Reaching new altitudes

2023
ANNUAL REPORT

lastminute.com

Content Index

Introduction

NOTE ON PRESENTATION

The information disclosed in this annual report includes lastminute.com N.V. (henceforth referred to as the "**Company**") and its subsidiaries (together referred to as "**lastminute.com Group**", the "**Group**" and individually as "**Group entity**").

The annual report, which ended 31 December 2023, was prepared in accordance with IFRS Accounting Standards as endorsed by the European Union (EU-IFRS) and with part 9 of Book 2 of the Dutch Civil Code.

The designation IFRS also includes International Accounting Standards ('IAS') as well as all the interpretations of the International Financial Reporting Standards Interpretation Committee ('IFRS IC'), formerly the Standard Interpretations Committee ('SIC').

This year the Sustainability Report is published as a stand-alone report, which can be accessed here. It complies with the requirements of Article 964 of the Swiss Code of Obligations on transparency in non-financial matters and, as in the previous year, with the internationally recognised standards of the Global Reporting Initiative (GRI) (2021). A summary of the sustainability highlights can be found in section D of this report.

FORWARD-LOOKING STATEMENTS

The lastminute.com Group's annual report contains forward-looking statements that reflect management's current view of future development. All statements other than statements of historical fact set forth in this annual report regarding lastminute.com Group's business strategy, such as future operations and businesses, management's plans and objectives, are forward-looking statements. In some cases, words such as 'may', 'will', 'expect', 'could', 'should', 'intend', 'estimate', 'anticipate', 'believe', 'outlook', 'continue', 'remain', 'on track', 'design', 'target', 'objective', 'goal', 'plan' and similar expressions are used to identify forward-looking statements that contain risks and uncertainties that are beyond the control of the Group and call for significant judgement. Should the underlying assumptions turn out to be incorrect or if the risks or opportunities described materialise, the actual results and developments may materially deviate (negatively or positively) from those expressed by such statements.

The outlook is based on estimates lastminute.com has made based on all the information available at the time of completion of this annual report. Factors that could cause the actual results and developments to differ from those expressed or implied by the forward-looking statements are included in the section 'Risk Management and Internal Control System' of this annual report. These factors may not be exhaustive and should be read in conjunction with the other cautionary statements included in this report. Forward-looking statements made in this annual report shall be evaluated in the context of these risks and uncertainties.

lastminute.com Group does not assume any obligations or liability in respect of any inaccuracies in the forward-looking statements made in this annual report or for any use by any third party of such forward-looking statements. lastminute.com Group does not assume any obligation to update any forward-looking statements made in this annual report beyond statutory disclosure requirements.

INFORMATION ON THE FIGURES PRESENTED

All references in this annual report are expressed in 'Euro', 'EUR' or '€'. For ease of reference, all the figures in this annual report are expressed either in thousands or millions of Euros, whereas the original data is recorded and consolidated by the Group in Euro. Similarly, all percentages relating to changes between two periods or to percentages of net sales or other indicators are always calculated using the original data in Euro. The use of values expressed in thousands of Euros may therefore result in apparent discrepancies in both absolute values and data expressed as a percentage.

The language of this annual report is English. Certain legislative references and technical terms have been cited in their original language so that the correct technical meaning may be ascribed to them under applicable law.


SCALING
NEW HEIGHTS TOGETHER
lastminute.com

Chairman letter

Dear stakeholders,

I am excited to present the 2023 Annual Report for lastminute.com, a transformative year underscored by a remarkable 28% surge in Adjusted EBITDA, propelled by our strategic positioning as the foremost leader in Dynamic Packages (DP).

Reflecting on 2023, it becomes clear that it was a pivotal year for the travel industry, marking a resounding resurgence to prominence and re-establishing itself as one of the most robust worldwide, showing sustained growth in every region.

We are very proud to report that lastminute.com is uniquely positioned in the Dynamic Holiday Packages sector, the fastest growing portion of the European Travel landscape - with a 15% market share. In 2023, Dynamic Packages - our core product - have grown 41% in sales vs last year.
In line with our strategic review, we prioritised investments on a risk-adjusted return basis. Our focus on Dynamic Packages, coupled with a market-leading position in large European countries, provided an asymmetric investment advantage for our Group compared to global 'digital' players, national Online Travel Agencies, and traditional travel agencies. Harnessing this power, we achieved the deployment of our investment in Dynamic Packages to 11 new markets across Europe. These now generate 8% of DP gross profits, compared to just 1% in 2019, further strengthening our competitive edge.

Packages, Personalisation and Payments
The strategic pivot toward DP represented a bold departure from our flights-only foundation, proving a decisive move toward innovation and diversification. Our strong growth in profitability (Adjusted EBITDA of EUR 39.7 million, +28%) confirms it was the right decision, and it provides us with a differentiated product ready to be introduced seamlessly into new markets. DP represents a real added value for customers, allowing them to combine flights, accommodation, and a wide range of ancillary services, with great flexibility and advantageous pricing. Customers gain further benefits and greater satisfaction with total protection, as we ensure every trip is secured in case of changes on the supplier's side.

Delivering the ultimate travel experience isn't just about destinations and adventures—it's about understanding our customers' needs, including their financial flexibility. That's why we're excited to introduce further customised payment options, such as instalments and deferred payments. It not only enhances personalisation for our customers but also empowers them to pay on their terms, unlocking a world of possibilities without the upfront burden. As a result, by the end of the year, an impressive 31% of our Dynamic Packages were purchased using these convenient deferred payment solutions, which saw 48% of DP gross profit driven by deferred payments.

Embracing sustainable travel isn't just a trend - it's a movement. As pioneers in the travel industry, we're not just following the path; we're carving it out, offering our customers a myriad of options to align with their sustainability goals and make responsible travel the new norm. We set a 3-year sustainable strategy, defined a plan for diversity in management and the Board and set partial emissions and reductions targets.

Corporate Governance
In 2023, we ushered in a new era defined by revitalised governance and an unwavering commitment to excellence. With a refreshed board and dynamic management team at the helm, we embarked on a unified mission, fueled by a shared vision and dedication to our historical entrepreneurial ethos. This pivotal year saw us not only embracing our rich heritage but also instilling a robust framework of structure and governance to propel us toward sustainable growth.

We strengthened our Board with the appointment of Marco Forasassi, who replaced Valentin Pitarque. We also added Maria Teresa Rangheri as Executive Corporate Officer to our Executive Board in addition to the CEO. Her leadership has been instrumental in promoting a culture of integrity and risk awareness. Without delay, we spearheaded initiatives such as driving a comprehensive Sustainability Report, laying the foundations and execution of Enterprise Risk Management, promoting integrity and inclusion with a renewed Code of Conduct and empowering our Pink People by ensuring 99% now hold permanent contracts and narrowing the gender pay gap across nearly all professional categories.

I would like to thank our CEO, Luca Concone, for his leadership and tremendous effort in significantly enhancing the company's structure in terms of strategy, process, organisation and control. Leveraging his steadying influence and delivery of profitable growth in 2023, we will explore new opportunities with confidence and optimism.

And I also want to thank Sergio Signoretti, who is stepping down from the role of Chief Financial Officer and Head of Payments. Sergio did an incredible job helping steer the Group through the last six years. We wish him well in his next endeavours.

I'd like to once again thank our stakeholders and network of business partners for their continued support. Our employees have worked tirelessly to make what could have been merely a transitional year into one where we attained better structure, organisation, and positive growth. Strengthening our fundamentals, from governance to strategy, was an important milestone in the evolution of lastminute.com. We look forward to taking you on the next stage of our journey.

Yann Rousset
Chairman

CEO letter

Dear stakeholders,

As I look back at 2023 I am proud to say that we managed to keep our position as market leaders for Dynamic Packages in Europe thanks to our distinctive technological advantage.

We've achieved excellent results by focusing on what's important, profitable growth. Making a record EUR 1 billion (EUR 1,070 million) Gross Travel Value (GTV) in Q1 was a significant milestone for the group. We finished the year with a GTV of EUR 3.4 billion (EUR 3,391 million) , +5% vs 2022 and Revenues of EUR 321.3 million (+6% vs 2022). Most significantly our Gross Profit[1] stands at EUR 126.4 million (+20% vs 2022).

By gradually moving away from low-margin flight sales to higher-margin, more strategic Dynamic Packages, we can leverage our technology to define a new era for the company.

Moving Beyond Base Camp to reach our strategic targets
My focus at the beginning of 2023, along with the Board of Directors, was about putting in place the right fundamentals and creating a stable "base camp".
If you want to work towards any summit it is important to acclimatise to your surroundings, build trust in each other's skills and make sure you have the right equipment available to tackle any ascent. We established this by the end of Q1, which allowed us to reassess our strategy and decide where we are heading.

We have reviewed the strategy with a risk-return mindset and are now prioritising investments accordingly.

Our strategy was to strip back and focus on areas we could excel efficiently. Having a focused business model has huge advantages.

Our cornerstone is to consolidate and further exploit our leadership in Dynamic Holiday Packages.
The flexibility of our Dynamic Packaging engine in Europe is probably unbeatable, as it provides almost unlimited combinations among 445 airlines (and rail providers) and over 2.1 million different accomodations. Dynamic Packages are the most exciting, fastest-growing portion of Europe's travel landscape. This versatility enables us to effectively operate across various segments, channels, and partnerships to mitigate risks in both the B2C and B2B sectors and ensure resilience in our business operations.

By opening 11 new markets in 2023, we show how we want to grow the business. We also know giving our customers a more connected trip adds value, so developing our Ancillaries portfolio will strengthen that relationship. As well as added flexibility and convenience via more payment options, resulting in personalising the booking process further.

Our stability came from strengthening our Governance and balancing the historic entrepreneurial mindset with a more structured approach.
We also concentrated on creating the right team following a company-wide reorganisation with appointments in all strategic areas, including Product, Human Resources and Marketing.

We also created a new Public Affairs role to work closely with government organisations and local communities.

[1] Gross Profit is the difference between managerial revenues and variable costs.

We are now more efficient in managing our resources and we can now allow both diligence and innovation to thrive.

Leveraging on our technology
I see our App as a driver for customer retention and growth. We're already witnessing a significant shift in customers using it as their primary booking platform, thus reducing marketing spending and acquisition costs significantly. The App is also beneficial, giving customers more autonomy in managing their arrangements, improving overall customer experience long-term.

We've seen many firsts for our company in 2023, from launching AI-powered search tools to signing a DP white-label agreement with an airline. In 2024, I expect to see these activities grow and see many other firsts. We are certainly ahead of the pack with our technology edge, with innovation the key to maintaining our competitive advantage.

Sustainability also remains at the core of everything we want to achieve, and you can read more about the great strides our expanded team has made in 2023.

Elevating Experiences and Scaling New Heights
I want anyone arriving on our platforms to see us as their ideal travel companion across the entire travel journey. Helping people travel their way is something we will be working towards. It is a view I share with our dedicated employees. The excellent results achieved come from their drive to succeed. I want to extend my thanks again for their efforts.

The desire to explore is within us all. We are ready to take those next steps towards the summit. The journey, onwards and upwards, can truly begin in earnest.

Luca Concone
Chief Executive Officer

Concone

Board of Directors composition

The current Board of Directors was appointed at the Extraordinary General Meeting (EGM) of Shareholders held in Amsterdam on 21 December 2022.

One of the new Non-Executive Directors appointed at the EGM, Mr. Valentin Pitarque, resigned on May 17th 2023. He was replaced at the AGM of June 30th 2023 by Mr. Marco Forasassi Torresani as the new additional Non-Executive Director and member of certain Company committees.

In terms of the Executive Directors, **Mr Luca Concone** was appointed Chief Executive Officer of lastminute.com in December 2022. Luca has over a decade of experience as a professional CEO as well as experience as an entrepreneur, angel investor and advisor to technology and internet companies.

He was joined by **Mrs Maria Teresa Rangheri**, who having been appointed a non-executive Director in the EGM of December 2022, was then nominated to become the Chief Executive Corporate Officer at the EGM in June 2023. She brings her wealth of experience in the communications, marketing and culture change fields to the post.

As regards the Non-Executive Directors, as of December 2023, **Mr Yann Rousset** was appointed Chairman of the Board of Directors of the Company at the end of December 2022. His leadership includes over fifteen years advising family offices, corporate institutions and fiduciary organisations on capital management, governance matters and strategic guidance in the US and Switzerland. He is also the Chairman of the newly formed Risk and Finance Committee.

Mr Marco Forasassi Torresani, Partner at Cassiopea Partners, one of the leading Italian investment banking firms.

Mr Massimo Pedrazzini, Chairman of the Board of Directors of Sterling Active Fund, the second largest shareholder in lastminute.com.

Mr Cyril Ranque, former President of the Travel Partners Group, Expedia, for more than 15 years and currently a Board member of the Ritz Paris Hotel.

Following their appointments and confirmations starting from the EGM resolutions on December 21st, 2022 and May 17, 2023, and the AGM resolutions on June 30th these directors have brought their additional expertise to complement the existing Board of Directors competencies.

Together the Board of Directors has combined their insights to work on the definition and execution of the Company's growth plans and enhance governance in the areas of Risk and Sustainability.

EXECUTIVE DIRECTORS

Luca Concone
Executive Director & CEO

Maria Teresa Rangheri
Executive Director & CECO

NON-EXECUTIVE DIRECTORS

Yann Rousset
Non-Executive Director & Chairman of the Board of Directors

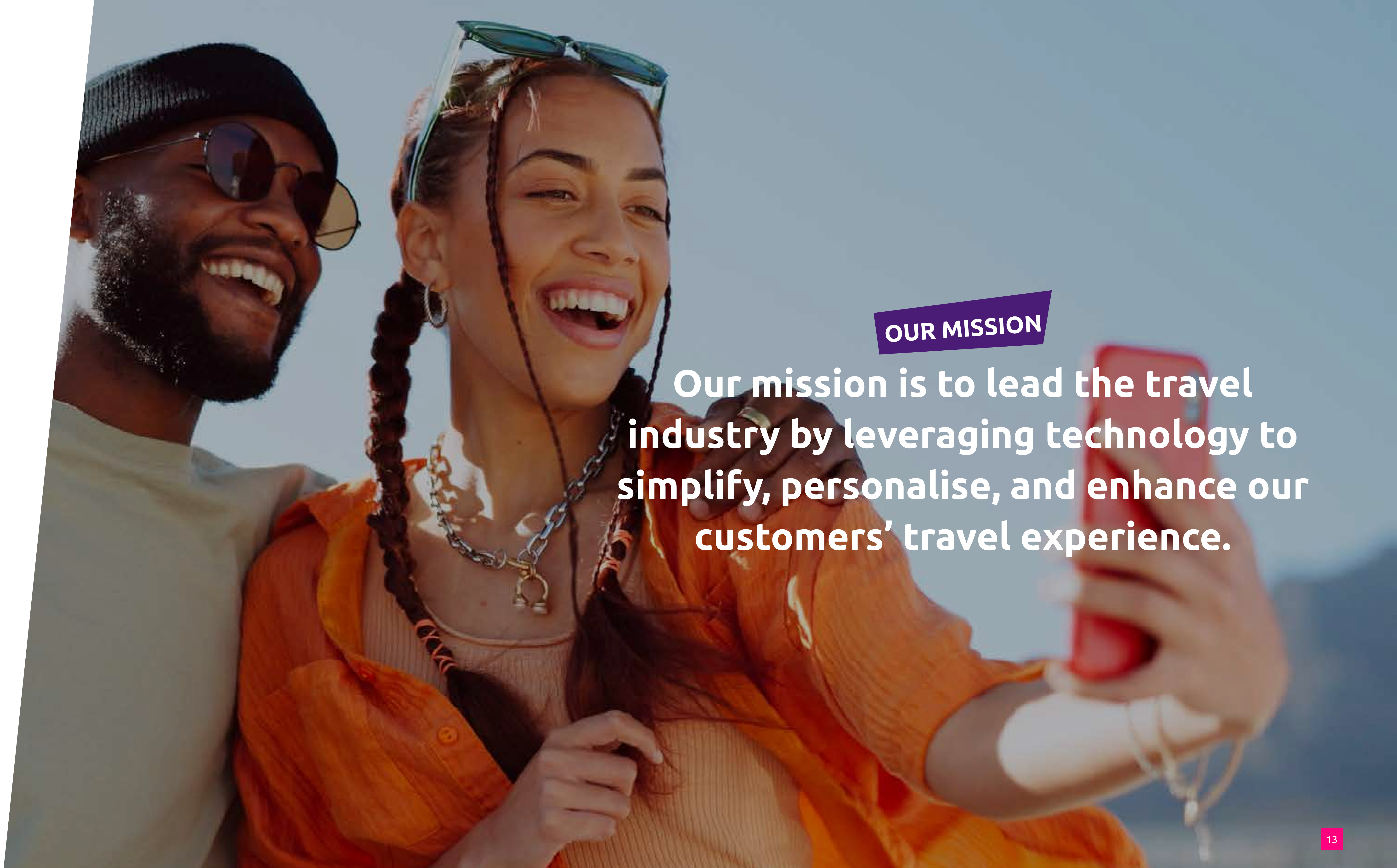
Marco Forasassi Torresani
Non-Executive Director

Massimo Pedrazzini
Non-Executive Director

Cyril Ranque
Non-Executive Director

MANAGEMENT REPORT

QUICK LINKS



OUR MISSION

Our mission is to lead the travel industry by leveraging technology to simplify, personalise, and enhance our customers' travel experience.

General information

MISSION AND STRATEGY

Our Mission

Our mission is to lead the travel industry by leveraging technology to simplify, personalise, and enhance our customers' travel experience.

Our Positioning

lastminute.com is the **European Travel Tech Leader in Dynamic Holiday Packages**. Our platforms offer customers the ease of searching, comparing, and booking a wide range of travel options including flights, hotels, train tickets, car rentals, transfers, and entertainment activities. Additionally, customers enjoy the flexibility to effortlessly customise their trips by combining their preferred accommodations and modes of transportation. This is made possible through our proprietary **Dynamic Holiday Packages** technology, providing access to millions of real-time travel combinations. With this innovative tool, customers can craft tailor-made holidays tailored to their preferences.

Throughout its history, lastminute.com has established a unique and enviable position in the European travel sector. It solidified its status as the **pan-European leader in the Dynamic Holiday Packaging business**, the most vibrant and rapidly expanding segment of Europe's travel landscape. This advantageous positioning serves as a solid foundation to allow lastminute.com to stay ahead of the competition by continuously innovating cutting-edge digital solutions.

Today, our company helps millions of people travel the world, capitalising on an advanced **proprietary Dynamic Holiday Packaging engine**, an **expansive inventory and supply**, an **extensive data platform** leveraging machine learning, proprietary **Fintech products** and the **regulatory advantage** derived from being a fully licensed tour operator at a pan-European scale.

The success we have demonstrated and the robust partnerships we have forged empower us to spread our products and services through primary B2C digital channels. Moreover, our reliability as key partners extends to B2B agreements, where we serve as a valuable ally for a diverse range of players in both the travel and non-travel industries, encompassing entities of various sizes.

Our Strategy

As a leading player in the Dynamic Holiday Packages business, our overarching goal is to **develop and enhance a platform capable of crafting the most personalised holiday packages, granting each user the freedom to tailor their unique travel experience.** We are guided by a comprehensive growth strategy, focused on core priorities that drive **profitable and sustainable growth**:

- **Consolidating our leadership in Dynamic Holiday Packages**, the cornerstone of our business, by fortifying its value proposition and venturing into new markets.
- Expanding our **Ancillaries** portfolio to strengthen our competitive standing in the industry.
- Enhancing our **proprietary deferred payment options**, a unique offering that distinguishes us from our competitors, as we are the sole OTA providing such unparalleled flexibility and convenience in payment processing.
- Focusing on our mobile **App** as the primary platform for driving customer retention.
- Improving the overall **customer experience** through best-in-class **customer service** remains a key focus.

We are committed to realising our objectives through the cultivation of a culture centred on **secure innovation** and the creation of **long-term value**.

In pursuit of this, we took significant steps in 2023 to **enhance our corporate governance**. This involved reinforcing our Risk Management and Internal Audit functions to instil a culture and governance framework that encourages ownership, empowerment, and autonomy while operating within a well-controlled environment.

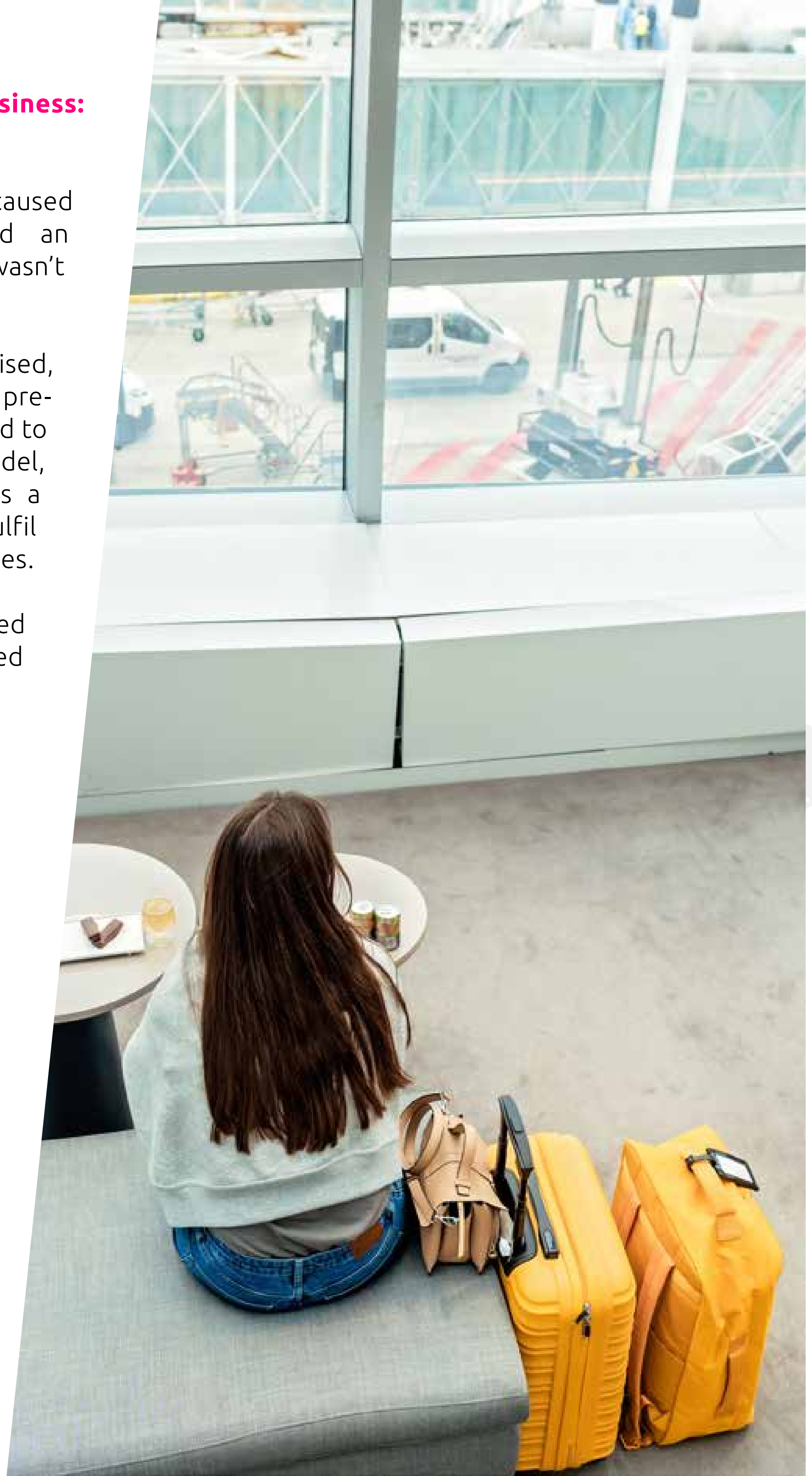
Additionally, we strive to nurture a culture of sustainability, anchored in principles of **ethics, inclusion, empowerment, and collaboration**.

