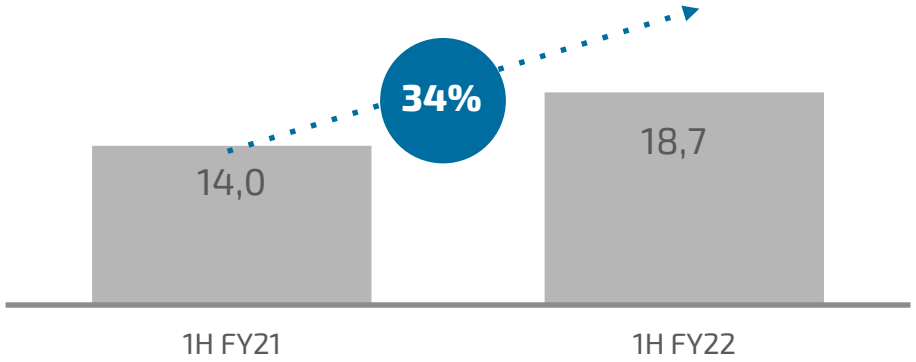
(IN EUROS MILLION)	1H FY22	Var FY22 vs FY21	1H FY21
DIVERSIFICATION	120.3	284%	31.3
CLASSIC CUSTOMER	18.7	34%	14.0
CLASSIC SUPPLIER	26.1	600%	3.7
ADVERTISING & META	3.2	61%	2.0
TOTAL	**168.4**	**313%**	**51.0**



DIVERSIFICATION



CLASSIC CUSTOMER

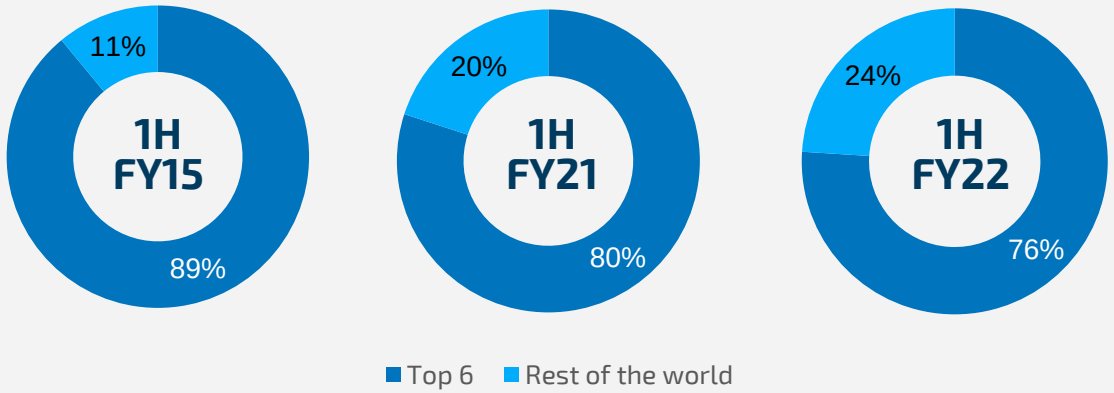


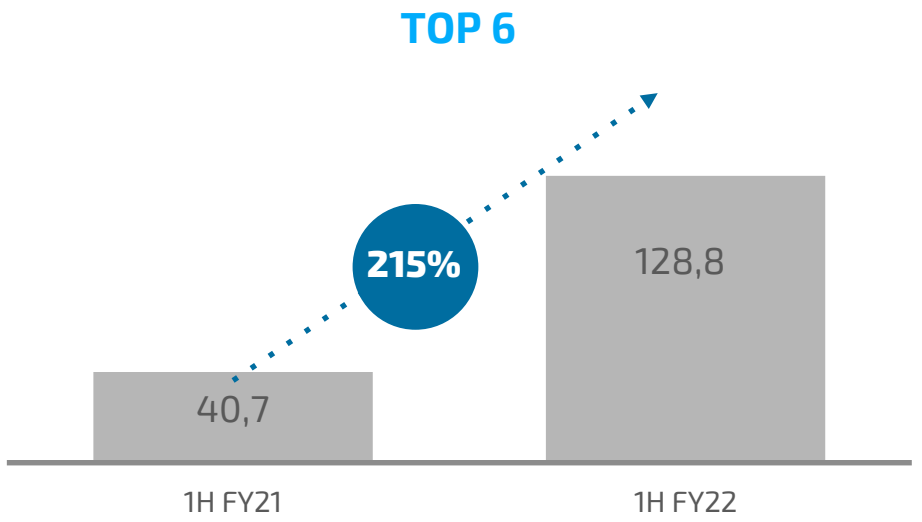
(*) Definitions of Non-GAAP measures on page 20-22