The impact of cancellations in a DP-centric business: introducing a new Adjusted EBITDA

During the pandemic, trip cancellations caused by lockdowns and quarantines represented an extraordinary factor for our business, which wasn't factored into our company's Adjusted EBITDA.

Post-Covid, while cancellation volumes normalised, they remained slightly higher compared to pre-pandemic levels. Concurrently, as we transitioned to a more Dynamic Packaging-centred business model, the management of cancellations emerged as a crucial metric reflecting a company's ability to fulfil its in protecting travellers amidst booking changes.

As a result, cancellations are now considered ordinary effects of the business and are included in Adjusted EBITDA.



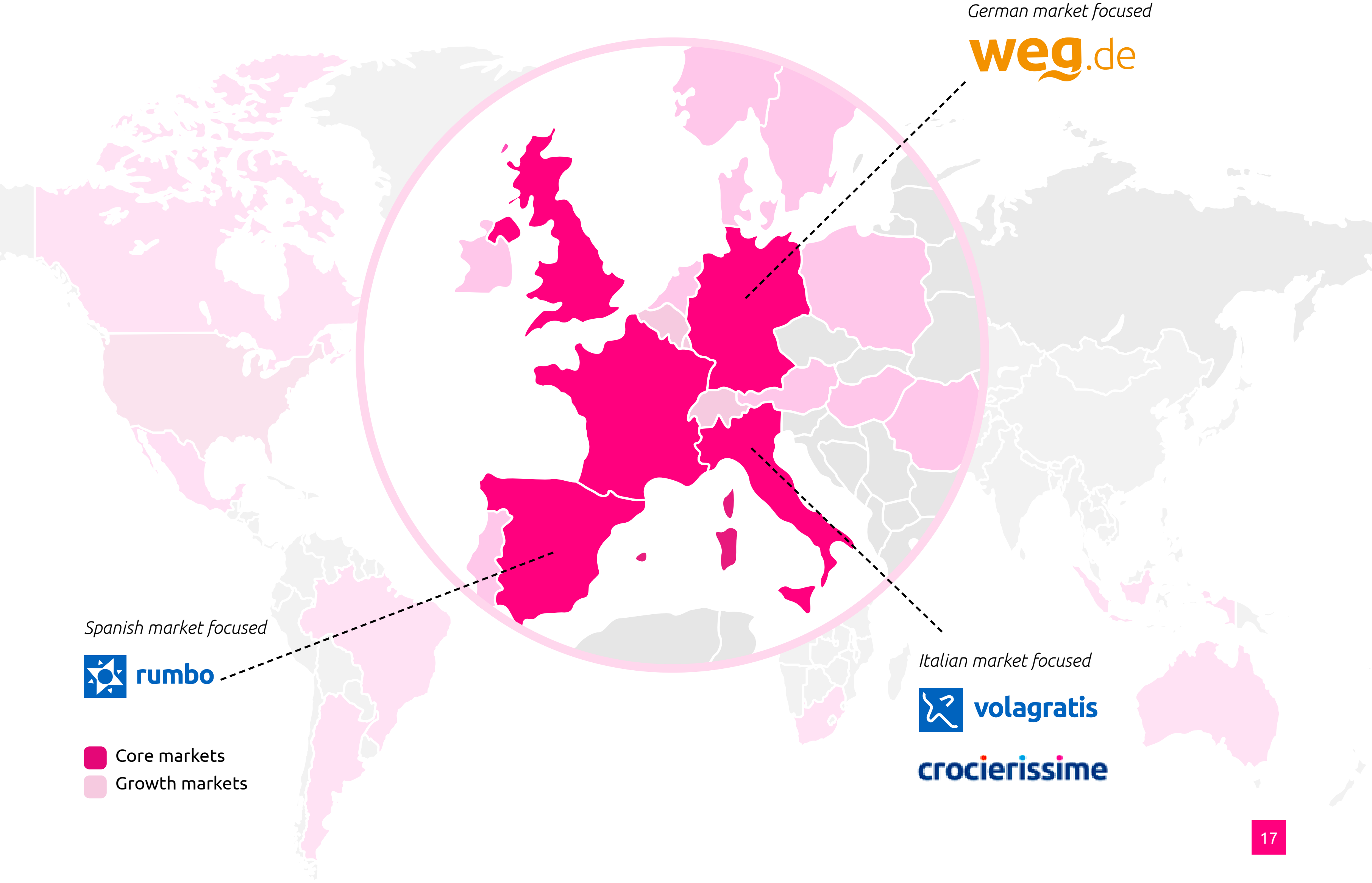
MARKETS, PRODUCTS, AND BRANDS

Our geographic footprint

Our well-established international and local brands are present in the dominant European travel markets. We made great strides in increasing the market presence of our Dynamic Packaging offering by expanding into 11 new markets in 2023, bringing the total number of European markets we serve to 30. Further expansion of our geographical footprint in and outside Europe will continue in 2024 as we actively explore activating our Dynamic Packages technology and product in selected new markets, leveraging our strong partnerships.

International brands

lastminute.com bravofly JETCOST hotelscan



Our diverse Brand portfolio helps customers holiday their way

lastminute.com

lastminute.com, is an iconic brand renowned for its emotional resonance and unparalleled brand awareness across Europe. It has been operating since 1998 with the mission of offering five-star experiences at three-star prices. The website provides customers with a comprehensive range of offerings, including hotels, flights, spa days, and city breaks.

volagratis

Founding member of our current group of consolidated brands, Volagratis, the first flight search engine launched in Italy, is perceived as a leading brand in the Italian market and it is also known outside Europe. The Volagratis website offers a complete and extensive range of travel products and services, from holiday packages and cruise vacations to flights and hotel reservations, that users can source and book with just a few clicks.

weg.de

weg.de joined lastminute.com Group in 2017. It is one of Germany's best-known online travel sites offering its customers an entire range of travel options, with a primary focus on package holidays and all-inclusive vacations.

bravofly

Founded in Italy in 2006 as a springboard for the international expansion of the group, Bravofly specialises in flight search and comparison, drawing on offerings from traditional and low-cost airlines. The Bravofly.com website also integrates a variety of travel products and services, such as hotel reservations and car rentals for international travellers.

rumbo

Rumbo is a full-service travel website launched in Spain in 2000. The brand became part of the lastminute.com Group when it acquired Rumbo in 2012. Its extensive offering comprises flight tickets, package holidays and cruises, hotels and rental cars, as well as bus and railway tickets. The brand Rumbo is perceived as a leading OTA in particular in Spain and South America.

JETCOST

Jetcost is a French meta-search operator. Its primary market is France, and it is very well established in Europe and North America.

hotelscan

Hotelscan is a Swiss meta-search operator specialising in hotels. It is very well established across Europe.

crocierissime

Crocierissime is the first website on the Italian market to specialise in online cruise booking. It offers access to deals from top Italian and other cruise lines, including Msc Crociere, Costa Crociere, Norwegian Cruise Line and Royal Caribbean. The website provides real-time updates on available offers and fares.

fwd

Forward is lastminute.com's digital media agency and consultancy, focusing on supporting not only its platforms with advertising content but also creating digital and influencer campaigns for external clients, including tourist boards.

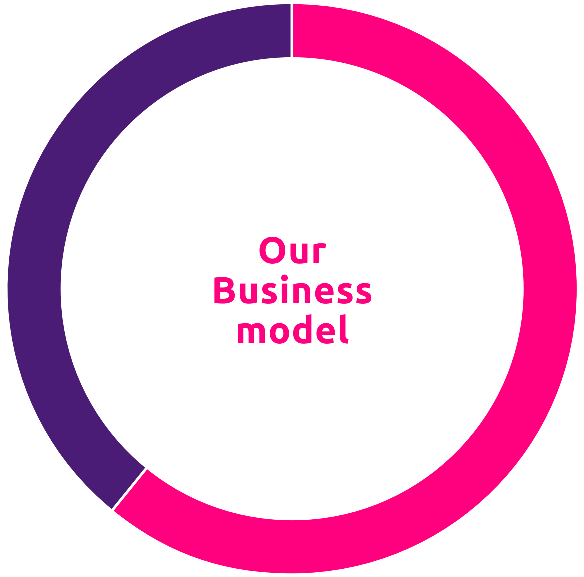
As prominent leaders in the travel sector across Europe and worldwide, our brands hold a distinct presence in diverse markets. This expansive brand portfolio empowers us to effectively target audiences across various regions and cater to the needs of diverse customer segments while capitalising on local strengths.

In 2023, we embarked on a transformative journey to enhance our marketing and branding strategies, driven by a deeper understanding of the dynamic digital and consumer landscapes. We strategically shifted our focus from large-scale, awareness-driven sponsorships to the cultivation of robust brands deeply connected to community engagement. Our journey commenced with an extensive research initiative, engaging over 25,000 participants across key countries. This was followed by a meticulous analysis of current consumers and the market landscape. Through this thorough exploration, we gained invaluable insights into our customers, and armed with these robust consumer insights, we are poised to shape travel offerings and propositions in a manner that deeply resonates with our consumers.

A proven B2C platform coupled with strong B2B capabilities

In 2023, we strategically reassessed how we portray our business model. Transitioning away from the traditional OTA and META divisions, we chose to clearly distinguish between our B2C and B2B segments to fully convey the versatility and complexity of our operations. Our management structure was also reorganised to ensure expertise in the business could be utilised more effectively in this updated classification. This also allows us to mitigate risks across both B2C and B2B segments, and ensure resilience across our operations. Our robust and unique business model seamlessly integrates B2C and B2B specialities, with **travel products at its core.**

B2B
39%
REVENUE: **EUR 125,484 thousand**
Meta
Media
Long-term partnerships
(affiliations*, white-label, gift cards, corporate rewards)



B2C
61%
REVENUE: **EUR 195,800 thousand**
Flights
Hotels
DPs
TO
Cruise
Other (car, experiences, etc.)

* We define as B2B any business partnership involving shared inventory through long-term agreements. While affiliations are conventionally viewed as a marketing channel, our approach involves fostering enduring relationships with our partners, therefore they are not merely advertising instruments but genuine collaborative partnerships - e.g. with the global cashback site TopCashBack.

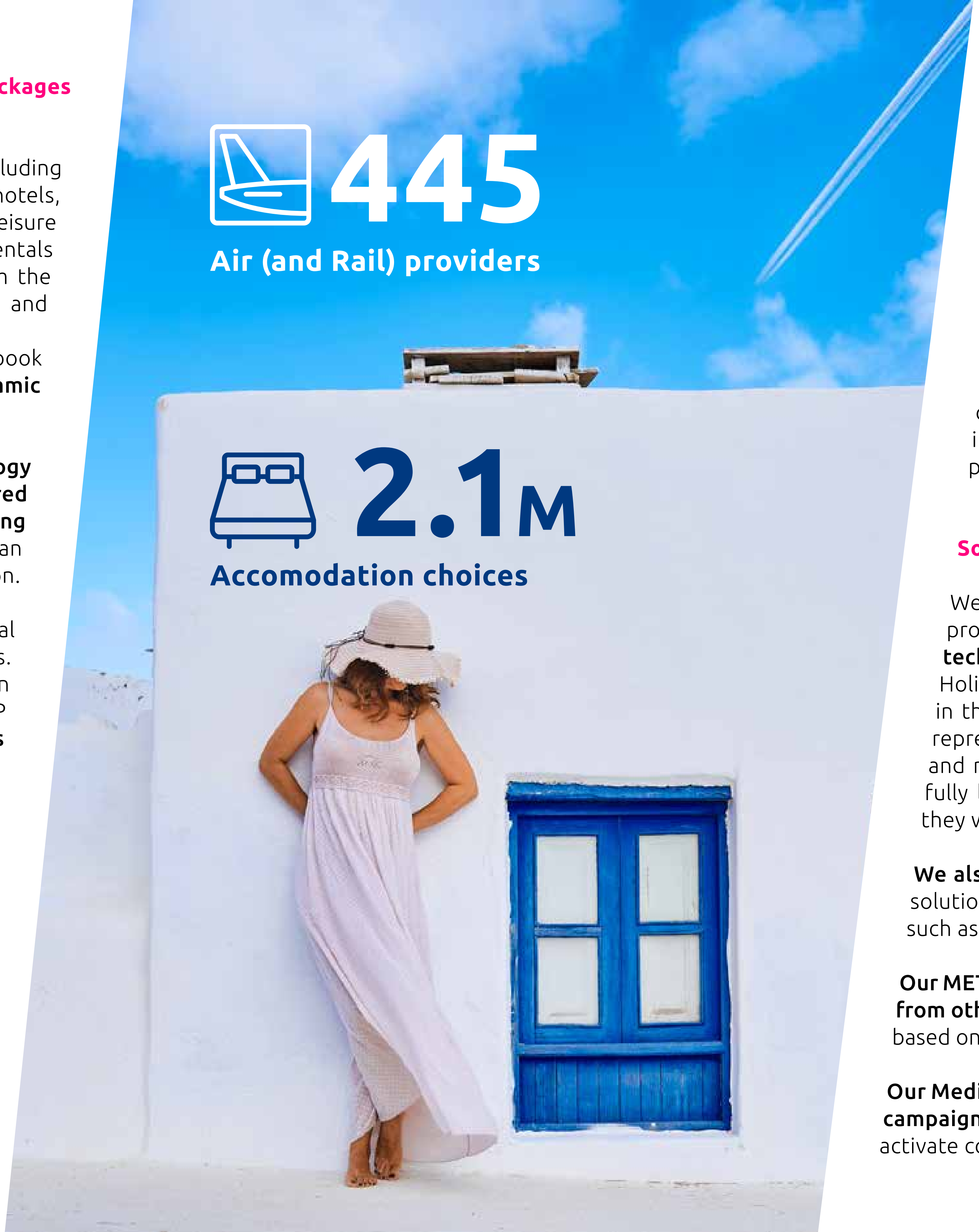
A wide travel offer with Dynamic Holiday Packages at its core

Our **diverse range of products and services** - including holiday packages, flights, and accommodation (hotels, apartments, villas), as well as other travel and leisure offerings like cruises, trains, transfers, and car rentals - allows us to inspire millions of travellers from the initial search to the completion of their trip and beyond.
Customers can seamlessly search for and book the most convenient **flights, hotels, or Dynamic Packages (DPs)** through our websites and App.

Our **Dynamic Holiday Packages technology** leverages an **extensive data platform powered by machine learning**. This, coupled with **strong business relationships worldwide**, ensures an extensive inventory of flights and accommodation.

Our DP offering creates a mutually beneficial scenario for both suppliers and customers. Suppliers recognise us as a valuable distribution channel, while for customers our proprietary DP technology opens the door to a **virtually limitless array of travel solutions and exclusive offers in real time**. With access to millions of potential travel combinations, including thousands of flight options, diverse accommodation proposals, and alternative means of transport (e.g. trains) customers enjoy unparalleled value. Additionally, we personalise and upsell **ancillary products** such as travel-related insurance and car rentals throughout the customer journey.

Among the most relevant advantages of booking a DP, is the **additional protection and security** we offer to customers should anything go wrong, such as in the unlucky event of a cancellation.



We also offer **flexible payment arrangements**, allowing customers to defer or pay for their holiday packages in instalments. After the booking, our robust **post-sale assistance** is tailored to individual needs, ensuring a seamless and satisfying travel experience.

In Italy, Spain, and France, we've established a dedicated web platform exclusively focused on cruises. This platform empowers customers to explore various choices, ranging from cabin types to diverse itineraries, allowing for comprehensive comparisons.

Our focus on our App in 2023 brought promising results, with the App booking share increasing by 50% compared to 2022. Now App bookings account for almost 30% of all our Dynamic Package bookings, almost double that from 2022. With App downloads increasing by nearly a quarter YOY, the work undertaken including offering App-only prices and priority customer services has borne fruit.

Solid partnerships relying on value-added services

We leverage robust collaborations with leading brands to extend the reach of our products and services outside our proprietary platforms. **Our Dynamic Holiday Package technology is trusted by leading international travel brands** such as Booking.com, HolidayPirates, PLAY, and Vibra Hotel. One of the key aspects our partners value most in these collaborations is the seamless integration of a real value-added service, which represents a concrete revenue source for them, achieved with complete peace of mind and requiring very low maintenance. Plus, lastminute.com's regulatory advantage, being fully licensed to sell Dynamic Packages throughout Europe, reassures our partners that they won't face any regulatory burdens.

We also partner with a wide range of brands from other industries that trust our travel solutions for a variety of tailored activities (Gift Cards, loyalty programs, employee benefits), such as the leading British telecommunications services provider O2.

Our META brands, namely Jetcost and Hotelscan, guide users through a vast range of offers from other OTAs and providers, to help them find the most convenient flight, hotel, car rental based on their travel plans.

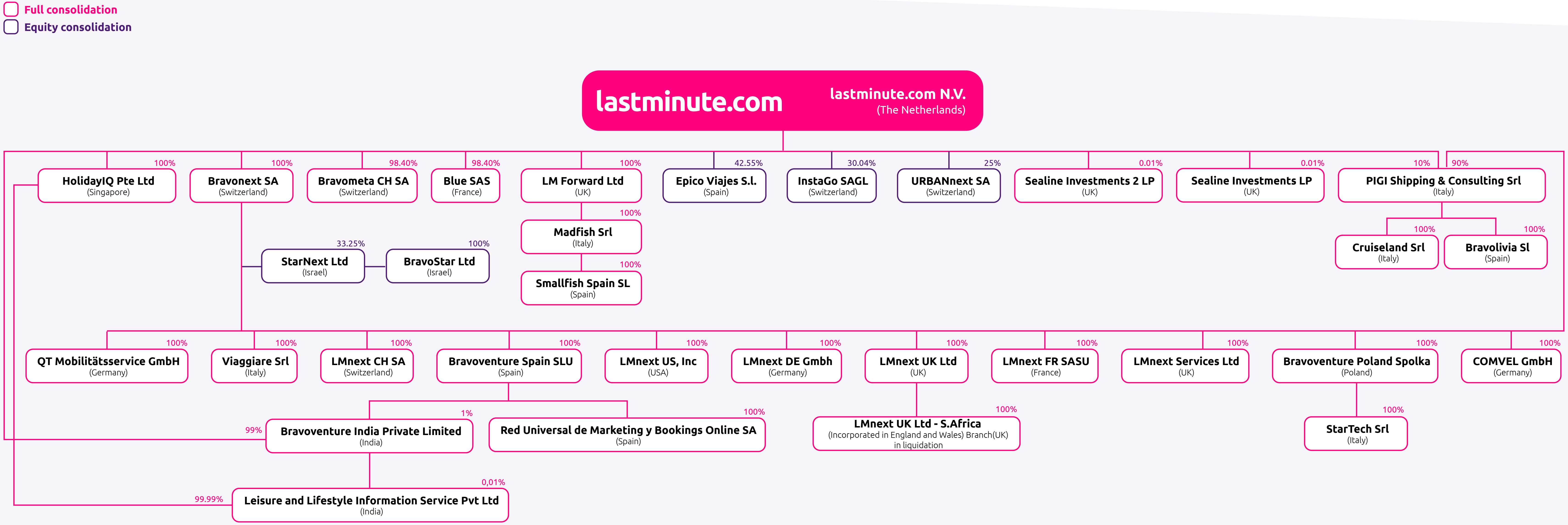
Our Media arm, represented by our B2B brand Forward, offers **digitally integrated marketing campaigns to thousands of travel brands and Tourist Boards** across the world to help them activate content-rich digital marketing campaigns that drive measurable impact.

LEGAL GROUP STRUCTURE

Below you can find the Group 's structure as of 31 December 2023:

Step up in control on Bravometa CH SA and Blue Sas

In February 2024 the Group increased its percentage of control in both Bravometa CH SA and Blue Sas from 98.4% to 100%. The consideration is EUR 800 thousand, partially compensated by a previously existing receivable towards one of the counterparties of the transaction.



CFO letter

Dear Stakeholders,

After difficult few years for the global economy, 2023 is the official return to a more stable footing, especially for the travel industry. By transitioning successfully from a low-margin, high-volume flight-focused business to a Travel Tech company specialising in the attractive Dynamic Packages segment, lastminute.com started to reap rewards with significant EBITDA growth and return to positive net profits.

This product-mix shift is reflected in a clear focus on profitable growth, which meant 2023 yielded record GTV results, starting with making an all-time high of EUR 1 billion (EUR 1,070 million) in Q1 and ending the year with EUR 3.4 billion (EUR 3,391 million), +5% vs 2022.

An increase in the markets where we offer Dynamic Packages, has made a big difference to our Revenues. We created EUR 321.3 million (+6% vs 2022). We added a massive 11 new markets in 2023, directly and through white-label partnerships, taking us to 30 markets across Europe.

The key metric to consider is our Gross Profit, EUR 126.4 million (+20% vs 2022), much of which can be attributed to the demand for package holidays, which saw a 45% increase since 2022.

We also benefit from operating a high-value Tour Operator model in two major European markets, France and Germany. Our corporate rewards business, which includes our bespoke travel gift cards, also made a substantial contribution as companies look to diversify how they reward their employees.

A new Adjusted EBITDA

Cancellations are a structural component of the travel industry. During the pandemic, the magnitude of trip cancellations caused by lockdowns and quarantines represented an extraordinary factor for our business, which wasn't entirely factored previously in our company's Adjusted EBITDA. Despite managing over one million cancellations during the pandemic and refunding over €500 million to customers, the Company did not need capital increases or bailouts. However, while cancellation volumes normalised, they currently are slightly higher when compared to pre-pandemic levels.

It matters as with a more Dynamic Packaging-centred business model, cancellation management becomes a crucial metric reflecting a company's ability to protect travellers amidst booking changes. We acted to integrate the handling of cancellations and their overall impact, including voucher mis-redemptions, into our Company's EBITDA Adjusted.

This will be my final letter as the group's Chief Financial Officer after a hugely rewarding seven years with the Company. To have helped reach record profits in 2019, then navigate the challenges of the pandemic, to signing off in 2024 reflecting on record GTV in 2023 and successful profitable growth, with a +28% increase at EBITDA Adjusted level year on year.

While it could be perceived as a rollercoaster ride, it proves the robustness and resilience of this Company, its business model and most importantly, its people, who I thank for all the passion, commitment and support they have always ensured across this journey. I would also like to thank all our shareholders and Investors, it's been a pleasure sharing insights and strategy with you all over these years. I also want to thank our financial partners, lenders, acquirers, issuers, auditors, regulators, and all the other finance suppliers who have helped my team execute their work efficiently.

And I would like to thank the Finance and Payments team and all the Pink People who have always supported me in these years of achievements and challenges.

With 2019 records finally surpassed, the ability to adapt to future external factors by internal innovation is a quality this Company possesses. It will continue to see success in the years to come.

Sergio Signoretti
Chief Financial Officer

Financial information

The Group's financial information for the year ended 31 December 2023 ("FY 23") is reported in accordance with the International Financial Reporting Standards ("IFRSs").
The financial information section includes both GAAP and Non-GAAP measures.

2023 GROSS TRAVEL VALUE ("GTV") AND BOOKINGS

Gross Travel Value rose compared to last year and during the full year 2023 reached an all-time high of EUR 3,391 million, +5% vs last year. A slight decrease in bookings (-12%) due to a higher focus on highly profitable products such as Dynamic Packages rather than flight-only business.

in EUR M (where not otherwise specified)	2023	2022	Variance	Variance %
GTV (EUR M)	3,391	3,216	175	5%
Bookings (thousands)	3,795	4,299	(504)	-12%
Average Ticket value - GTV/Bookings (EUR)	893	748	145	19%

2023 PROFIT AND LOSS

in EUR M (where not otherwise specified)	2023	2022*	Variance	Variance %
Revenue	**321.3**	**301.8**	**19.5**	**6%**
Thereof B2B	125.5	106.0	19.4	18%
Thereof B2C	195.8	195.7	0.1	0%
Variable costs	(194.9)	(196.4)	1.5	-1%
Gross Profit	**126.4**	**105.4**	**21.0**	**20%**
% on revenues	39%	35%		
Fixed costs, including HR and other running costs	(86.6)	(74.2)	(12.4)	17%
Adjusted EBITDA	**39.7**	**31.1**	**8.6**	**28%**
% on revenues	12%	10%		
Reconciling items	(8.1)	(26.4)	18.3	-69%
EBITDA IFRS	**31.7**	**4.7**	**26.9**	**>100%**
Depreciation & Amortisation	(18.0)	(15.3)	(2.6)	17%
EBIT	**13.7**	**(10.6)**	**24.3**	**n/a**
Net Financial Result	(2.8)	(3.2)	0.4	-13%
Taxes	(3.9)	(1.3)	(2.6)	>100%
Net result	**7.0**	**(15.1)**	**22.1**	**n/a**

* The comparative figures related to "Revenue" have been restated due to the changes in the way the Groups treats the cancellations effects. Cancellations are now considered an ordinary effect of the business and are included in Adjusted EBITDA.

HIGHLIGHTS FY 23 PROFIT AND LOSS

- **Revenue**[2] increased +6% compared to last year, mainly driven by Dynamic Packages, which are now offered in 30 markets across Europe, 11 of which were opened in 2023, directly and through white-label partnerships;
- **Gross profit**[1] grew +20% mainly driven by DP performance (+45% compared to 2022), Tour Operator and partnerships agreements with B2B partners, mainly represented by gift cards and corporate rewards businesses;
- **Adjusted EBITDA**[3] in 2023 showed a strong increase compared to 2022 (+28%) driven by higher Gross Profit and an increased efficiency in the overall cost base, which includes both the HR fixed costs and the other running costs (i.e. IT, Overhead);
- **EBITDA IFRS** reported after extraordinary items strongly increased compared to 2022 (>100%), mainly due to the costs of the investigation on Swiss subsidiaries accounted for in FY 22. The "reconciling items" caption includes, among others, some extraordinary consultancy costs, the termination benefits and restructuring costs as well as the effects of the change in fair value of the liabilities towards the employees for incentive plans. The amounts also includes the accounting impacts of IFRS 16 and IAS 19 calculations. For a detail of the reconciling items reference should be made to Note 6 of the Consolidated Financial Statements;
- With regard to the **Net financial result**, it's mainly impacted by interests on loans and credit lines;
- **Taxes:** higher earnings before taxes compared to FY 22 lead to higher accrual for current income taxes and higher utilisation of deferred tax assets, but also the effect of change in tax rates in Switzerland, explained in detail in Note 13 of the Consolidated Financial Statements.

[1] Gross Profit is the difference between managerial revenues and variable costs.

[2] Revenue refer to 'managerial revenues' which differ from IFRS revenues as they do not include voucher misredemption, previous years adjustments and government subsidies. Managerial revenues, starting from FY 23, include also the effects of cancellations. For evidence of the reconciliation between IFRS and managerial revenues, reference should be made to Note 7a of the Consolidated Financial Statements.

[3] Adjusted EBITDA means operating profit / loss before depreciation and amortisation, impairment, accounting effects related to restructuring expenses, Covid-19 cancellations effects and other income, investments/incentive plans for directors and employees, and expense items which are considered by management to not be reflective of our ongoing operations. Adjusted EBITDA provides the reader a better view about the ongoing EBITDA generated by the Company.

2023 BALANCE SHEET

in EUR M	31 Dec 2023	31 Dec 2022
Fixed assets	237.2	232.1
Deferred tax assets	19.7	19.6
Total fixed assets	**257.0**	**251.7**
Trade and other receivables	95.5	96.8
Trade and other liabilities	(290.7)	(332.8)
Total Net working capital	**(195.2)**	**(236.0)**
Other assets and liabilities	**(48.1)**	**(47.7)**
Total capital Employed	**13.7**	**(32.0)**
Financial assets	10.5	17.3
Cash and cash equivalents	100.0	118.5
Financial liabilities	(73.7)	(79.8)
Lease liabilites	(9.0)	(14.4)
Total Net Financial Position	**27.8**	**41.7**
Financial assets at fair value	**1.8**	**2.3**
Share capital and reserves	(55.9)	(70.7)
Other reserves	0.0	24.7
Treasury share reserve	17.7	17.7
Retained earnings	(4.5)	17.0
Non Controlling Interests (NCI)	(0.6)	(0.6)
Total Equity	**(43.3)**	**(12.0)**
Total Capital Invested	**(13.7)**	**32.0**

HIGHLIGHTS FY 23/22 BALANCE SHEET

- Total **fixed assets** increased mainly as a result of the internal capitalisation and external acquisitions of assets for EUR 23.6 million, partially offset by the depreciation and amortisation accounted for in the year for EUR 18 million;

- **Negative working capital** decreased due to a lower generation of trade and other payables linked to a lower GTV in the last quarter of the year, compared to the same period of 2022. Negative working capital is inherent in the business model of online travel agencies (OTA). The gross amount of the travel services rendered to customers is cashed at the time of the booking through credit cards or alternative payment methods, while the corresponding amounts net of the OTA's margin is payable later. On top of that, trade and other payables decrease is linked to the repayment of the liability towards the SECO, closing the administrative procedure started in FY 22. Further details can be found in Note 2 of the Consolidated Financial Statements;

- **Net financial position** decreased by EUR 13.9 million compared to December 2022. Cash and cash equivalents decreased due to the negative operating cash flow (influenced by the repayment of the SECO liability), the negative effect from investing activities (mainly due to capitalisation of development costs), partially compensated by the positive cash flow from financing activities. The decrease in Financial assets is mainly related to the closing of the administrative procedure with the SECO (EUR 7 million of frozen cash in 2022 has been used to pay back a portion of the liability);

- **Equity:** the variation in the **Other reserves** during the year is mainly linked to the annulment of the Freesailors Transaction (decrease of EUR 24.7 million) described in Note 2 of the Consolidated Financial Statement. The increase in **Retained earnings** is mainly driven by the positive results of the Group partially offset by the negative effects of IAS 19 actuarial valuation on other comprehensive income. The loss for FY 22 has been covered by the Capital reserves (EUR 15.1 million), included in the caption "Share capital and reserves". The total equity presented above is before the allocation of FY 23 results.

2023 CASH FLOW

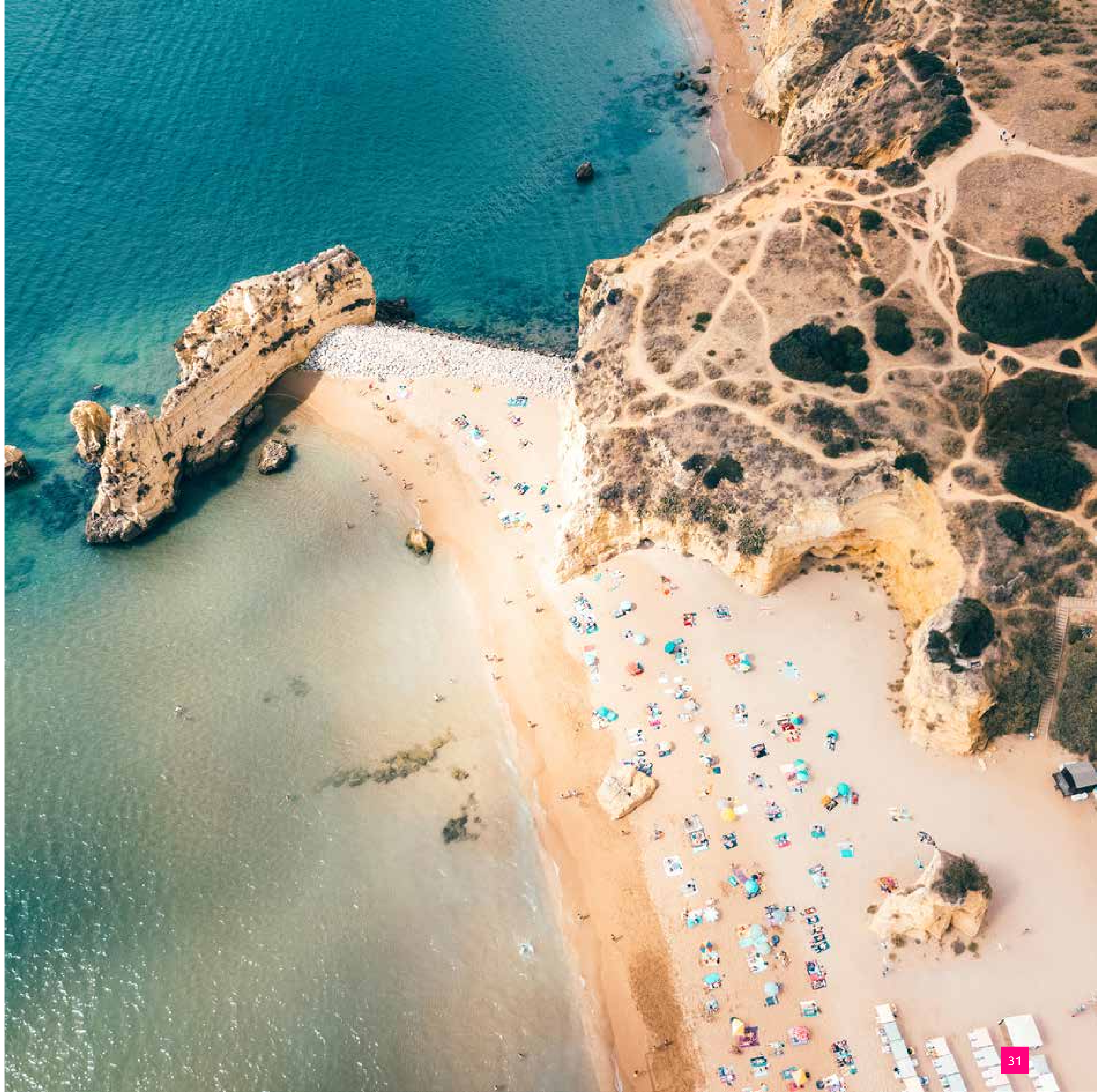
in EUR M	2023	2022
EBITDA IFRS	31.7	4.7
Change in net working capital	(11.3)	77.6
Change in other assets and liabilities	(35.8)	(9.2)
Net cash (used in) / from operating activities	**(15.4)**	**73.1**
Capitalisation of tangible and intangible assets	(23.6)	(18.7)
(Repayment)/proceeds of financial assets	6.8	(11.4)
Net cash (used in) / from investing activities	**(16.8)**	**(30.1)**
Net debt repayment	2.7	(10.0)
Indirect purchase of shares from minority investors	15.3	(15.3)
Repayment of lease liabilities	(4.9)	(4.1)
Treasury shares acquisition	0.0	(3.5)
Net cash (used in) / from financing activities	**13.1**	**(33.0)**
Net increase / (decrease) in cash and cash equivalents	**(19.0)**	**10.0**
Cash and cash equivalents at 1 January	**118.5**	**109.7**
Effects of currency translation on cash and cash equivalents	0.5	(1.1)
Cash and cash equivalents at 31 December	**100.0**	**118.5**

HIGHLIGHTS FY 23/22 CASH FLOW

- **Operating activities** absorbed EUR 15.4 million of cash during the year. The positive effect coming from the EBITDA is offset by the negative effect from the change in net working capital and the repayment of Covid-19 subsidies for EUR 29.5 million;

- Cash flow from **Investing activities** was mainly impacted by the higher capitalised development costs compared to last year and the utilisation of restricted cash to repay a portion of the liability towards the SECO (reference should be made to Note 2 of the Consolidated Financial Statements);

- Cash flow from **Financing activities:** In 2023 the Group benefited from the annulment of the Freesailors transaction with a positive effect of EUR 15.3 million on Gross Cash (refer to Note 2 of the Consolidated Financial Statements), while in 2022 the negative effect from financing activities includes both the advance payment for the Freesailors transaction of EUR 15.3 million and EUR 3.5 million related to the share buyback activities, not performed in 2023.



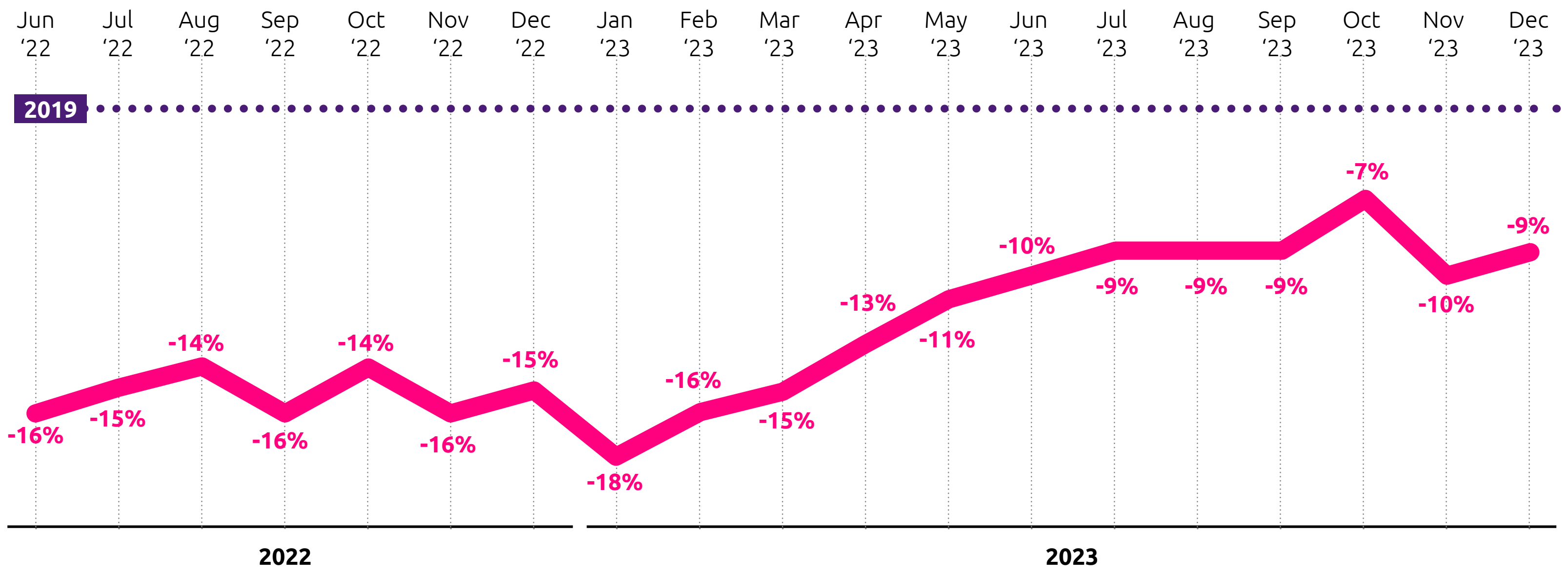
Market Outlook

The global travel market officially hit the reset button at the end of 2023, barring some minor regional and seasonal variations, a new baseline can now be set to interpret the way we will travel in the future.
By April 2023, **Skift's global Travel Health Index** was above 100 for the first time since January 2020 with every region included showing positive growth[4].

This new normal is supported by economic conditions that mean consumer spending continues to be ring-fenced to prioritise travel over other areas of the leisure and recreation market.

In 2023, European flights closed at about 92% of the levels seen in 2019, before the Covid-19 pandemic. The recovery rate for 2023 aligned closely with EUROCONTROL's latest 7-year traffic forecast. However, the recovery curve continued with a slight decrease in Q4, lower than anticipated by airlines, with the expected number of flights reduced primarily due to non-operated schedules[5].

Passenger traffic forecast and estimated year of recovery to 2019 levels

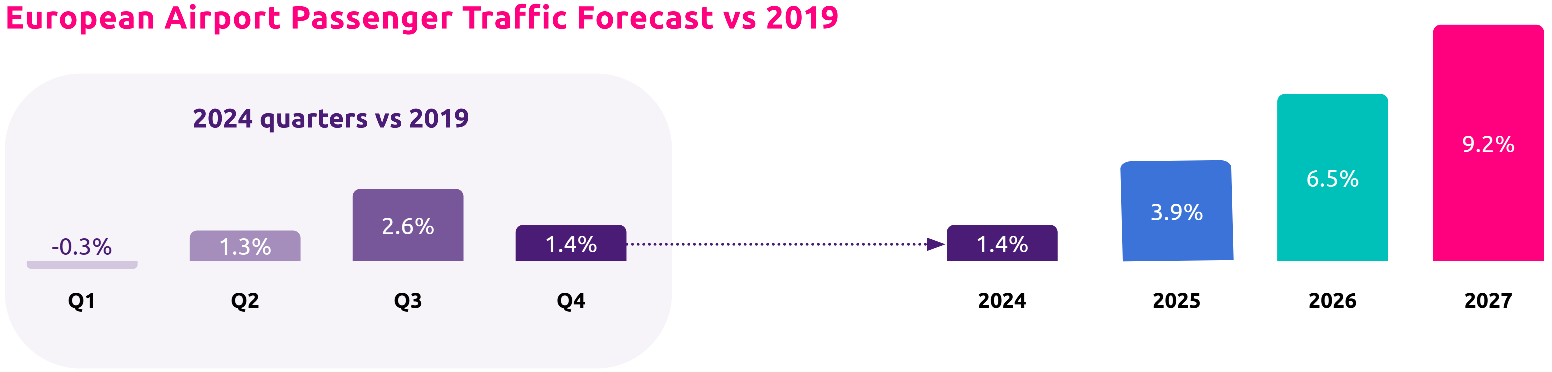


Source: elaboration based on Eurocontrol / Eurostat data

[4] Source: Skift
[5] Source: EUROCONTROL

European Commercial Flight Activity - Delta Actual vs. 2019 level
In their base case scenario, the **ACI (Airports Council International) Europe forecasts European passenger traffic** at +1.4% by Q4 2024, up to +9.2% in 2027. The results reflect the robustness of air transport despite inflationary pressures such as higher airfares[6].

European Airport Passenger Traffic Forecast vs 2019



Source: ACI (Airports Council International) Europe

Further price increases for travellers should slow down according to **CWT and the Global Business Travel Association (GBTA) estimate in their 2024 Global Business Travel Forecast** that airfares will increase a further 1.8% year-on-year while hotel rates will see a 3.5% rise[7].

In our Travel Horizons 2024 report, we noted across major European countries a notable trend among Tourist Boards in the proactive promotion of destinations during off-peak seasons.