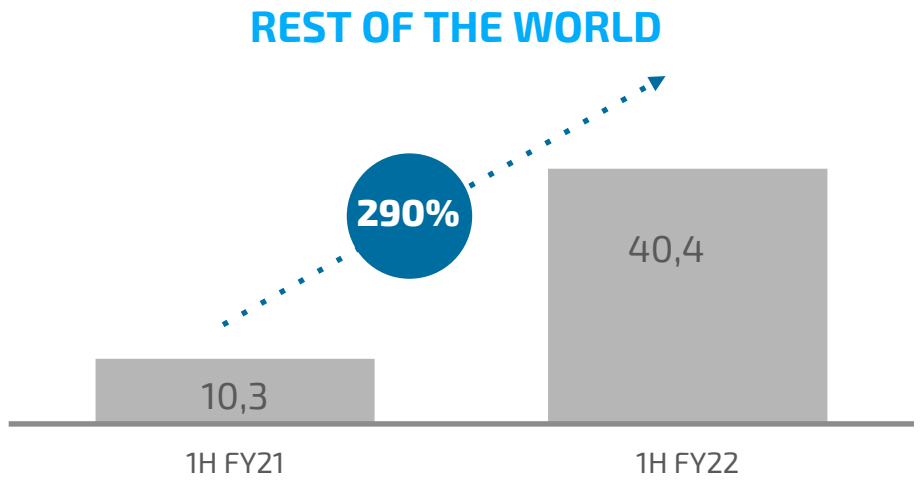
4 REVENUE DIVERSIFICATION CONTINUES TO EXPAND BEYOND TOP 6

REVENUE MARGIN

(IN EUROS MILLION)	1H FY22	Var FY22 vs FY21	1H FY21
FRANCE	53.5	205%	17.5
SPAIN+ITALY	29.9	226%	9.2
GERMANY+NORDICS & UK	44.6	219%	14.0
TOP 6	**128.8**	**215%**	**40.7**
REST OF THE WORLD	**40.4**	**290%**	**10.3**
TOTAL	**168.8**	**230%**	**51.0**







(*) Definitions of Non-GAAP measures on page 20-22

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. 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.
5. Capital Expenditure represents the cash outflows incurred during the period to acquire non-current assets such as property, plant and equipment, certain intangible assets and capitalization of certain development IT costs, excluding the impact of any business combination.
6. 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.
7. Cash Marginal Profit means "Marginal Profit" plus the variation of the Prime deferred revenue corresponding to the Prime fees that have been collected and that are pending to be accrued. The Prime fees pending to be accrued are non-refundable and will be booked as revenue based on usage, which refers to each instance the customer uses Prime to make a Booking with a discount, or when the Prime contracted period expires. Cash Marginal Profit provides a measure of the sum of the Marginal Profit and the full Prime fees generated in the period
8. 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.
9. 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.
10. 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.
11. (Free) Cash Flow before financing means cash flow from operating activities plus cash flow from investing activities.
12. 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.
13. 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.
14. Liquidity position means the total amount of cash and cash equivalents, and remaining cash available under the SSRCF.

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15. 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.
16. Net Income means Consolidated profit/loss for the year.
17. 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
18. 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
19. 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

19. 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.
20. Adjusted personnel expenses refers to adjusted items that are included inside personnel expenses.
21. Adjusted other operating expenses refers to adjusted items that are included inside other operating expenses.
22. 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.
23. 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.
24. 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.
25. 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.
26. Top 6 Markets and Top 6 Segments refers to our operations in France, Spain, Italy Germany, UK and Nordics.
27. 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
28. 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.
29. 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.

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Other Defined Terms

30. Rest of the World Markets and RoW segment refers to other countries in which we operate.
31. 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.
32. Fixed Costs per Booking means fixed costs divided by the number of bookings. See definitions of "Fixed costs" and "Bookings".
33. 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.
34. 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.
35. Variable Costs per Booking means variable costs divided by the number of bookings. See definitions of "Variable costs" and "Bookings".
36. Marginal Profit means “Revenue Margin” less “Variable Costs”.
37. 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.