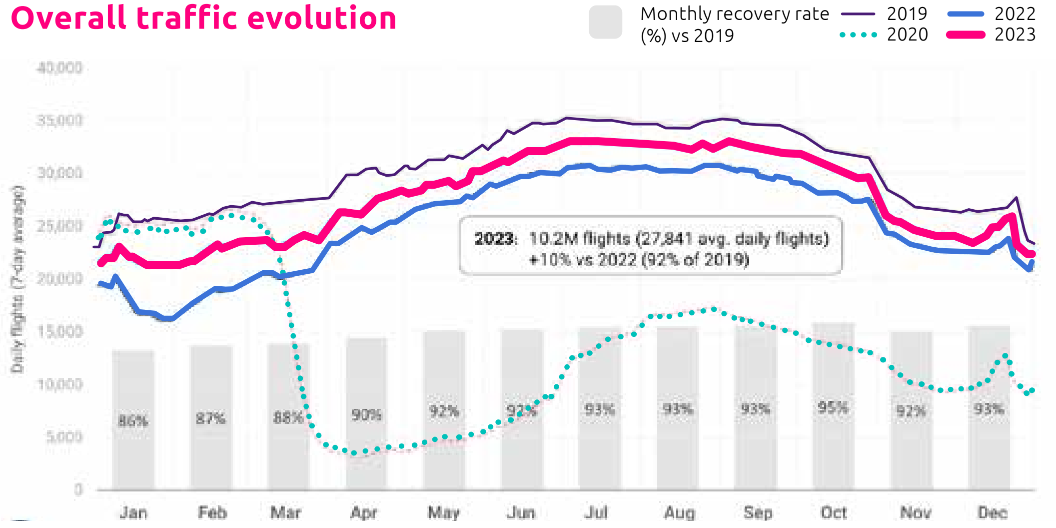
The drive to travel for good has become a key trend in recent years. With alternative destinations becoming increasingly popular, education plays an important role. We created Planet Heart in 2023, our B2C sustainability hub, which is packed full of articles and tips to help environmentally conscious travellers learn more. You can read more about its role in our Sustainability Report.

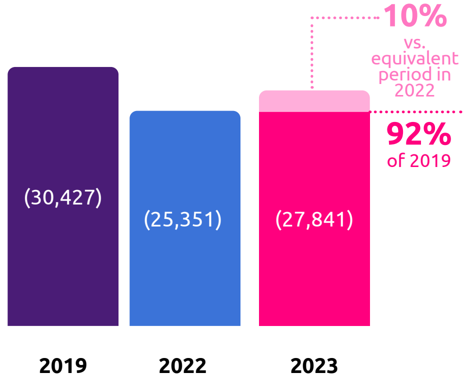
This aspiration to distribute travel more evenly throughout the year is echoed in the latest survey undertaken by the **European Travel Commission**, which has been monitoring travel sentiment among European consumers since September 2020. They revealed 22% of survey respondents were interested in off-season travel as a means to easing the financial constraints of a holiday. However, cost-conscious travellers are still earmarking considerable spending towards travel with 71% of Europeans still choosing to either maintain or boost their travel expenditures in 2024[8].

In terms of megatrends, while airfares have increased somewhat due to fuel prices and increasing regulatory pressure on airlines to offset or reduce carbon emissions, it hasn't impacted the number, or popularity, of flights in real terms.

[6] Source: ACI
[7] Source: EUROCONTROL
[8] Source: European Travel Commission

Overall traffic evolution





Source: EUROCONTROL

Climate change and rising temperatures gained more prominence in 2023. **The European Travel Commission** revealed that the impact of extreme weather events on travel plans was a primary concern for 14% of those surveyed at the end of 2023, compared to just 7% in May 2023.

When it comes to the AI revolution in travel, there is a positive consumer appetite for its role in helping with the research and planning stage particularly. In a US survey by the **National Research Group** (NRG), 39% say that they'd be interested in getting recommendations for attractions to visit from AI, however, 77% say that they are not comfortable letting AI access visas, passports or other important travel documents. The AI trust gap is an interesting one for travel companies to navigate with customers in 2024[9].

[9] Source: Forbes

GROUP OUTLOOK

The usual Q4 bookings slowdown in 2023 didn't dampen down the progress of profitable growth, with Gross Profit at EUR 24.7 million and a 36% increase in Q4 2023.

In the first quarter of 2024, our core product, Dynamic Holiday Packages once again demonstrated its pivotal role for our business, achieving a positive trend in both Revenues and Gross Profit amounting to a +6% and a +15% year-on-year increase respectively.

Our Dynamic Holiday Packages business is the bedrock of our current, and future, profitable and sustainable growth. 2024 will see us continue to fortify its value proposition, via our properties and white-label partnerships, alongside venturing further into new markets.

Our Ancillaries portfolio shows no signs of slowing down and our proprietary deferred payment options will help us stand out from the crowd by offering unparalleled flexibility.

Our App will be an important focus in 2024 for customer retention. We aim to significantly increase downloads, which are already growing strongly (increasing nearly a quarter YOY), as this will enable us to further optimise marketing spend and will ensure better customer service for users.

In 2024 we'll continue to place the App at the heart of our customer retention strategy, focusing on further improved customer support and continuing to personalise the user experience.

The Company expects to grow further in 2024 and will provide regular updates on its performance.

Risk Management & Internal Control System

RISK MANAGEMENT SYSTEM

The Group has adopted and is committed to promoting and maintaining an internal control system ("ICS") and an Enterprise Risk Management framework ("ERM").

This includes all the processes, procedures and tools necessary or useful to manage and monitor the Group's activities and associated risks. The objective is to ensure compliance with laws and regulations, and to safeguard corporate assets, providing accurate accounting, financial data, and reporting. It will also help keep the Group in line with pre-established goals and promote reasoned decision-making in line with its risk appetite.

The ERM framework involves assessing and managing risks to determine acceptable levels. This enables the Board of Directors to set a risk strategy aligned with the Group's business objectives, fostering a risk-controlled environment and encouraging a strong risk culture for sustainable success.

The Group's Board of Directors has identified the Audit Committee as responsible for supervising the internal control system. This Committee defines the guidelines and conducts an annual review of this system, about the Group's characteristics, assumed risk profile, and its overall efficacy.

The Group's Board of Directors has identified the Risk and Finance Committee as responsible for supervising the ERM. This entails the committee's responsibility to accurately identify, measure, manage, and monitor the key risks affecting the Group and its subsidiaries.

The Risk and Finance Committee periodically reviews the ERM, providing annual recommendations to the Audit Committee regarding both the ERM and the adequacy of the Internal Control system.

In addition, the Risk and Finance Committee collaborates with other committees to identify risks, establish guidelines for risk management, and monitor the effectiveness of the risk management framework.

Development of the systems

In 2023, the Board reviewed the overall risk and control organisation and governance and established the "three lines of controls" ("LoC") model by appointing an Enterprise Risk Management & Controls Department within the second line of control.

In 2023, we initiated a project to enhance the design and implementation of our Enterprise Risk Management framework. This project, aimed at strengthening the coverage of our risk and control management landscape, is scheduled for completion in 2024.

This framework provides a holistic approach on managing and controlling risks. It enables a structured and comprehensive methodology for the identification, assessment, prioritisation and mitigation of potential threats to the Group.

By proactively and systematically identifying risks, the framework empowers the Group to anticipate challenges in its business reality and cultivate a proactive risk culture, facilitated by technology.

How it works

The current Group's internal control and Enterprise Risk Management systems are a set of integrated risk capabilities and controls led by the Leadership team. The Leadership team implements the systems and cultivates a positive environment that encourages consistent collaboration across the three LoC models. This model includes all control activities that individual operating units or companies must perform.

Each control operating unit has a specific responsibility, set within the corporate structure at three different levels. These are:

- **First line of control**
  It is formed by risk owners who are responsible for identifying, measuring and mitigating risks within their business units. They must have the knowledge, skills, information, and authority to put relevant policies and procedures into operation. As such, they must escalate risks and identify deficiencies promptly, perform a yearly risk assessment, implement necessary mitigation measures and controls, as well as assess existing ones on design and effectiveness. If there are changes in the control environment, they must report the latter to the second LoC and maintain documentation for audits.

- **Second line of control**
  Managed by the Enterprise Risk Management and Controls Department, it ensures the Group's tone from the top is implemented, assumes a risk-controlling duty, and maintains robust internal controls through policies, frameworks, and tools. In a "Risk-based" approach, it conducts assessments to monitor the effectiveness of first-line risk management and compliance activities and responds to evolving risks. The second line assigns accountabilities for managing risks, assesses the design and effectiveness of internal controls at the end of each fiscal year, and provides continuous monitoring of established controls and mitigation measures.

- **Third line of control**
  Represented by the Internal Audit Department, it performs an independent and objective verification of the operating effectiveness and adequacy of the three LoC models, and in general of all risk management methods. The Internal Audit Department covers this following the Guidelines.

Internal Control System

As of now, the Group's internal controls for financial reporting offer a reasonable level of assurance without material inaccuracies. The financial reporting, based on a going concern basis, has maintained these controls throughout the fiscal year of 2023. Per best practice 1.4.3 of the Dutch Corporate Governance Code dated December 2022, the Board of Directors confirms that:

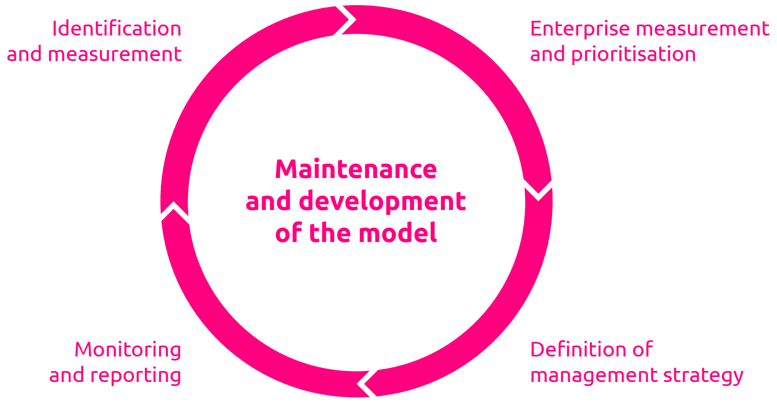
- this report provides sufficient insights into any failings in the effectiveness of the Internal risk management and control systems;
- the aforementioned systems provide reasonable assurance that the financial reporting does not contain any material inaccuracies;
- based on the current state of affairs, it is justified that the financial reporting is prepared on an ongoing concern basis;
- this report highlights material risks and uncertainties pertinent to the Group's expected continuity for the twelve months following its preparation.

Enterprise Risk Management

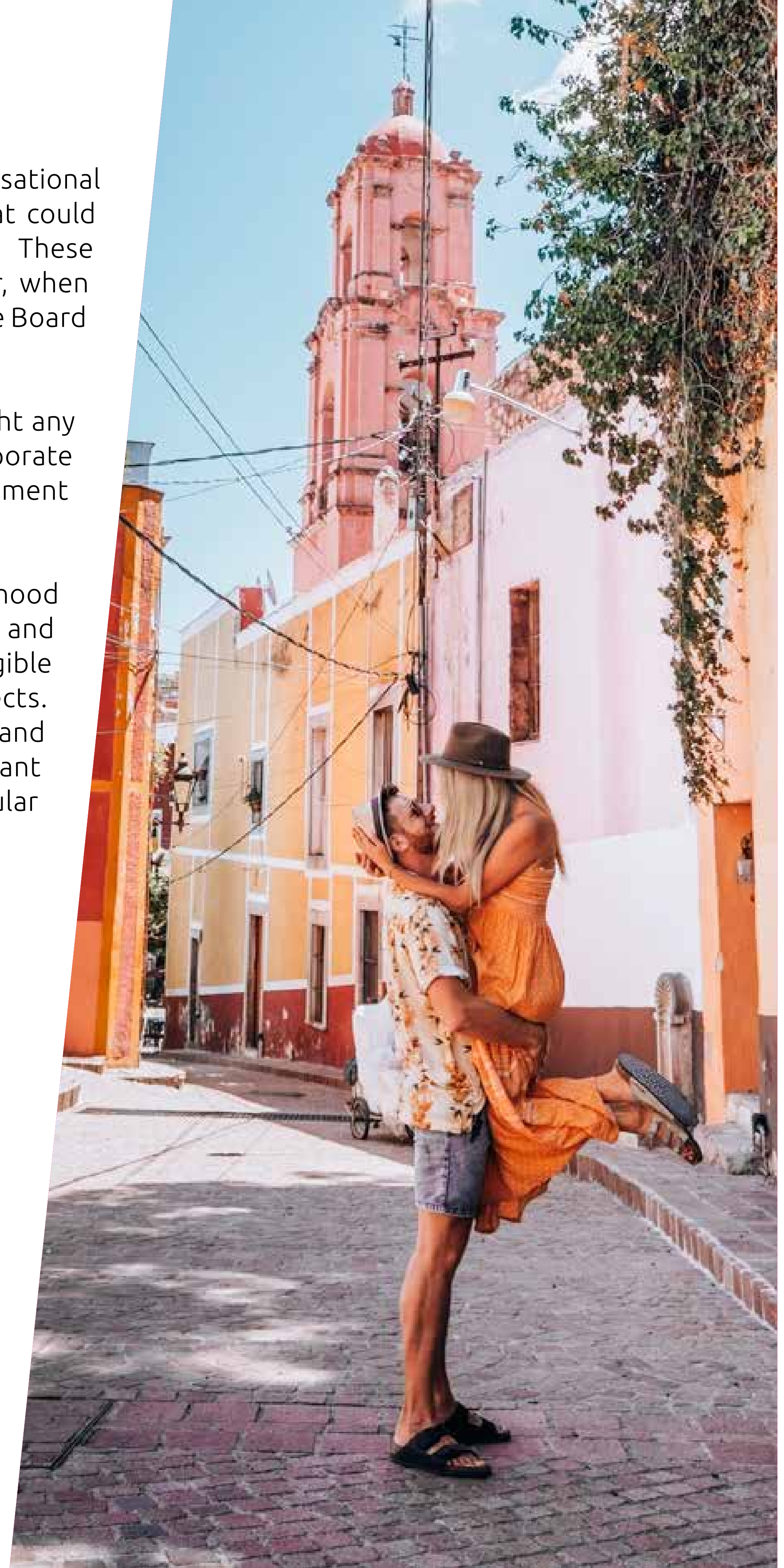
The Group has adopted rules, procedures, and organisational structures to identify and manage the main risks that could affect the achievement of its strategic objectives. These are submitted to the Risk and Finance Committee or, when necessary, directly to either the Audit Committee or the Board of Directors.

The scope of the risk identification phase is to highlight any potential hazardous event, from either internal corporate processes or external ones, that may affect the achievement of the corporate objectives.

Risks are measured by defined grading scales of likelihood and impact from both quantitative (e.g. economic and financial impacts) and more qualitative and intangible (e.g. reputational impact, health, safety-related) aspects. Where applicable, Management identifies actions and specific interventions for risks, complete with relevant implementation timeframes, associated with a particular type of risk management, among those codified.



Source: last year's annual report



RISK ASSESSMENT (STRATEGIC, FINANCIAL, OPERATIONAL, COMPLIANCE)

The Group's ERM Methodology identifies four different categories of risk. In the next paragraphs are detailed the Group's main risks.

Strategic Risk

Risks that may jeopardise the Group's strategic objectives, the effective implementation of the defined strategy or result in a significant change in the business model:

- **Geopolitical Risk**
  The conflict between Israel and Palestine began on 7 October 2023 and remains ongoing. This affects travel in Israel and in the neighbouring countries (e.g. Jordan, Egypt) generating a negative impact on hotel and flight bookings. Most flight airlines decided to stop the services in that area due to the dangerous context. The risk of an extended conflict in time may generate a medium impact for the Group. The conflict between Russia and Ukraine (which started in 2022) is still ongoing. As stated in last year's Annual Report, it doesn't have any material impact on the Group.

- **People retention**
  Employees are crucial to the achievement of strategic objectives, So, It is key to keep attracting and retaining skilled staff. If key employees are somehow unable to carry out their role, this could have a material effect on the Group's business. The Group strives to provide its employees with an excellent working environment and a constructive, informal, and open culture, and these values represent a driver to retainment and recruitment. The Group is also working on a dedicated tech talent development plan to reduce risk. For example, in 2022 the Group undertook the biggest recruitment drive in the Group's history focusing on developers and engineers to bolster our technology offering;

- **Dependence on significant supplier relationships**
  As the European market leader in the Dynamic Package market, traffic generation is a key factor in this strategy. The Group relies on key partnerships for Dynamic Packages (such as Booking.com) with a high bargaining power. Therefore, we are striving to (i) diversify traffic sources and (ii) increase sales from organic traffic;

- **Dynamic Package Liability**
  When lastminute.com sells a Dynamic Package, the Group is responsible, among others, for managing and directly refunding the customer in case of booking cancellation. The Group has to manage large numbers of customer refunds, even when funds from the suppliers are slow, or sometimes, never received. To mitigate cash outflow risk, the Group encourages customers to opt for a voucher refund, as it also might lead to additional future bookings.

  As of 31 December 2023, the total outstanding receivables from airline and hotel providers is EUR 950.211 and specific considerations have been taken for recoverability (refer to Note 4 of the consolidated financial statements). Customers are at the heart of what we do, so we have a robust refund management system in place and work with suppliers to ensure that they are reimbursed on time and according to our terms and conditions.

- **Market Risks**
  The Group does not have direct commercial relationships with certain low-cost airlines. Some of these low-cost airlines may adopt measures to

prevent the intermediation of their tickets from OTA. In particular, in the last months of 2023, Ryanair technically forbade OTAs access to its inventory, preventing them, including the Group, from buying tickets on behalf of their customers. While numerous rulings against Ryanair have acknowledged the Group's rights to intermediate Ryanair flights, the technical measures implemented by the airline are hindering the Group from conducting its operations in a consistent manner. As such, this represents a risk not only for lastminute.com Group but for the entire industry.

In the first months of 2024, the situation is evolving due to the agreements signed by Ryanair with some OTAs and to the proceeding opened by the Italian Antitrust to monitor the possible abuse of a dominant position by Ryanair. Should an agreement on fair terms with Ryanair not be reached, this would cause a material impact on the Group's revenues, related mainly to Flights only but also Dynamic Holiday Packages.

- **Risks arising from the on-going investigation**
  In relation to the investigation started in 2022 involving current and former employees, a risk of indirect impacts to the Group persists. Please note the Group is now totally unrelated to the criminal case, and no outstanding administrative liability currently affects it. However, the evolving scenario may produce effects on a reputational and operational level. The Group is cooperating with the Public Prosecutor for the collection of elements that may be relevant for the prosecution of the criminal case against individuals, if any.

Financial Risk

Risks that are either linked to the financial environment or to financial decisions enacted by the Group that could lead to financial losses. The categories of risks classified as financial are:

- Credit
- Liquidity
- Market

(For further information see Note 4 of the consolidated financial statements at 31 December 2023).

Operational Risk

The following highlights the risks associated with the performance of our business activities and operational processes. These risks have the potential to impact the Group's operating effectiveness and efficiency, thus limiting our ability to create value and achieve sustainability objectives.

- **We are primarily an online business**
  This puts us at risk from connectivity issues, malfunctions, malware attacks and other technical problems on our websites and on the websites of the travel product providers we access to make bookings;

- **We rely on third parties for certain services and systems**
  Any disruption or adverse change in their businesses could have a material unfavourable effect on our business;

- **Climate Change**
  Risks associated with increased physical hazards, both acute (i.e. extreme weather events) and chronic (i.e. long-term exposure to climate patterns influenced by climate change), as well as transitional challenges (i.e. transition to a lower carbon economy). It also refers to the emergence of more stringent climate regulations (e.g. carbon tax), which could lead to an inability to meet carbon reduction targets and achieve emissions neutrality, resulting in reputational damage and negative impacts on supply chains and operations.

  We are currently working on the full adoption of the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, aiming at improving transparency and disclosure of climate-related risks and opportunities and ensuring that stakeholders have access to comprehensive information to make informed decisions. We expect to disclose our first TCFD report together with our 2024 sustainability report next year.

- **Compliance Risk**
  Risks related to current national and international regulations/internal policies and procedures (e.g. Tax law, GDPR, and other material applicable laws). The Group's business is highly regulated and subject to complex rules, both in relation to travel services and general compliance (i.e. GDPR).

  A failure to observe laws, regulations and directly applicable rulings of Supervisory Authorities, or self-regulation (e.g. Codes of Conduct or internal policies) runs the risk of incurring judicial or administrative sanctions, losses or reputational damage. The Group has a specialised internal Legal team and external legal counsellors to advise the Group on current and forthcoming legal requirements and to manage legal and regulatory issues associated with business compliance.

  In the realm of e-commerce, where we conduct our operations, the handling of personal data - encompassing its processing, utilisation, and disclosure - may lead to liabilities.

  These liabilities may arise from various sources, including governmental or industry regulations, conflicting legal requirements, diverse interpretations of personal privacy rights, or instances of security breaches.

  A detailed GDPR Privacy framework to monitor and manage all risks related to the processing of data was adopted in 2018. Other vertical needs of compliance (ex. Labour compliance) are covered by dedicated functions with support from specialists and external advisers.

lastminute.com acknowledges the growing relevance of Environmental, Social and Governance (ESG) factors for stakeholders, including investors, customers and regulators. Therefore in 2023, we integrated our ERM framework with a dedicated focus on ESG considerations to allow us to improve our resilience, meet stakeholder expectations, comply with regulations and create long-term value.

Please refer to the Risk Management Chapter of our Sustainability Report for further details.

Key Non-Financials

MATERIAL TOPICS & SDGS

In 2023, for the first time and in alignment with emerging regulatory frameworks and industry best practices, we adopted a dual perspective known as 'double materiality.' Through this methodology, we have expanded our analysis to encompass a comprehensive 360-degree view. This holistic approach assesses the interplay between issues influencing a company's financial performance and its broader impacts on people, society, and the environment. The double materiality assessment acts as a guiding compass in navigating the sustainability landscape.

The result of this renewed materiality assessment led us to set the following list of sustainability issues as of utmost importance to us, with alignment with the UN Sustainable Development Goals 4, 8, 9, 10, 12 and 16.

MATERIAL TOPIC	CORRELATED SDG
Cybersecurity	16 - PEACE JUSTICE AND STRONG INSTITUTIONS
Highly Skilled Workforce and Development Opportunities	4 - QUALITY EDUCATION
Corruption & Bribery	16 - PEACE JUSTICE AND STRONG INSTITUTIONS
Climate Change Strategies and Targets	9 - INDUSTRY, INNOVATION AND INFRASTRUCTURES
Customer Satisfaction	9 - INDUSTRY, INNOVATION AND INFRASTRUCTURES
Equal Opportunities and Adequate Wages	10 - REDCUCED INEQUALITIES
Products and Services Innovation	9 - INDUSTRY, INNOVATION AND INFRASTRUCTURES
Data Privacy	16 - PEACE JUSTICE AND STRONG INSTITUTIONS
Business partners	12 - RESPONSIBLE CONSUMPTION AND PRODUCTION
Health and Safety Procedures	8 - DECENT WORK AND ECONOMIC GROWTH
Corporate Governance	16 - PEACE JUSTICE AND STRONG INSTITUTIONS
Perception of the Group	16 - PEACE JUSTICE AND STRONG INSTITUTIONS
Communities Relationship and Biodiversity	12 - RESPONSIBLE CONSUMPTION AND PRODUCTION
Human Rights and Value Chain	8 - DECENT WORK AND ECONOMIC GROWTH

TOTAL WORKFORCE

1722

1644* Employees
+
78 External

OUR EMPLOYEES

Women **50%** Men **50%**

55% Employees under 35

73% Leaders under 45

48 nationalities

10 countries

99% permanent contracts

As a 100% digital business ***our people represent our greatest asset.***

* Compared to the figures presented in Note 9 of the consolidated financial statement, the headcount is excluding 1 intern, and 7 people who resigned on 31.12

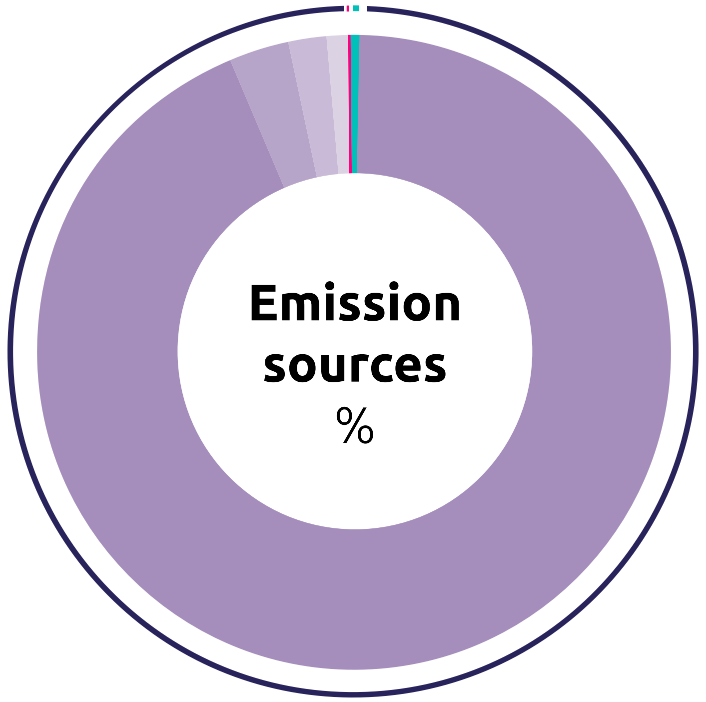
GROUP'S EMISSION DATA

We are committed to adopting a comprehensive approach to environmental stewardship by actively participating in the preservation of our planet and the fight against climate change through concrete initiatives. Prioritising the reduction of our direct energy consumption and greenhouse gas emissions and engaging our stakeholders in environmentally conscious initiatives are key aspects of this commitment.

In 2023, we undertook a robust assessment to refine the GHG inventory calculation and extend the reporting coverage to additional categories not included in the former year of reporting.

We also set specific targets to **achieve net-zero Scope 1 and Scope 2 emissions by 2025 and we plan to achieve net zero emissions (Scopes 1, 2 & 3) by 2050**, in line with the global effort outlined in the Paris Agreement.

The calculations follow the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (GHG Protocol) guidelines. For further details see the section Environment Focus of the Sustainability Report.



Definitions and Reconciliation of Non Gaap-to Gaap measures

This paragraph presents and comments on certain financial performance measures that are not defined in the IFRS (non-GAAP measures).
The measures described below, are used to analyse the Group's business performance "Management report' and "Consolidated financial statements" sections and comply with the Directive Alternative Performance Measures "DAPM" issued by SIX.

The alternative performance measures listed below should be used to supplement the information required under IFRS to help readers of the annual report to gain a better understanding of the Group's economic, financial and capital position.

GROSS TRAVEL VALUE ("GTV"), defined as the value of the travel products purchased by the Group's clients using the Group's platforms, including agency fees, insurance and gross of any discounts and cancellations.

REVENUES, defined as the ordinary margins generated through the sale of travel services (together with ancillaries, over commissions, kickback and other indirect revenue) , including the negative effects coming from the cancellation of bookings and the other income from the voucher misredemption. They are also defined as managerial revenues.

REVENUES IFRS, as they are represented in the IFRS schemes, defined as the margins generated by the Group revenue streams, including the extraordinary effects of previous years' adjustments, government grants and other minor extraordinary effects, not included in the definition above. The line excludes the other income from expired refund vouchers, represented in a specific caption of the consolidated statement of profit and loss ("Other income from expired refund vouchers"). For evidence of the reconciliation between managerial and IFRS revenues, reference should be made to Note 6 of the consolidated financial statements.

ADJUSTED EBITDA, defined as EBITDA IFRS adjusted to account for the effects of long-term incentive plan costs and other income and costs that management considers incidental to operating activities. Examples of such incidental items include those related to acquisitions, litigations, and restructuring. The reconciling amounts include also the accounting effects of other IFRS principles (i.e. IFRS 16, IAS 19). In 2023 the Group modified the way it defines the Adjusted EBITDA (the new definition is "Adjusted EBITDA net of cancellations and previous years"), in order to be consistent with the competitors, considering that the cancellations have become an ordinary and embedded effect of the business. As such, also previous years adjustments, being mostly related to the Group's business activities, are represented as ordinary effects.

EBITDA IFRS, defined as Earnings Before Interest, Tax, Depreciation and Amortisation accounted for in accordance with IFRS principles.

NET FINANCIAL POSITION, defined as the arithmetic sum of the cash and cash equivalents, short and long term financial assets and liabilities (including lease liabilities), excluding the financial assets at fair value.

CORPORATE GOVERNANCE

QUICK LINKS

PRELIMINARY REMARKS

lastminute.com's Corporate Governance Report 2023 follows the SIX Swiss Exchange Directive on Information relating to Corporate Governance entered into force on 1 January 2023 and takes into account the Swiss Code of Best Practice for Corporate Governance and the Dutch Corporate Governance Code. Please note that the Company, being Dutch, is not subject to the Swiss Ordinance against Excessive Compensation at Listed Joint-Stock Companies (OaEC).
All disclosures required by the Dutch Corporate Governance Code are included in the documents hereby, in the Consolidated Financial Statements, in the Directors' Report and available on the Company's corporate website.
The Dutch Corporate Governance code can be found on www.MCCG.nl.
The Consolidated and the Company's Financial Statements of lastminute.com N.V. 2023 have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) and in accordance with book 2, part 9 of the Dutch Civil Code.
Where necessary, these disclosures have been extended to comply with the requirements of the SIX Swiss Exchange Directive Financial Reporting.

GROUP STRUCTURE AND SHAREHOLDERS

Group structure

Starting from the second half of the financial year 2023, the Group management has decided to adopt a new reporting view when it comes to the internal and external disclosure of main business KPIs. The previous segmentation between OTA/Metasearch/Other has been replaced by a distinction between the B2B and B2C sectors.

The new **B2B** operating segment includes:
- Our Meta business
- Media
- Long-term partnerships (affiliations, white-label, gift cards, corporate rewards)

The new **B2C** operating segment includes:
- Flights
- Hotels
- DPs
- TO
- Cruise
- Other (car, experience)

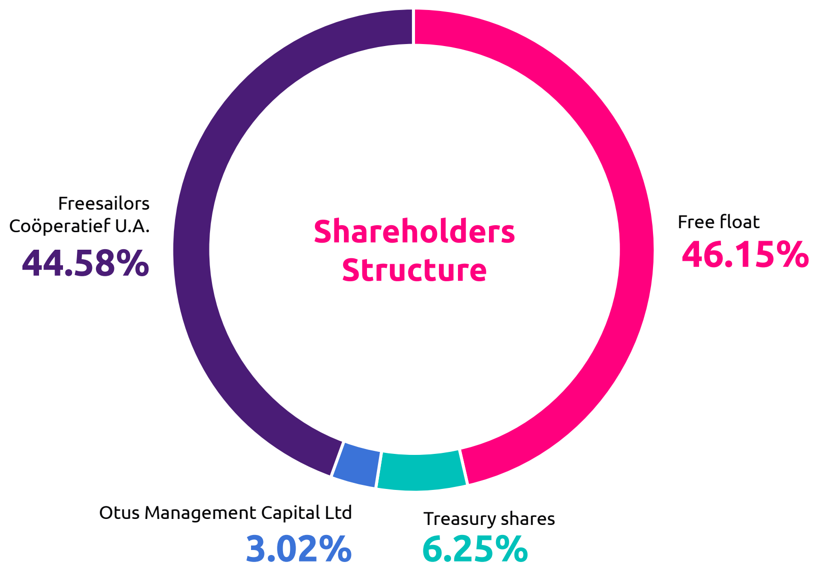
For further information reference should be made to Note 6 of the Consolidated Financial Statements.
Group subsidiaries are listed in Note 33 of the Consolidated Financial Statements.

lastminute.com N.V. is registered in The Netherlands, with its statutory seat at Rokin 92, 1012 KZ, Amsterdam. lastminute.com's shares are listed on the SIX Swiss Exchange (ISIN code: NL0010733960) in Zurich. On 31 December 2023, the Company's market capitalisation was CHF 271,776,302.70.

For further information, refer to our website.
No other Group's affiliated or associated companies are listed as of 31 December 2023.

Significant shareholders

Significant shareholders and significant groups of shareholders as of 31 December 2023 are reported below:



Freesailors Coöperatief U.A. ("Freesailors") membership's structure results to be composed by (i) Fabio Cannavale (81.235%, directly and indirectly), (ii) Sterling Active Fund (10.634%) and (iii) other investors (8.131%). In particular, among the other investors, the Company indirectly owns through Sealine Investments 2 LP, the equivalent of 2.1501% of the Company's shares.

In April 2021, all Freesailors' members signed a membership interest agreement (the "Shareholders Agreement").

Freesailors still hold 44.58% of the Company. Moreover, certain Freesailors' investors own, out of the Shareholders Agreement, an additional 5.99% of the Company's shares, among which the Company owns 5.52% as treasury shares.

Further disclosures have been published on the reporting and publication platform of the Disclosure Office of SIX Swiss Exchange pursuant to art. 120 of the Financial Market Infrastructure Act and the corresponding provisions of the FINMA Financial Market Infrastructure Ordinance and can be accessed at this link.

As of 31 December 2023, the Company held 729,109 own shares. For more details, please refer to Note 26 of the Consolidated Financial Statements.

There are no cross-shareholdings.

CAPITAL STRUCTURE

As of 31 December 2023, the Company has an issued share capital of EUR 116,642.19 thousand divided into 11,664,219 fully-paid bearer shares with a nominal value of EUR 0.01 each.

Under Dutch law, a company's authorised share capital sets out the maximum number of shares that the company may issue without amending its articles of association. Under the Articles of Association, the Company's authorised capital amounts to EUR 181,100 thousand and is divided into 18,110,000 shares, each with a nominal value of EUR 0.01.

The concept of conditional share capital is not known under Dutch law and thus there is no conditional share capital. Further, also the concept of authorised share capital as known under Swiss law deviates from the concept applicable under Dutch law.

In accordance with Dutch law and the Articles of Association, shares shall be issued pursuant to a resolution passed by the Company's general meeting of shareholders, upon the proposal of the Board of Directors containing the price and further terms and conditions of the issue.

Under the Articles of Association, the Company's general meeting of shareholders may delegate the authority to issue shares to the Board of Directors, for a fixed period not exceeding five years and in a resolution specifying the number of shares that may be issued and any further conditions. Such designation may be renewed each time for a period not exceeding five years.
In order to provide the Company with sufficient flexibility to issue shares and grant

rights to subscribe for shares, the annual general meeting held on 22 June 2021 ("**2021 AGM**") authorised the Board, for a period of five years from the date of the 2021 AGM (i.e. until 22 June 2026) to (i) issue shares and grant rights to subscribe for shares up to a maximum number equal to 10% of the issued share capital of the Company as of the date of 2021 AGM and (ii) restrict or exclude pre-emptive rights in connection with such issue of shares or grant of rights to subscribe for shares (the "**Authorisation**").

The shares would be issued at such price and upon such terms and conditions as the Board deems appropriate based on the Board's determination of what is in the best interests of the Company, taking into account the interests of the Company's stakeholders, at the relevant time. Any issuances of shares and/or grants of rights to subscribe for shares by the Company would be published on the Company's website. Within eight days after the end of each calendar quarter, the Company should further register the relevant issuances of shares effectuated in such quarter with the Dutch Trade Register.

In accordance with the Authorisation, on 13 July 2021 the Board launched a share buyback program ("**SBB**"); as of 15 April 2022, the Company purchased no. 38,394 shares. The Authorisation has been renewed during the 2022 AGM (held on 18 May 2022) and again during the 2023 AGM (held on 30 June 2023).
The latter will remain in force until the earlier of the conclusion of the subsequent year's annual general meeting of the Company or the date which falls 18 months from the 2023 AGM.

Movement in recognised amounts of shares, if any, are detailed in Note 26 of the Consolidated Financial Statements.

All the Company's shareholders have the right to receive, pro-rata to their shareholding, any dividend, participation on available earnings or any liquidation proceeds following the repayment of the share capital. There are no participation or profit-sharing certificates.

As of 31 December 2023, there are no outstanding bonds and bonds convertible into, or options to acquire, shares. See Note 16 of the Consolidated financial statements for further information.

No stock option programs have been in place throughout the year, but two stock appreciation rights plans (the "SAR1" and the "SAR2" as described below) have been in place with the following features:

SAR1 - launched on 3 August 2021 and amended on 16 May 2023
- a maximum of 750,000 options could be assigned to key employees and Executive Directors ("SAR1");
- strike price: CHF 25;
- right of accessing the stocks ("Vesting SAR1") is subject to specific conditions: i) period of time of 4 years (Pro-rata from Year 2 to Year 4); and ii) the Company's stock price levels (the "Price Thresholds SAR1") - only in case stock price will be equal or above a certain threshold.
- Accelerating vesting clause (amended in 2023): in case of a Takeover, or an Asset Sale, with Proceeds before the Vesting Date of any SARs, the unvested SARs shall vest immediately and are therefore immediately exercisable.
- With reference to the Price Threshold SAR1 has been defined differently depending if the beneficiary is part of Group A (all the selected employees) or Group B (the Executives Directors).

  In particular, the Price Thresholds are the following:

  Group A SAR1
  i) 40% of the options are not subject to any Threshold;
  ii) 35% of the options subject to a Price Threshold equal or higher than CHF 40;
  iii) 25% of the options subject to a Price Threshold equal or higher than CHF 60;

  Group B SAR1
  iv) 35% of the options subject to a Price Threshold equal or higher than CHF 40;
  v) 65% of the options subject to a Price Threshold equal or higher than CHF 60;
- having the Board of Directors resolved for a SAR plan, no capital increase has been required for its financing. Moreover, the Company maintains the discretionary right to ask the AGM for approval in case in the future it would change the financing source from cash payment to shares payment.
- On 23 March 2022 the Board acknowledged that there were no. 97,500 SARs which were not assigned as of then (the "**Outstanding SARS1**") and it resolved to cancel the Outstanding SARS1.

SAR2 - launched on 23 March 2022 and amended on 16 May 2023
- a maximum of 1,200,000 stock appreciation rights could be assigned to key employees and Executive Directors ("**SAR2**");
- strike price: CHF 35.90;
- amended strike price from May 2023: the average of the 30 calendar days prior to the assignment of the stock;
- the right of accessing the stocks ("**Vesting SAR2**") is subject to specific conditions:

- (i) period of time of 4 years (Pro rata from the end of Year 2 to Year 4); and (ii) lastminute.com stock price levels (the "**Price Thresholds SAR2**") - only in case of stock price will be equal or above a certain threshold.
- Accelerating vesting clause (amended in 2023): in case of Takeover, or an Asset Sale, with Proceeds before the Vesting Date of any SARs, the unvested SARs shall vest immediately and are therefore immediately exercisable;
- the Price Thresholds SAR2 are the following:
(i) 35% of the SARs subject to a Price Threshold SAR2 equal or higher than CHF 40;
(ii) 65% of the SARs subject to a Price Threshold SAR2 equal or higher than CHF 60;
- having the Board of Directors resolved for a SAR plan, no capital increase has been required for its financing. Moreover, the Company maintains the discretionary right to ask the AGM for approval in case in the future it would change the financing source from cash payment to shares payment.

Non-voting equity securities do not exist for a Dutch public limited company.

The shares may be transferred as book-entry securities. Under Swiss law, the booking of the shares in the share account of the acquirer is sufficient for the transfer of the shares. The shares are freely transferable and no limitations on transfer and no voting right restrictions apply.

Being the Company listed in Switzerland, the regulatory law that is applicable for managing the shares is Swiss law.
Further information on the Capital Structure is provided in Note 26 of the Consolidated Financial Statements and in the Articles of Association currently in force.

BOARD OF DIRECTORS

Boards of director structure and composition

The Company has a one-tier board structure with a board of directors (the "**Board of Directors**" or the "**Board**") consisting of Executive Directors and Non-Executive Directors. The Board shall consist of at least one Executive Director and at least two Non-Executive Directors. The majority of the Board shall be composed of Non-Executive Directors. All the Non-Executive Directors meet the independence requirements established by the Dutch Corporate Governance Code.

The Board believes that it should generally consist of no fewer than three and no more than nine members. This range permits diversity of experience without hindering effective discussion or diminishing individual accountability.

In 2023 the Board approved the disclosure of an action plan for greater diversity to Dutch authorities, with the aim of achieving a more balanced gender ratio in management and on the Board. While the current male/female ratio of Executive Directors complies with diversity legislation, the Board as a whole requires further improvement. Our initial target is a minimum of 30% female representation on the Board and a commitment to gender equality.

The chairman of the Board (the "**Chairman**") shall be a Non-Executive Director. The new directors, independent from their gender, have been selected due to their skills and support to strategic decisions that they can afford during the year.

Gender diversity will be one of the criteria of selection for future replacement of directors, in accordance with the action plan for greater diversity.

The table below lists the composition of the Board as of 31 December 2023:

Name	Year of birth	Gender	Nationality	Qualification	1st Election	Expires
Yann Rousset	1983	Male	French & USA	Non-Executive Director & Chairman of the Board of Directors	2022	2024
Luca Concone	1966	Male	Italian	Executive Director & CEO	2022	2024
Maria Teresa Rangheri	1969	Female	Italian	Executive Director & CECO	2022	2024
Marco Forasassi Torresani	1964	Male	Italian	Non-executive Director	2022	2024
Massimo Pedrazzini	1963	Male	Swiss	Non-executive Director	2021	2024
Cyril Ranque	1969	Male	French	Non-executive Director	2022	2024

On May 17 May 2023 Mr Valentin Pitarque, Non-Executive Director appointed by the EGM held on December 21 December 2022, resigned from his offices as a member of the Board of Directors and of certain Company's Committees.

On June 30 June 2023 the AGM confirmed the appointment of the Directors in force at the time and appointed Mr Marco Forasassi Torresani as new additional Non-Executive Director and member of certain Company's Committees.

Unless otherwise stated, the Non-Executive members of the Board of Directors have no significant business relationships with lastminute.com.

Mr Luca Concone acts as director in certain subsidiaries of the Group.
Ms. Maria Teresa Rangheri acts as a proxy holder in certain subsidiaries of the Group.

Transactions of significance to the Company with major shareholders (more than 10%) require approval of the Non-Executive Directors and are agreed on terms customary in the market.

No Non-Executive Director has been a member of the management of the Company or one of the Company's subsidiaries in the three financial years preceding the period under review. In accordance with Article 14 of the Articles of Association, the Board may agree on a division of the duties of the Board between one or more Non-Executive Directors and one or more Executive Directors.
The duty to supervise the performance of duties by the Executive Directors cannot be taken away from the Non-Executive Director by a division of duties. The chairmanship of the Board, the making of proposals for the appointment of a Director and the adoption or the assessment of the remuneration of the Executive Directors may not be assigned to an Executive Director.
Where one or more Directors are absent or prevented from acting, the remaining Director(s) shall be charged with the entire management of the Company. If all Executive Directors are absent or prevented from acting, a person to be appointed for that purpose by the Non-Executive Directors, whether or not from their midst, shall be temporarily entrusted with the duties of the Executive Directors. If all Non-Executive Directors are absent or prevented from acting, a person to be appointed for that purpose by the General Meeting shall temporarily be entrusted with the duties of the Non-Executive Directors.

Professional background and other activities and functions

Yann Rousset

Independent Non-Executive Director, Chairman of the Board of Directors

Yann Rousset has been in US & Swiss banking and capital management for over fifteen years advising family offices, corporate institutions and fiduciary organisations on capital management, governance matters and strategic guidance. After graduating in Finance from Bentley University in 2005, he started at UBS Financial Services Inc, New York City in 2006. Soon after, he worked at Citigroup Global Markets Ltd Inc., London before joining the founders of Maseco LLP in 2009 as Executive Director to lead and establish the Swiss expansion. He completed the Swiss acquisition and founded Pilotage Private Wealth AG in Switzerland in 2013. He is currently the CEO, with a focus on wealth, asset and capital management. In 2019 he founded Pilotage Private Office AG and is the Chairman with a focus on financing structures, corporate and capital market advisory and governance.

Luca Concone

Executive Director & CEO

Luca Concone graduated in Technological Engineering from Politecnico di Milano. In the early 1990s, Luca focused on a consulting career with A.T. Kearney and McKinsey & co., specialising in financial institutions and technology. In the 2000s, he became deputy CEO of one of the largest banks in Italy (Gruppo UBI) and CEO of a significant bank in the United Kingdom (Capital One). He supported the founders of the Volagratis brand (now belonging to lastminute.com Group) in the context of the corporate legal entities establishment since the beginning. In 2006, he became CFO of the City of Milan under Mayor Letizia Moratti. In 2009, Luca started his renewable energy fund and invested over EUR 200 million; he was appointed Chairman and CEO of the fund and, as of today, he retains a Director position. He has over a decade of experience as an entrepreneur, angel investor and senior advisor to many technology and internet industry companies.

Maria Teresa Rangheri

Executive Director & CECO

Maria Teresa Rangheri graduated in Law and in Psychological Sciences and Techniques and has been a professional journalist for over 20 years. She held positions of responsibility in the field of communication and marketing in various sectors, from telecommunications (Infostrada and Wind) to banks (Banca Popolare di Lodi and Intesa Sanpaolo) and non-profit organisations (FAI). During these experiences, she has been in charge of corporate culture projects, in phases of corporate transformation. From 2008 to 2017 she was part of the team that led the growth of the lastminute.com Group. Within the Group, she has been first Marketing Director and then Head of Leisure, Travel & Tourism and Chief Communication Officer. She set up the lastminute Foundation and from 2017 to 2019 she was CEO of Bheroes Società Benefit, dedicated to the growth of the startup ecosystem in Italy. In 2020 she attended the training course: "Induction Session for directors and auditors of listed companies" by Assogestioni and Assonime.
Currently, she is a Board Member of Fondazione Bagatti Valsecchi (nominated by Comune di Milano).

Marco Forasassi Torresani

Non-Executive Director

Marco Forasassi Torresani graduated in Technological Engineering from Politecnico di Milano. He has worked in the investment banking sector for over 30 years. He is a Partner at Cassiopea Partners, one of the leading Italian investment banking firms. Before joining Cassiopea Partners, in 2003 he founded Eidos Partners which in six years became one of the leading Italian investment banking houses; Eidos Partners was participated by Close Brothers and a few Italian lead institutions. From 2000 to 2003, following the acquisition of Schroders Corporate Finance business by Citigroup, he was Director of European Investment Banking at Citigroup, while from 1996 to 2000 he was Director of Investment Banking at Schroder Italia SIM SpA, after working at Salomon Brothers International Ltd where he was Vice President in the investment banking division. In addition, he has participated in the organisation of investment club deals.

Massimo Pedrazzini
Non-Executive Director
Massimo Pedrazzini holds a Degree in Law from the Geneva University (1985). Among others, Massimo is currently Chairman of the Board of Directors of Sterling Strategic Value Fund SICAV-RAIF SA, of Sterling Active Fund, Luxembourg and of Fidinam Group Holding SA, Lugano (Switzerland). In the past, he has been Chairman of the Supervisory Board of Washtec AG, listed in Frankfurt (Germany), and a Member of the Supervisory Boards of Teleplan International N.V. and Brainpower N.V., both listed in Amsterdam (the Netherlands). Massimo Pedrazzini's law firm is based in Lugano (Switzerland). He has been practising law since 1985 with a focus on contract, corporate, international tax and financial law. He is specialised in cross-border M&A transactions and joint ventures in Europe, Asia and America.

Cyril Ranque
Non-Executive Director
Cyril Ranque was lastly President of the Travel Partners Group, Expedia, for more than 15 years. In this role, he was responsible for the integration of all travel partners through the marketing, distribution, data and technology solutions of the Expedia Group platform. Before joining Expedia Group, Cyril was Vice President Marketing & Distribution for Louvre Hotels, having advised the Taittinger Group when the company was founded in early 2004. Previously, he was co-founder of Educastream.com, an online education startup, head of the French CRM practice for AT Kearney, CRM consultant at Accenture, investment banker at Morgan Stanley in London and financial analyst at LVMH in Tokyo. He is currently a board member of the Ritz Paris Hotel and he was, until its sale to Trip.com, a board member of the Chinese OTA eLong. Cyril holds a master's degree from ESSEC Graduate School of Business in Paris, with a specialisation in finance and strategy.
The above profiles of the members of the Board of Directors provide information on their activities and commitments in addition to their functions at the lastminute.com Group. Other than as described above, the members of the Board of Directors do not engage in any other activities or perform any other functions which are significant to the Group.

Elections, terms of office and areas of responsibility

The members of the Board of Directors are individually elected and appointed by the Company's general meeting of shareholders. A resolution of the Company's general meeting of shareholders to appoint a director may be passed by an absolute majority of the valid votes cast.

Directors are appointed for one year starting on the day after the day of the annual general meeting of the Company's shareholders in which they are appointed and ending on the day of the subsequent annual general meeting of the shareholders that will be held in the year following the year of their appointment. Directors may immediately be reappointed.

The Company's general meeting of shareholders may at any time suspend or remove any director. A resolution to remove or suspend a director may be passed by an absolute majority of the valid votes cast. The Board of Directors may also suspend any Executive Director. If a director is suspended, the Company's general meeting of shareholders shall within three months of the date on which suspension has taken effect resolve either to dismiss such director, or to terminate or continue the suspension (which resolution to continue the suspension may be adopted only once and for a maximum period of three months), failing which the suspension shall lapse.

The Selection, Appointment and Remuneration Committee is responsible for seeking and evaluating individuals qualified to become Directors, reviewing background checks respecting such individuals, and selecting or recommending that the Board selects the Director nominees for the next Annual General Meeting. Any group of shareholders representing at least 3% of the capital of the Company may request the Board of Directors in writing to include additional Director nominees, at least sixty days before the date on which the meeting is convened.

The Board of Directors is the ultimate governing body of the Group. It is responsible for the ultimate supervision of the Group. The Board attends to all matters which are not reserved for the General Meeting or another governance body of the Group by law, the Articles of Association or specific regulations issued by the Board of Directors.

The Board has the following main duties:

a. the ultimate direction of the Group, in particular the conduct, management and supervision of the business of the Group, and the provision of necessary directions;
b. the determination of the Group's organisation;
c. the determination of accounting and financial control principles, as well as the principles of financial planning;
d. the appointment and removal of the Committees' members;
e. the ultimate supervision of the Chairman, in particular with respect to his compliance with the law, the Articles of Association, instructions given from time to time by the Board;
f. the preparation of the Annual Report, the General Meeting and execution of its resolutions;
g. the notification of the court in the event of over indebtedness;
h. the discussion and approval of:
– the Group's long-term strategy and annual investment budget;
– major financial operations;
– any significant policy issue dealing with the Group's or the Group's general structure or with financial, commercial and industrial policy;
– Corporate Governance Principles of the Group;
– the review of and decision on any report submitted to the Board;
– the Group's annual risk assessment.

Internal organisational structure

Allocation of tasks within the Board of Directors

Name	Board of Directors	SAR Committee*	Audit Committee	Data Privacy Committee	Risk & Finance Committee	Ethics & ESG Committee
Yann Rousset	Chair	Member	Member	Member	Chair	-
Luca Concone	Member	-	-	-	Member	-
Maria Teresa Rangheri	Member	-	-	-	-	-
Marco Forasassi Torresani	Member	-	Chair	-	-	Member
Massimo Pedrazzini	Member	Member	Member	Chair	-	-
Cyril Ranque	Member	Chair	-	Member	-	Chair

* Selection, Appointment and Remuneration Committee.

During 2023 accounting reference year, the Company's Committees composition went through a number of changes. However, the above table shows the situation as of 31 December 2023.

Tasks and area of responsibility for each Committee of the Board of Directors

The powers and responsibilities of each Committee are established in the applicable Committee terms of reference, which are approved by the Board. Each Committee is entitled to engage external counsels.
The members of the Board (each a "**Director**") are collectively responsible for the management of the Group. The Board shall review and regularly monitor the effectiveness of the Group's fundamental operating, financial and other business plans, policies and decisions, including the execution of its strategies and objectives. The Board shall seek to enhance long-term shareholder value.
The Executive Directors are responsible for the day-to-day management of the Group.
The Non-Executive Directors are responsible for proper and independent supervision of the performance of duties by the Executive Directors.
The Chairman shall ensure the proper and independent functioning of the Board.
The Board of Directors is charged with the management of the Group, subject to the restrictions contained in the Articles of Association. Each Director owes a duty to the Group to properly perform the duties assigned to him or her and to act in the corporate interest of the Group. Under Dutch law, the corporate interest extends to the interests of all corporate stakeholders, such as stockholders, creditors, employees, customers and suppliers.
The members of the Board of Directors are appointed by the general meeting of shareholders. A resolution of the general meeting of shareholders to appoint a Director may be passed by an absolute majority of the valid votes cast. Directors are appointed for one year.
In compliance with the Articles of Association and the Dutch Corporate Governance Code, as well as in accordance with best practices, the Board of Directors has installed the following internal Committees with consultative and advisory duties:
Selection, Appointment and Remuneration Committee ("**SAR Committee**");

- Audit Committee;
- Data Privacy Committee;
- Risk & Finance Committee;
- Ethics & ESG Committee;

in each case consisting of Non-Executive Directors only, with the exception of the Risk & Finance Committee.

In April 2023, the Board approved the establishment of the Risk & Finance Committee, Ethics & ESG Committee and Strategy Committee. The latter was cancelled in December 2023 upon a Board resolution.

In April 2023, new Terms of Reference for each Committee were adopted by the Board of Directors and duly published on the Company's corporate website.

SAR Committee

The SAR Committee is an expert committee supporting the Board of Directors in the performance of its duties; pursuant to the applicable terms of reference adopted by the Board of Directors, the SAR Committee has the following duties:

a. making a proposal to the Non-Executive Directors for the remuneration policy of the Company;
b. making a proposal to the Non-Executive Directors for the remuneration of the Executive Directors, including (i) the remuneration structure, (ii) the amount of the fixed remuneration, (iii) the shares/options to be granted and/or other variable remuneration components to be awarded, (iv) pension rights, (v) redundancy pay and other forms of compensation to be awarded, and (vi) the performance criteria and their application;
c. preparing the remuneration report as referred to in best practice provision 3.4.1 of the Dutch Corporate Governance Code (as amended and/or restated from time to time);
d. drawing up selection criteria and appointment procedures for the Board;
e. periodically assessing the size and composition of the Board and making a proposal for the profile of the Non-Executive Directors;
f. periodically assessing the functioning of individual members of the Board and reporting on this to the Non-Executive Directors;
g. making proposals for appointments and reappointments of Directors;
h. supervising the policy of the Executive Directors on the selection criteria and appointment procedures for senior management;
i. periodically review and approve general compensation and benefit policies of the Company (and, to the extent appropriate, the significant subsidiaries of the Company);
j. developing and recommending to the Board the criteria for selecting Directors and assessing Director independence;
k. seeking and evaluating individuals qualified to become Directors, reviewing background checks respecting such individuals, and selecting or recommending that the Board select the Director nominees for the next annual General Meeting;
l. establishing procedures to solicit, review and recommend to the Board potential Director nominees proposed by the General Meeting;
m. making recommendations to the Board regarding qualifications of members of the Board's committees, committee member appointment and removal, committee structure and operations (including authority to delegate to subcommittees) and committee reporting to the Board; and
n. reviewing and reassessing at least annually the Company's Director orientation and continuing education programs; and o. making recommendations and reports to the Board and other Board committees with respect to nominating policies of the Company or any of the foregoing matters.

In 2023, the SAR Committee has performed its duties in accordance with its duties as set out above.

Audit Committee

Pursuant to the applicable terms of reference for the audit committee adopted by the Board of Directors, the Audit Committee has the following duties:

a. support the Board of Directors on financial statement's integrity, Group compliance with relevant legislation, independent auditors qualification and independence, compliance with recommendations and follow-up of comments raised by internal and external auditors as well as any other party involved in the sustainability reporting, performance of internal audit function and independent auditor;
b. annually review the qualifications, performance and independence of external auditors and the operation of Company's internal risk management and control systems, including supervision of the enforcement of relevant legislation and regulations, and supervising the operation of codes of conduct;
c. supervise the provision of financial information by the Company (choice of accounting policies, application and assessment of the effects of new rules, information about the handling of estimated items in the annual accounts, forecasts, work of internal and external auditors, etc.);
d. supervise the non-audit services rendered by the firm of the external auditor and, if deemed necessary, adopt a policy for the use of external auditors for non-audit services, in consultation with the Company's Chief Financial Officer;
e. make recommendations to the Non-Executive Directors, upon and after consultation with the Executive Directors, to pre-approve audit engagement fees, terms and non-audit engagements with the external auditor;
f. supervise the role and performance of the internal audit function and review of the compensation package of the head of internal audit in accordance with the SAR committee;
g. review the policy of the Company on tax planning, and the Company's tax policy;
h. maintain relations with the external auditor, including, in particular, independence, remuneration and any non-audit services for the Company (the remuneration of the external auditor, and instructions to the external auditor to provide non-audit services, shall be approved by the Non-Executive Directors on the recommendation of the Committee and after consultation with the Board);

i. review the financing of the Company;
j. review the recommendation for the appointment of an external auditor by the General Meeting;
k. prepare the review by the Board of the annual accounts and the review by the Board of the annual budget and major capital expenditures of the Company;
l. on at least an annual basis, review with the Company's counsel any legal matters that could have a significant impact on the Company's financial statements, the Company's compliance with applicable laws and regulations, and any inquiries received from regulators or governmental agencies; and
m. each year evaluating its own performance and the adequacy of the terms of reference in place.

The Committee is entitled to investigate any matters belonging to the domain entrusted to the Committee. The Committee is authorised to request all necessary information from the chairman of the Board and to seek external advice. The Committee, through the help of an internal audit, is given complete access to significant data, documentation, information and personnel for the performance of its functions. The Committee shall be convened by its Chairperson and shall meet as often as necessary to carry out its responsibilities as outlined above, but at least once each quarter.

The Committee will maintain minutes of meetings and report activities, their findings and recommendations to the plenary Board of Directors regularly.
The Committee may deem appropriate to meet privately in separate sessions at least annually with management, the director of the internal audit department, the independent auditors, and as a committee to discuss any matters that the Committee believes should be discussed, such as a significant financial risk exposure and the steps management has taken to monitor, control and report such exposures.
The Committee is authorised by the Board to obtain subject-specific professional consultancy services from third parties, subject to the entering into confidentiality undertakings by such third parties.

In addition, the Committee, or its Chairperson, shall communicate with senior management and the independent auditors to review the Company's financial statements and significant findings before the filing of such statements with the SIX, as regards matters within the Committee's responsibility.

The independent auditors are ultimately accountable to the Committee. The Committee shall have the ultimate authority to select, evaluate and, where appropriate, replace the independent auditors. The external auditor is generally expected to attend the relevant meetings of the Audit Committee. The findings of the external auditor, the audit approach and the risk analysis are also discussed at these meetings.

In 2023 the Audit Committee performed its duties following the duties as set out above and the requirements of the Dutch Corporate Governance Code.

Data Privacy Committee

The Data Privacy Committee makes all necessary preparations in order to facilitate the decision-making process by the Board in relation to obligations arising from the EU Regulation 2016/679 ("GDPR") as well as other national or European Union data protection legislation and the obligations arising from other data protection rules applicable in the countries in which the Company and its subsidiaries operate; pursuant to the applicable terms of reference adopted by the Board of Directors, the Data Privacy Committee has the following duties:
a. monitoring the compliance of the Company and its subsidiaries with the GDPR and other national or European Union data protection rules and with the data protection policies;
b. monitoring that the Company has put in place training and update activities for the personnel who participates in the processing of personal data and related control activities;
c. support the Company's Data Protection Officer (the "DPO") in performing his/her duties, ensuring the staff and the resources necessary to perform such duties;
d. monitoring that the Company has put in place a process to review the qualifications, performance, and independence of the activities of the DPO and of the Company's internal risk management and control systems, including supervision of the enforcement of the relevant legislation and regulations, and supervising the operation of codes of conduct in relation to data protection rules. This responsibility will be performed in conjunction with other committees of the Company;
e. when requested, support the DPO in case of data breach and cooperate with the relevant data protection authority, if required; and
f. approve the plan of activities and measures proposed by the Company to ensure the compliance of the Company and its subsidiaries with GDPR and other national or European Union data protection rules.

In 2023, the Data Privacy Committee has performed its duties in accordance with its duties as set out above.

Risk & Finance Committee
Pursuant to the applicable terms of reference adopted by the Board of Directors, the Risk & Finance Committee shall support the Board in the performance of its duties, in particular in the following areas:

a. identifying and assessing internal and external potential risks to the organisation, including to its strategy, customers, processes, operations, technology infrastructure, as well as those related to human, financial and reputational capital;
b. establishing guidelines for processes that support the monitoring, reporting and control frameworks to manage risk of commercial, operational and financial activities, as well as any other activities in relationship with the Company's broad stakeholders and partners;
c. monitoring and reporting on the effectiveness of the implementation and execution of risk management frameworks and activities;
d. providing oversight on the organisation's strategic, commercial and financial planning and budgeting processes;
e. coordination with relevant committees of the Company and the (rest of the) Board to ensure an integrated perspective on risk adjusted return in the implementation of the Company's strategy, as well as in the processes that support the monitoring the Company's total value at risk; and
f. establishing appropriate protocols and participating in oversight to manage crises arising from unforeseen risks.

To the extent relevant to carrying out its purpose, responsibilities and duties, the Committee is empowered to recommend that any activity of the Company be investigated, and, in appropriate circumstances, the Committee is empowered to investigate any activity of the Company.
The Committee is also responsible for coordinating with other committees of the Company, to ensure a comprehensive approach to risk management, including but not limited to:

- assist the Company's Audit Committee in its review of the system of internal controls;
- assist the Company's Ethics & ESG Committee on the effectiveness of the organisation's whistleblowing procedures, training of human capital and code of conduct. In addition, the Committee ensures, in coordination with the Ethics & ESG Committee, that risks related to misreporting on financial and sustainability topics as well as risks associated with greenwashing are effectively monitored and mitigated;
- oversee the development of a comprehensive cybersecurity strategy to mitigate risks across distributed operations and assets; and
- support the Board and specific committees of the Company in evaluating risk in mergers and acquisitions (M&A) and other significant corporate finance and activities, including reorganisations and tax optimisations.

In 2023, the Risk & Finance Committee has performed its duties in accordance with its duties as set out above.

Ethics & ESG Committee
The Committee shall support the Board in the performance of its duties in assessing the compliance of Company conduct with the principles of the code of conduct and corporate governance policies adopted by the Company and the Group and oversee and approve the sustainability strategy of the Company taking into consideration the obligations arising from applicable regulations at Group level.

The Committee's main responsibilities are:

a. make all necessary preparations in order to facilitate the decision-making process by the Board in relation to the Ethics and ESG matters;
b. review and recommend to the management and Board objectives, policies and procedures that serve the Group's interest to maintain a high standard of ethics, integrity, and corporate responsibility;
c. determine clearly articulated ethical standards (the "Standards"), and monitor adoption of the Standards at every level of the Group;
d. oversee and formally approve the sustainability strategy in accordance with the Group vision, mission, and overall business strategy;
e. monitor the compliance with the approved Standards and sustainability and social responsibility applicable regulations, especially regarding non-financial disclosures requirements, suggesting the adoption of any relevant governance framework needed to fulfil those requirements;
f. review and monitor the adequacy and effectiveness of the Company's engagement and interaction with its stakeholders, ensuring ethics principles are applied to the relationship with employees, customers, suppliers, business partners and local communities;
g. review the implementation, performance and evolution of strategic sustainability initiatives and/or targets, in accordance with the sustainability topics materiality analysis and the Group commitment to contribute to the "Sustainable Development Goals" agenda;
h. review the environmental, social and governance material risks and liabilities, and monitor that such risks are managed as part of the Company's risk management program, and to the extent required, coordinate with the Company's risk and finance committee with respect to such risks;

i. monitor that management has allocated adequate resources to comply with social and ethics policies, codes of best practice and regulatory requirements; and
j. each year evaluates its own performance and the adequacy of these Terms of Reference.

Table below shows the frequency of meetings during the year 2023:

Meetings held in 2022	Frequency / number	Avarage duration
Board of Directors	15	3 hours
SAR Committee	Quarterly	1.5 hours
Audit Committee	8	1.5 hours
Data Privacy Committee	Quarterly	1 hour
Risk & Finance Committee	3	1.5 hours
Ethics & ESG Committee	Quarterly	1 hour

In 2023, all the Board members attended all the Board of Directors meetings; the Committees meetings were held with full or majority attendance of the relevant members.

Work methods of the Board of Directors and its Committees

The Board expects to have at least four regularly scheduled meetings each year. In addition, special meetings may be called from time to time as determined by the needs of the Group's business. At least annually, the Board shall devote a meeting to a review of the Group's long-term strategic and business plans.
The Chairman shall establish and distribute in advance the agenda for each Board meeting. Any Director is free to suggest potential items for the agenda.
Attendance by any non-Director at Board meetings is subject to the discretion of the Board, however, the Board encourages management to bring officers and managers into Board meetings from time to time, when such managers can provide additional insight into the matters being discussed and/or have potential as future members of senior management. Board approval should be sought if the Chairman or Chief Executive Officer (CEO) wishes to add additional personnel as attendees at Board meetings regularly.
Board resolutions shall be passed and elections shall be carried by the absolute majority of votes cast. In the event of equality of votes, the Chairman shall have the casting vote.
Resolutions may be taken in written form, by way of a telephone, or video conference. A Board member who cannot attend the Board meeting can express its vote by email addressed to the Chairman.
An Executive Director may grant another Executive Director a written proxy to represent him at a Board meeting. A Non-Executive Director may grant another Non-Executive Director a written proxy to represent him at a Board meeting.
The discussions and resolutions shall be reported in the minutes of the meeting and such minutes shall be signed by the Chairman and the meeting's secretary. The minutes shall be approved by the Board at its next meeting.
Resolutions approved by email must be included in the minutes of the next meeting of the Board.
The above-mentioned operational rules may be applied to the Committees.

Information and control systems of the board vis-à-vis management

The Board of Directors is informed regularly about significant matters involving the Group and the Group's business.
The Chairman and the CEO ensure the proper information flow between the Management and the Board of Directors. The Board of Directors receives regular and ad-hoc reports from the Board's Committees, the Chairman and the CEO. The minutes of Committees' meetings are made available to the full Board.
Furthermore, the Audit Committee reviews the financial performance and assesses the effectiveness of the internal and external audit processes as well as the internal risk management organisation and processes.

The role of the external and internal auditors is as follows:

- external auditors (KPMG Netherlands) who conduct their audit of lastminute.com N.V. and the Group in compliance with Dutch law including Dutch Standards on Auditing (ii) act as point of reference for all the local audit components responsible for the audit of the Group subsidiaries;

- external auditors (KPMG Switzerland) who (i) conduct the audit of the Swiss companies in compliance with Swiss law and in accordance with Swiss Auditing Standards and with International Standards on Auditing and;

- Group internal auditors which have a direct reporting line to the Audit Committee. It comprises people with significant experience travelling worldwide and completing audit assignments.

EXECUTIVE MANAGEMENT

In 2015, a management body was formally established (Executive Management) and it consists of all corporate managers with strategic responsibility for the Group. The table below shows the composition of the Executive Management as of 31 December 2022.

Members of the Executive Management

Name	Year of birth	Nationality	Current Function
Luca Concone	1966	Italian	Executive Director & CEO
Maria Teresa Rangheri	1969	Italian	Executive Director & CECO
Sergio Signoretti	1964	Italian	Chief Financial Officer

Ms. Maria Teresa Rangheri has been appointed Executive Director & CECO starting from 1 July 2023.

Professional background and other activities and functions

Luca Concone
CEO – Executive Director
Please refer to section 3.1 of this corporate governance report.

Maria Teresa Rangheri
CECO – Executive Director
Please refer to section 3.1 of this corporate governance report

Sergio Signoretti
Chief Financial Officer / CFO
Sergio Signoretti is a chartered accountant and graduated in Economics at the State University in Rome. Sergio has extensive experience in the financial services industry, having managed as CEO of CartaLis (IGT-Lottomatica Group) the startup of the initiative and led the development of the current second issuer of prepaid cards in Italy. Formerly he was CEO of Lottomatica Videolot Rete (IGT- Lottomatica Group) and he held positions as Head of planning and control in diversified multinational contexts (manufacturing, telco, gaming) among which Omnitel Vodafone and Lottomatica. He is an Angel Investor member of Italian Angels for Growth, an association of Italian and foreign investors in start-up capital ventures.

Management contracts

lastminute.com does not have management contracts delegating portions of its management to third parties not belonging to the Group.

REMUNERATION REPORT

Governance

The Board of Directors has the overall responsibility for defining the compensation principles used in the Group. It approves the compensation of the members of the Board, its Chairman and the Executive Management.

The Board of Directors adopted a Remuneration Policy as per the suggestion of the SAR Committee ("**SARC**"). Please see the Corporate Governance Report for a detailed description of this committee.

The goal of this Remuneration Policy is to recruit, retain and motivate high-quality directors. The Group is committed to providing a total remuneration package that is consistent with sound industry practice and reflects the individual country practises, job market and geographic differences. The Group has a strong orientation toward achieving overall Group and personal goals. The SARC shall annually evaluate the performance of each Executive Director and each member of the Executive Management against these goals.

The Group believes that the amount and structure of the remuneration paid to Executive Directors and Executive Management shall be such that any independent and external company is willing to pay a qualified and expert manager to run the business. The remuneration package shall include a fixed and a variable component. The level and structure of the remuneration package are determined in the light of, among other things, an Executive Director's professional experience in so far as it is relevant to the performance of his or her duties, executive experience, experience in corporate governance of large companies, experience in the Group industry, specific know-how with respect to the business and corporate policy of the Group, specific competences in areas of management, finance and reporting. The Remuneration Policy may also be determined in relation to the Group's results, share price performance, and other relevant developments.

The remuneration of the Non-Executive Directors is based on SARC discretion, consists of fixed fees and is paid out in cash.
The remuneration of the Executive Directors is based on SARC discretion, consists of fixed and variable fees and is paid out in cash.

The Remuneration Policy is published on the Group's website.

Principles of compensation for the Board of Directors and Executive Management

The remuneration of the members of the Board of Directors and the Executive Management is set to attract and retain highly qualified individuals. The level of remuneration reflects (i) the time and effort required from the members in fulfilling their responsibilities and (ii) the level of skills and experience of each member. The pay structure is designed to ensure the Board and Management's focus on the long-term success of the Group.

The remuneration package for the Executive Directors and for the members of the Executive Management shall also take into account any division of duties within the Board. The remuneration package and its structure shall also take into account any remuneration an individual Executive Director may receive (based on employment or non-employment status or based on consultancy services agreement) from the Group or any of its direct and indirect subsidiaries (each a "Group").

If members of the Board receive remuneration for consultancy services provided to the Group, such remuneration shall be at arm's length conditions and must be approved by the SARC and by the Board of Directors.

The competent body in charge of the determination of the compensation of the members of the Board of Directors and the Executive Management is the SARC. Normally, the SARC provides to review and recommends changes to the remuneration of the members of the Board of Directors and the Executive Management once a year, during its first reunion of the year. The SARC's role is to ensure that remunerations are at an appropriate level, and effectively managed, to best match the business objectives of the Group reflecting competencies and market conditions in the various countries where the Group is operating. SARC also assists the Board in the approval of remuneration policies and practices and in the approval of the remuneration itself.

Members of the SARC whose remuneration is proposed by the SARC have the right to attend the meeting during which remunerations are discussed, but they don't have any voting rights about the decisions.

To ensure the integrity and independence of the choices of the SARC, the meetings of the committee can be attended by guests qualified to represent the interests of the Group and stakeholders, such as senior managers of the Legal and/or the People Department of the Group.

The Code requires that the Non-Executive Directors of the Board shall analyse possible outcomes of the variable income components on Executive Directors' remuneration. A high-level scenario analysis is included in the annual determination of the variable element of Executive Directors' remuneration by the Non-Executive Directors of the Board.

In addition to the above, as already done last year, during 2023 the Group has based its criteria for defining the remuneration of the Executive Management also taking into account the survey conducted by international external consultants (Willis Towers Watson and Mercer), which provided external and fair benchmarks related to remuneration system in other companies.

Willis Towers Watson and Mercer are two of the leading consultants for the People Department, particularly for the compensation area and for comparison with the existing benchmarks in the market.

The Group chose Willis Towers Watson and Mercer for various reasons including:
- the flexible methodology taking into consideration the Group's organisation;
- the physical presence in all countries where lastminute.com operates; and
- the significant number of high-tech companies participating in the annual survey.

During the last years, the Group used this approach to map the first and second lines and some key roles. The results of the surveys and the benchmark against the market are helpful for top management and HR strategy, to (i) have an important idea on how the external market works, (ii) create career paths for the people, (iii) use the external market to retain and to better reward deserving people, (iv) give to new people a better compensation scheme as the role needs. The Group decided to have a comparison with the High Tech market because it is the most similar to the Group's business profile and roles and used determined percentages to calibrate the amount of the survey depending on the city where the Group's companies are based.

Compensation for the members of the Board of Directors and Executive Management

Board membership fees and allowances

During the year 2023 and 2022 the remuneration for the board of director's members was as follows:

in '000 Eur

Name	Qualification	Office period*	Fixed Remuneration	Bonus	Other	Total Compensation	Variable on Total Compensation (%)	Fair value of SAR (Estimated Potential Value)**	Fair value of SAR (Proportioned to vesting)***
Luca Concone	Executive Director, CEO	01/01/2023 - 31/12/2023	240	338	96	674	50%	495	114
Maria Teresa Rangheri	Executive director, CECO	01/07/2023 - 31/12/2023	100	104	9	213	49%	165	38
Maria Teresa Rangheri	Non-executive director	01/01/2023 - 30/06/2023	28	-	-	28	0%	-	-
Massimo Pedrazzini	Non-executive director	01/01/2023 - 31/12/2023	68	-	-	68	0%	-	-
Yann Rousset	Non-executive director	01/01/2023 - 31/12/2023	80	-	-	80	0%	-	-
Cyril Ranque	Non-executive director	01/01/2023 - 31/12/2023	70	-	-	70	0%	-	-
Valentin Pitarque	Non-executive director	01/01/2023 - 16/05/2023	31	-	-	31	0%	-	-
Marco Forasassi	Non-executive director	01/07/2023 - 31/12/2023	33	-	-	33	0%	140	24
TOTAL REMUNERATION TO BOARD OF DIRECTORS 2023			**649**	**442**	**105**	**1,196**	**-**	**799**	**177**
Fabio Cannavale	Executive Director, founder & CEO	01/01/2022 - 24/07/2022	162	-	-	162	0%	-	-
Andrea Bertoli	Executive Director, CEO & COO	01/01/2022 - 24/07/2022	290	-	-	290	0%	132	44
Roberto Italia	Non-executive director	01/01/2022 - 21/12/2022	48	-	-	48	0%	-	-
Massimo Pedrazzini	Non-executive director	01/01/2022 - 31/12/2022	40	-	-	40	0%	-	-
Paola Garzoni	Non-executive director	01/01/2022 - 21/12/2022	34	-	-	34	0%	-	-
Laurent Foata	Non-executive director	01/01/2022 - 21/12/2022	39	-	-	39	0%	-	-
Javier Perez Tenessa	Non-executive director	01/01/2022 - 21/12/2022	24	-	-	24	0%	-	-
Luca Concone	Executive Director, CEO	22/12/2022 - 31/12/2022	7	7	-	14	50%	-	-
Yann Rousset	Non-executive director	22/12/2022 - 31/12/2022	2	-	-	2	0%	-	-
Maria Teresa Rangheri	Non-executive director	22/12/2022 - 31/12/2022	2	-	-	2	0%	-	-
Valentin Pitarque	Non-executive director	22/12/2022 - 31/12/2022	2	-	-	2	0%	-	-
Cyril Ranque	Non-executive director	22/12/2022 - 31/12/2022	2	-	-	2	0%	-	-
TOTAL REMUNERATION TO BOARD OF DIRECTORS 2022			**652**	**7**	**-**	**659**	**-**	**132**	**44**

* The Extraordinary General Meeting held on 21 December 2022 approved the remuneration proposals of the Board of Directors for the first half year of 2023, while the 2023 Annual General Meeting held on 30 June 2023 approved the remuneration proposals for the second half of the year. The Annual General Meeting held on 18 May 2022 and the Extraordinary General Meeting held on 21 December 2022 approved the remuneration proposals for the board of director's members for 2022.
** Reported as the potential Fair Value of the total options granted valued as of 31 December 2023 regardless of the vesting period.
*** Reported as Fair Value of the total option recognised pro quota in 2023 consolidated statement of profit and loss, in accordance with IFRS principles even if different vesting conditions apply.

As regards the Variable on Total Compensation (%) calculation, it does not include either the estimated potential fair value nor the proportioned to vesting fair value of the consideration resulting from the granted SAR.

About the SAR plan launched in 2023 ("**SAR2**"), the following SAR have been granted:

- Luca Concone n. 240,000 SAR with a strike price of CHF 25.15 and any further n° 200,000 SAR with a strike price of CHF 25.15 expressly conditioned only on the achievement of performance targets;
- Maria Teresa Rangheri n. 80,000 SAR with a strike price of CHF 25.15 and any further n° 70,000 SAR with a strike price of CHF 25.15 expressly conditioned only on the achievement of performance targets;
- Marco Forasassi n. 80,000 SAR with strike price of CHF 28.06.

The above reported SAR are subject to the following vesting conditions:
i) period of time: 4 years Pro rata from Year 2 to Year 4; and
ii) Company's stock price levels (the "**Price Thresholds SAR2**"): (a) 35% of the SAR subject to a Price Threshold SAR2 equal or higher than CHF 40; (b) 65% of the SAR subject to a Price Threshold SAR2 equal or higher than CHF 60.

In addition to the remuneration proposed for the board of directors, some loan agreements ("Loans") with the Company has been signed by:

- Luca Concone in the contest of adherence to the Long Term Investment Plan dated 2014 ("**LTIP**"); and
- Luca Concone in the contest of the Long Term Investment Plan, dated 2021 ("**LTIP2**").

LTIP is an investment scheme ("**Scheme**") for employees and directors of lastminute.com. The Scheme has been set up using a Scottish Limited Partnership structure, called Sealine Investments Limited Partnership (the "**Partnership**"). The Partnership is governed by a partnership agreement which sets out the rights and obligations of the General Partner, lastminute.com N.V., and the limited partners (LP). When the LP enters the Scheme, he contributes funds to the Partnership – this is known as "Initial Capital Contribution" and the Partnership allocates to the LP membership account a portion of its loan funds equal to three times the Initial Capital Contribution ("**Additional Funding**"). Such funding will either be loaned to the Partnership by the Company, or through a bank loan secured by the Company. The Loan is subject toSARON CHF 3 million plus 1% of interest. The Initial Capital Contribution and the Additional Funding are used to purchase shares in lastminute.com N.V. ("**LMN shares**"), and these LMN shares will be allocated to LP partnership account. The LP will not have any further liability, to repay the loan funds or otherwise, beyond his Initial Capital Contribution to the Partnership.

LTIP 2, instead, is an investment scheme ("**Scheme 2**") for employees and directors of lastminute.com. Scheme 2 has been set up using a Scottish Limited Partnership structure, called Sealine Investments 2 Limited Partnership (the "**Partnership 2**"). Partnership 2 is governed by a partnership agreement which sets out the rights and obligations of the General Partner, the Company, and the limited partners (LP). The Partnership includes three types of limited partners: Limited Partner A, Limited Partner B and Limited Partner C. When the limited partner enters Scheme 2, he contributes funds to the Partnership – this is known as "Initial Capital Contribution". In relation to the Initial Capital Contribution of Limited Partner B only, Partnership 2 allocates to Limited Partner B's membership account a portion of its loan funds equal to three times the Initial Capital Contribution ("**Additional Funding**").

Such funding is either loaned to Partnership 2 by the Company, or through a bank loan secured by the Company. The Loan is subject to SARON CHF 3 million plus 1% of interest. The Initial Capital Contribution and eventual Additional Funding are used to purchase memberships in Freesailors Cooperatief UA ("Freesailors' Memberships"), and these Freesailors Memberships are allocated to Limited Partner's partnership account. The Limited Partner B does not have any further liability, to repay the loan funds or otherwise, beyond his Initial Capital Contribution to Partnership 2.

The total investment of Mr Luca Concone in LTIP is for a total value of EUR 3,080 thousand, corresponding to a total Fair Value as of 31 December 2022 of EUR 2,688 thousand and a related loan of EUR 2,996 thousand. The investment of Mr Luca Concone as Limited Partner B in LTIP 2 is for a total value of EUR 864 thousand, corresponding to a Fair Value as of 31 December 2022 of EUR 754 thousand and a related loan of EUR 828 thousand.

The remuneration of Mr Luca Concone and Mrs Maria Teresa Rangheri is related to their role as members of the Executive Management. The remuneration of the other members of the Board reflects the time and effort required from the members in fulfilling their Board and Committee responsibilities.

The overview of the compensation of the current and former Directors during the last 5 years is represented in the table below. For a better and fair comparison throughout the years, it has been presented the deliberated annual compensation regardless of the effective cost matured during the year in case of overlap of governance bodies.

in '000 Eur

Name / Year	Office period	2018	2019	2020	2021	2022	2023
Maria Teresa Rangheri	01/01/2023 - 30/06/2023 22/12/2022 - 31/12/2022	N/A	N/A	N/A	N/A	65	50
Valentin Pitarque	01/01/2023 - 16/05/2023 22/12/2022 - 31/12/2022	N/A	N/A	N/A	N/A	65	50
Massimo Pedrazzini*	01/01/2023 - 31/12/2023 22/12/2022 - 31/12/2022 01/01/2022 - 21/12/2022	N/A	N/A	N/A	35	40	50
Yann Rousset	01/01/2023 - 31/12/2023 22/12/2022 - 31/12/2022	N/A	N/A	N/A	N/A	70	60
Cyril Ranque	01/01/2023 - 31/12/2023 22/12/2022 - 31/12/2022	N/A	N/A	N/A	N/A	65	50
Marco Forasassi	01/07/2023 - 31/12/2023	N/A	N/A	N/A	N/A	N/A	50
Roberto Italia	01/01/2023 - 31/12/2023	40	45	40	40	50	N/A
Paola Garzoni	01/01/2023 - 31/12/2023	N/A	N/A	N/A	30	35	N/A
Laurent Foata	01/01/2023 - 31/12/2023	25	25	30	45	40	N/A
Javier Perez Tenessa	01/07/2023 - 31/12/2023	N/A	N/A	N/A	20	25	N/A

* Compensation for Massimo Pedrazzini was EUR 40 thousand on a yearly basis from 1 January 2022 to 21 December 2022 and EUR 50 thousand on a yearly basis from 22 December 2022 to 31 December 2022.

in '000 Eur

Office / Year	2019	2020	2021	01/01/2022 - 31/12/2022	21/12/2022 - 31/12/2022	2023
Non-executive director	20	20	20	25	50	50
Chairman of the Board of Directors	35	35	35	35	60	60
Member of SARC	5	5	5	5	5	5
Chairman of SARC	10	10	10	10	10	10
Member of Audit Committee	5	5	5	5	5	5
Chairman of Audit Committee*	10	10	10	10	15	10
Member of RS/Data Privacy Committee	5	5	5	5	5	5
Chairman of RS/Data Privacy Committee	10	10	10	10	10	10
Member of Ethics and ESG Committee	N/A	N/A	N/A	N/A	N/A	5
Chairman of Ethics and ESG Committee	N/A	N/A	N/A	N/A	N/A	10
Member of Risk & Finance Committee	N/A	N/A	N/A	N/A	N/A	5
Chairman of Risk & Finance Committee	N/A	N/A	N/A	N/A	N/A	10
Member of Strategy Committee	N/A	N/A	N/A	N/A	N/A	5
Chairman of Strategy Committee	N/A	N/A	N/A	N/A	N/A	10

* Annualised compensation from 01/01/23 to 30/06/2023 was Eur 15 thousand

Compensation for Members of the Executive Management

As of 31 December 2023, the Executive Management consisted of Mr Luca Concone, Mrs Maria Teresa Rangheri and Mr Sergio Signoretti.
The aggregate approved compensation, including bonuses and other costs of compensation for the Group, for members of the Executive Management for the financial year 2023 is EUR 1,258 thousand.

in '000 Eur									
Name	**Qualification**	**Office period**	**Fixed Remuneration**	**Bonus**	**Other**	**Total Compensation**	**Variable on Total Compensation (%)**	**Fair value of SAR (Estimated Potential Value)***	**Fair value of SAR (Proportioned to vesting)****
Luca Concone	Executive Director, CEO	Full year	240	338	96	**674**	50%	495	114
Maria Teresa Rangheri	Executive Director, CECO	01/07/2023 - 31/12/2023	100	104	9	**213**	49%	165	38
Sergio Signoretti	Executive Manager, CFO	Full year	210	115	46	**371**	31%	140	89
Total remuneration of the Executive Management			**550**	**557**	**151**	**1,258**		**800**	**242**

* Reported as the potential Fair Value of the total options granted valued as of 31 December 2023 regardless of the vesting period.
** Reported as Fair Value of the total option recognised pro quota in 2023 profit & loss, in accordance with IFRS principles even if different vesting conditions apply.

The highest individual compensation is related to Luca Concone, CEO of lastminute.com Group, for an amount of EUR 674 thousand. This amount does not include either the estimated potential fair value or the proportion to vesting fair value of the consideration resulting from the shadow stocks granted under the SAR. The internal pay ratio between the average annual compensation of the Executive Directors and the average annual compensation of a Group's employee was 11.52 (2022: 4.64). The internal pay ratio does not include either the estimated potential fair value or the proportioned to vesting fair value of the consideration resulting from the granted SAR.

The bonuses are linked to the performance targets defined by the Board of Directors and accordingly, their payment is due if the target is reached.

Concerning performance-related remuneration, all the eventual bonuses expected for the members of the Executive Management are paid in cash. The base salary is paid in monthly instalments or una tantum solution in cash. Performance-related remunerations are established and paid based on financial parameters for 100% of the total variable remuneration; financial parameters are divided into Group objectives (i.e. Adjusted EBITDA). The variable compensation for the Members of the Executive Management being equal to EUR 557 thousand will be paid based on targets achieved in 2023 for a total value of EUR 557 thousand and it is recorded in 2023 financial statements accordingly.

The table below reflects the actual total compensation of the Executive Directors with the main financial performance indicators of the Group (Revenue and EBITDA IFRS):

In '000 Eur	2019	2020	2021	2022	2023
Group Revenues	349,045	105,065	142,876	294,360	317,139
Group EBITDA IFRS*	55,348	(44,923)	222	4,719	31,664
First Executive Director**	**100*****	**100**	**293**	**176**	**674**
Compensation Over Revenues (%)	0.03%	0.10%	0.21%	0.06%	0.21%
Compensation Over EBITDA* (%)	0.18%	-0.22%	> 100%	3.73%	2.13%
Second Executive Director****	**100*******	**290**	**416**	**290**	**213**
Compensation Over Revenues (%)	0.03%	0.28%	0.29%	0.10%	0.07%
Compensation Over EBITDA* (%)	0.18%	-0.65%	> 100%	6.15%	0.67%

* EBITDA IFRS is defined as Earnings Before Interest, Tax, Depreciation and Amortisation accounted for following IFRS principles.
** Role covered by Mr. Fabio Cannavale from 2019 to 21 December 2022, then by Mr. Luca Concone
*** On 11th November 2021 the former CEO Fabio Cannavale waived to receive the bonus of EUR 500 thousand decided by the AGM in May 2019 and subject to the achievement of results.
**** Role covered by Mr Corradino from 1 January 2019 to 31 December 2020, by Mr Andrea Bertoli from 22 June 2021 to 17 November 2022 and by Maria Teresa Rangheri from 30 June 2023
***** On 1st April 2021 the former COO Marco Corradino of the Group waived to receive the bonus of EUR 750 thousand decided by the AGM in May 2019 and subject to the achievement of results.

The compensation of the First Executive Director in 2023 includes the entire variable compensation based on exceeding the objectives set by the Board, while in previous years the compensation of the former executive directors did not include any variable compensation because it was not due or waived by the directors themselves.

In reference to the SAR plan granted in 2021 (SAR1), Sergio Signoretti has been granted with no. 40,000 SAR with strike price of CHF 25 and subject to the following vesting conditions:

i. period of time: 4 years Pro rata from Year 2 to Year 4; and
ii. Company's stock price levels (the "**Price Thresholds SAR1**"): (a) 40 % of the SAR without Price Threshold SAR1; (b) 35% of the SAR subject to a Price Threshold SAR1 equal or higher than CHF 40; (c) 25% of the SAR subject to a Price Threshold SAR1 equal or higher than CHF 60.

In reference to the SAR plan granted in 2022 (SAR2), Sergio Signoretti has been granted with no. 10,000 SAR with strike price of CHF 35.9 and subject to the following vesting conditions:

i. period of time: 4 years Pro rata from Year 2 to Year 4; and
ii. Company's stock price levels (the "**Price Thresholds SAR2**"): (a) 35% of the SAR subject to a Price Threshold SAR2 equal or higher than CHF 40; (b) 65% of the SAR subject to a Price Threshold SAR2 equal or higher than CHF 60.

Further, the above Sergio Signoretti signed a partnership loan agreement with the Company in the contest of adherence to the LTIP. The total investment of Sergio Signoretti is for a total value of EUR 600 thousand, corresponding to a total. The Fair Value as of 31 December 2023 of EUR 612 thousand. The related loan in favour of Sergio Signoretti is for an amount of EUR 438 thousand.

In addition to the remuneration mentioned above, members of the Executive Management were entitled to certain fringe benefits including arrangements related to health insurance and occupational disability, personal accident insurance, company car scheme, house allowance and a directors and officer's liability insurance against damage resulting from their conduct when acting in the capacities as a member of the Executive Management.

Additional fees and remuneration of the Board of Directors and Executive Management

There are no additional fees and remuneration granted to the Directors.

SHAREHOLDERS' PARTICIPATION

Description of the participatory rights of shareholders

The participatory rights of shareholders are defined in the Company's Articles of Association. Each share of the Company carries one vote and is entitled to vote on any shareholders' meeting of the Company. The Company's shareholders are only entitled to attend the general meeting in person or represented by a person holding a written proxy, to address the meeting and to vote at the meeting if the shareholder has lodged documentary evidence to the Board of Directors of his voting rights. The requirement for a written proxy is also met if the proxy is recorded electronically.The registration process is described in the notice for the general meeting. One or more shareholders of the Company, entitled to make such a request according to the law, may request the Board of Directors in writing to include items for the meeting in the agenda, at least sixty days before the date on which the meeting is convened.

Unless another majority is prescribed under Dutch law or in the Articles of Association (art. 21), resolutions of the Company's general meeting of shareholders shall be adopted by an absolute majority of votes cast in a meeting at which at least one-third of the issued capital is represented.

Extraordinary general meetings of the Company's shareholders shall be convened as often as deemed necessary by the Board of Directors or at the request of the Board of Directors by one or more shareholders jointly representing at least one-tenth of the issued share capital.

For details concerning convocation and notification of the General Meeting please see from art. 16 to 19 of the Articles of Association[10].

No voting rights may be exercised for any shares held by the Company or its subsidiaries. The Company or its subsidiaries may not exercise voting rights in respect of shares for which it or its subsidiaries have a right to usufruct or a pledge. No other voting rights restrictions apply to the shares of the Company. Furthermore, there are no procedures or conditions for abolishing voting rights restrictions laid down in the Articles of Association.

CHANGE OF CONTROL AND DEFENCE MEASURES

Duty to make an offer

Pursuant to the applicable provisions of the Financial Market Infrastructure Act, FMIA, if a person acquires shares of a company with its primary listing at a Swiss stock exchange, whether directly or indirectly or acting in concert with third parties, which, when added to the shares already held by such person, exceed the threshold of 33 1/3% of the voting rights (whether exercisable or not) of such company, that person must make a bid to acquire all of the listed shares of the company. A company's articles of association may either eliminate this provision of the FMIA or raise the relevant threshold to up to 49% (''opting-out'' or ''opting-up'' respectively). The Articles of Association do not contain an opting-out or an opting-up provision.

There is no obligation to make a bid under the foregoing rules if the voting rights in question are acquired as a result of a gift, succession or partition of an estate, a transfer based upon matrimonial property law, or execution proceedings.

These rules apply to the Company and its shareholders despite the Company being incorporated in the Netherlands. Since the Dutch rules on public takeovers and mandatory bid rules do not apply to a Dutch company listed at SIX Swiss Exchange, no exception applies to the application of Swiss takeover rules and, consequently, mandatory bid rules.

Clauses on change of control

There are no change-of-control clauses benefiting Board members or members of the management. Under certain scenarios, a change in control would result in the accelerated vesting of pre-existing employee stock appreciation rights and shares invested in long-term incentive plans so that all such rights and shares could be exercised immediately.

[10] Source: Articles of Association

AUDITORS

Duration of the mandate and term of office of the lead auditor

During the annual general meeting held on 30 June 2023 ("**AGM**") the shareholders of the Company resolved upon the appointment of KPMG Accountants N.V. ("**KPMG**") to provide the Company with financial audit services for the accounting reference year 2023.

Auditing fees

The total of the auditing fees for the auditors in 2023 amounts to EUR 990 thousand (EUR 823 thousand in 2022), of which KPMG, including network firms, in their capacity as Group auditors, received EUR 809 thousand (EUR 704 thousand in 2022).

Additional fees

Additional fees of EUR 39 thousand were recognised to KPMG for 2023 services non audit related.

Information instruments pertaining to the external audit

KPMG presents to the Audit Committee a detailed report on the conduct of the Financial Statements audit, the findings on significant financial accounting and reporting issues together with the findings on the internal control system as well as an overview of issues found during the interim audit.

The Audit Committee reviews annually the appropriateness of retaining KPMG as the auditor of lastminute.com, before proposing to the Board and to the Company's Annual General Meeting the election of KPMG as auditors. The Audit Committee assesses the effectiveness of the work of the auditors following Swiss and Dutch law, based on their understanding of the Group's business, control, accounting and reporting issues, together with the way in which matters significant at Group level or in the statutory accounts are identified and resolved.

The Audit Committee is also informed on the work of KPMG through regular briefings and information presented by the head of the Internal Audit Department. The lead auditor is rotated every seven years in accordance with Dutch law. Audit fees are ultimately approved by the Audit Committee.

The Group and KPMG have agreed on clear guidelines as to audit services which it is appropriate for KPMG to provide. These guidelines ensure KPMG's independence in their capacity as auditors to the Group. KPMG monitors its independence throughout the year and confirms its independence to the Audit Committee annually.

INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

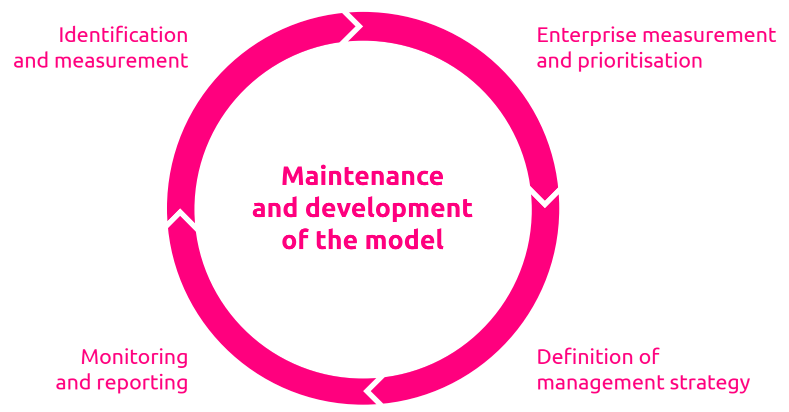
Risk management system

The Group has adopted rules, procedures and organisational structures to identify and manage the main risks that could affect the achievement of its strategic objectives. The main risks and the relevant plans for managing said risks are submitted to the Audit and/or the Risk & Finance Committees or, if the case may be, directly to the Board of Directors.

The scope of the risk identification phase is to point out any dangerous event both pertaining to the corporate processes of the Group and external to them that may affect the achievement of the corporate objectives. Risks are measured by way of defined grading scales of probability and impact that concern, both quantitative (e.g. economic and financial impacts) and more qualitative and intangible (e.g. reputational impact, health, safety-related) aspects.

Management actions and possible specific interventions are identified for all risks, with the relevant implementation timeframes, associated with a type of risk management among those codified.

Below is a graphical representation of how the Group's risk management process works:



The main categories of risks identified, monitored and managed by the Group are the following:

- Strategic Risk, being the risks that may jeopardise the achievement of the Group's strategic objectives or may lead to a significant change in the business model or the effective implementation of the defined strategy;
- Financial Risk, being the risks that are either linked to the financial environment or to financial decisions enacted by the Group that could lead to financial losses;

- Operational Risk, being the risks associated with the performance of business activities and the related operational processes, impacting the Group operating effectiveness and/or efficiency, thus limiting value creation and/or the achievement of the sustainability objectives; and

- Compliance Risk, being the risk resulting from changes in laws and regulations applicable to the Group (e.g. Tax law, GDPR and other material applicable laws).

Internal audit

The role, duties and responsibilities of the Internal Audit are defined and formalised by the Audit Committee with the approval of the Board of Directors.

The Audit Committee appoints the Head of Internal Audit upon the Board of Directors approval. The Head of Internal Audit is appointed for an unlimited term and may be dismissed upon the Board of Directors request to be approved by the Audit Committee. The Board of Directors, in accordance with the instruction given by the Audit Committee, has appointed Mr Paolo Vassallo as Head of the Internal Audit Department.

The internal Audit Department performs audit activities in full independence, in accordance with the instructions of the Audit Committee. The Internal Audit Department activities are carried out ensuring the maintenance of the necessary conditions for independence and the necessary objectivity, competence and professional diligence provided for in the international standards for the professional practice of the Internal Audit and in the code of ethics issued by the Institute of Internal Auditors.
Within the process of approving the audit schedule, once a year the Audit Committee approves the budget requested by the Internal Audit Department (if needed) to fulfil its responsibilities. According to the Guidelines, the Internal Audit has autonomous spending powers to assess, analyse and evaluate the internal control and risk management system and/or the related activities, and, in exceptional and urgent circumstances that require additional funds, it may ask the Audit Committee to increase the budget needed for fulfilling its duties.

The Internal Audit Department: (i) verifies, both continually basis and in relation to specific requirements, in compliance with international standards, the proper functioning of the internal control and risk management system via an audit schedule, approved by the Audit Committee, based on a structured process of analysing and prioritising the main risks, then it is submitted to the Board of Directors; (ii) is not responsible of any operational area, even though has direct access to all information that is useful for carrying out its duties; (iii) prepares periodic reports containing appropriate information on its activities, assessing whether risks are properly mitigated, in compliance with the risk management system adopted. These reports contain an evaluation of the suitability of the internal control and risk management system; (iv) prepares timely reports on events of particular importance; (v) submits the reports to the Audit Committee and the Board of Directors; and (vi) verifies, in the context of the audit schedule, the reliability of the IT systems used, including the accounting systems.

Audit engagements are performed by the Internal Audit Department using an integrated approach, focusing on:

- operational aspects: effectiveness and efficiency of business processes;
- compliance aspects: compliance with relevant laws and Group policies and procedures;
- financial aspects: reliability of financial reporting.

The Group's internal regulatory system

In accordance with the evolving process aimed at continually improving the effectiveness and efficiency of its internal control and risk management system, lastminute.com Group has adopted its own Regulatory System. The base of the Group's internal regulatory system is represented by the Code of Conduct, adopted by the Board of Directors. The Code of Conduct explicitly states the ethical guidelines, values and responsibilities that the Group acknowledges, accepts, shares and assumes, both within and outside the business.
The values stated in the Code form a shared system that expresses lastminute.com Group's culture of corporate ethics and inspires the strategic thinking and performance of corporate activities that have to be carried out in a transparent, honest and fair way, in good faith, and in full compliance with competition protection rules. All that in respect of the legitimate interests of every stakeholder.
The Group's regulatory system comprises the following levels: (i) Group's Policies (Level 1), (ii) Procedures (Level 2).

Group's Policies are indicated below:

- Code of Conduct;
- Whistleblower Rules;
- Remuneration Policy;
- Dividend Policy;
- Privacy Policy;
- Insider Trading Regulations;
- Power of Attorney Policy;
- GDPR and Security Policies;
- Modern Slavery Act Policy;
- Related Parties Transactions Policy;
- Policy on Transactions of Directors and Management;
- Policy on bilateral contacts with shareholders;
- Anti-Corruption, anti-bribery and anti-money laundering policy; and
- Human Rights Policy.

INFORMATION POLICY

Investor Relations - Guiding principles

The Group is dedicated to upholding an open and consistent communication policy with shareholders, potential investors and other interested parties. The Group goal is to align the perception of these parties with the Group's historical record, current performance and future prospects as understood by management. The guiding principles of this policy emphasise equal treatment for shareholders in similar situations, timely disclosure of price-sensitive information, and the delivery of information in a format that is comprehensive, clear, transparent, and consistent.

Methodology

The Group employs a comprehensive approach to disseminating crucial financial information and insights about its business operations. To communicate our results effectively, we prepare detailed audited Financial Statements, an Annual Report, and a Half-Yearly Report. Quarterly press releases containing unaudited business results are regularly published, along with press releases coinciding with any potentially price-sensitive events. Major announcements may be supplemented by accessible presentations, available to anyone, whether or not they are shareholders.

Moreover, the Group maintains an active investor relations program, comprising both Group meetings and one-to-one sessions. During the Group's full-year, quarterly and half-year results announcements, presentations with Q&A sessions are conducted. Additionally, the Group organises roadshows primarily across Europe, and hosts themed events for institutional investors and investment analysts. These events, led by members of the management, provide insights into recent financial results, corporate activities, or the Group's long-term strategy. All discussions focus solely on disclosable information, ensuring market symmetry.
The Group leverages its website o ensure a rapid and equitable distribution of information. The website offers links to non-financial information that may be of interest to investors, including the Articles of Association, Code of Conduct, Whistleblower Rules, Dividend and Remuneration policy.

A Group calendar of relevant dates is displayed on the website.

Investors can conveniently reach out to the Investor Relations Department through the website or via email.

Explore our push service for timely updates or visit our media hub for additional information.

NON-APPLICABILITY/ NEGATIVE DISCLOSURE

It is expressly noted that any information not contained or mentioned herein is either non-applicable or its omission is to be construed as a negative declaration (as provided in the SIX Swiss Exchange Corporate Governance Directive and the Commentary thereto).

SUSTAINABILITY
REPORT

Through the publication of our second Sustainability Report, we aim to transparently communicate our sustainability performance and impact, demonstrate our commitment to responsible business practices and provide stakeholders with meaningful insights into our sustainability efforts.

The report must align with the requirements of Article 964 of the Swiss Code of Obligations on transparency in non-financial matters, which mandates a stand-alone document. The full report is published separately on our Corporate website, in the Sustainability section.

However, we wanted to provide a summary to highlight our main achievements and will give links to the relevant chapters for a more in-depth analysis.

QUICK LINKS
Sustainability Highlights
Stakeholder focus
Environment focus
Sustainable tourism focus

The delicate balance of helping people travel the world, and yet preserve it for the people who live there has become of increasing importance.

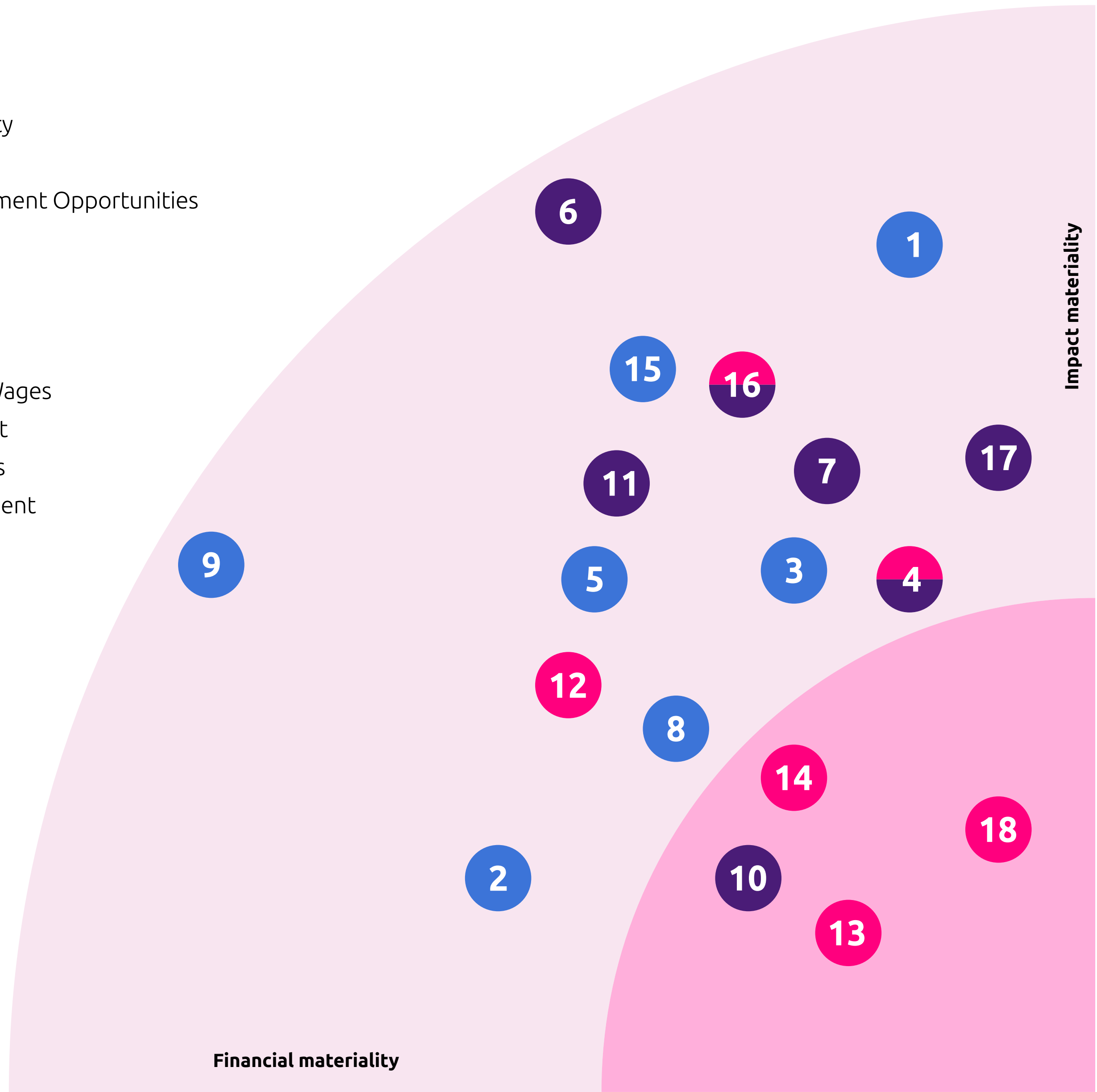
MATERIALITY ANALYSIS

We uphold a commitment to transparency and accountability in our sustainability reporting. In 2023, for the first time and in alignment with emerging regulatory frameworks and industry best practices, we adopted a dual perspective known as 'double materiality.' This approach not only anticipates the upcoming requirements of the European Corporate Sustainability Reporting Directive (CSRD), applicable to us from 2025, but also aligns with the expectations outlined in the Swiss Code of Obligations for non-financial reporting.

lastminute.com materiality matrix

SUBTOPICS:

1 - Corporate Governance
2 - Corruption & Bribery
3 - Perception of the Group
4 - Communities Relations and Biodiversity
5 - Customer Satisfaction
6 - Highly Skilled Workforce and Development Opportunities
7 - Health and Safety Procedures
8 - Data Privacy
9 - Cybersecurity
10 - Diversity, Equity and Inclusion
11 - Equal Opportunities and Adequate Wages
12 - Climate Change Strategies and Target
13 - Climate Change and Market Relations
14 - GHG Emissions and Energy Management
15 - Products and Services Innovation
16 - Business Partners
17 - Human Rights in the Value Chain
18 - Circularity & Production Efficiencies



Environmental subtopic
Social subtopic
Governance subtopic
Materiality threshold

Our holistic approach now assesses across short-, medium-, and long-term horizons, the interplay between issues influencing a company's financial performance (the 'outside-in' perspective, evaluating potential impacts, risks, and opportunities) and its broader impacts on people, society, and the environment (the 'inside-out' perspective).

We've established a robust foundation for decision-making, ensuring sustainability issues are aligned with our strategic objectives, and providing stakeholders with a nuanced understanding of the issues that are most material to both our business and the broader ecosystem in which we operate.

For more details visit 2023 Sustainability Report, in the MATERIALITY ANALYSIS section.

The renewed materiality assessment confirms our strategic alignment with the following UN Sustainable Development Goals 4, 8, 9, 10, 12 and 16.

SUSTAINABILITY STRATEGY

In alignment with the materiality analysis findings, and understanding the importance of harmonising business objectives with the expectations of our stakeholders, we unveiled our inaugural Sustainability Strategy in 2023.

This comprehensive (2023-2025) plan is structured around five pillars that prioritise specific objectives and work streams:

Our five sustainability strategy pillars

CO_2 Emissions Reduction

As a digital company selling travel, we have very limited emissions, but we strongly believe that by making a firm commitment to reducing our carbon footprint, we can encourage our supply chain to adopt more sustainable business practices that can help tackle climate change.

ESG Risk Management

This pillar will help fully integrate ESG management into lastminute.com's Enterprise Risk Management model, and address sustainability and societal impact as part of our overall risk management strategy driving long-term success.

Stakeholder Engagement

We place our people, strong partnerships in our supply chain and a renewed approach to community engagement at the heart of our organisational vision. Working on our internal culture, closely collaborating with our business partners to ensure adherence to best practices, and developing a comprehensive Public Affairs strategy are our top priorities.

Sustainable Tourism

As we reach millions of people through our platforms, we believe we should leverage our visibility to promote a more sustainable approach to travel. While raising our customers' awareness, we also want to become established as a valuable contributor to the sustainability cause in the overall travel market, by working with our network of travel solution providers, from airlines to hotels, to ensure we share best practices worldwide.

Process Evolution

Sustainability has an inherent cross-functional nature and should be integrated at all levels and functions of the organisation. By identifying and analysing critical processes, establishing performance indicators, and implementing efficient reporting and auditing systems a more efficient and sustainable operation can be achieved.

SUSTAINABILITY RISK MANAGEMENT AND GOVERNANCE

Our sustainability strategy implementation is enabled both by dedicated governance, and a structured approach to risk management.

In July 2022 we established an in-house Sustainability team to develop our Sustainability Strategy. In 2023 this team expanded to incorporate a specialised focus on Public Affairs, to deliver a stakeholders' engagement strategy. We've added expertise in environmental and social matters, with direct control of certain operations that produce relevant emissions for the Group. The Sustainability and Public Affairs team reports directly to the Chief Executive Corporate Officer, on the lastminute.com Board of Directors.

The Ethics & ESG Committee is in charge of assessing the Company's adherence to the principles outlined in the Code of Conduct and corporate governance policies across the Company and its subsidiaries. Additionally, the Committee oversees and approves the Company's sustainability strategy, ensuring alignment with relevant regulations at the Group level.

We developed a new Enterprise Risk Management Framework to improve our risk management. Through this new framework we are extending our climate-related risk as well as other identified ESG risks into our business.

We will align the Task Force on Climate-Related Financial Disclosures (TCFD) requirements in time for 2024 and prepare for changes expected to be introduced by the European Union with the adoption of the Corporate Sustainability Reporting Directive (CSRD), and will be fully compliant in time for 2025.

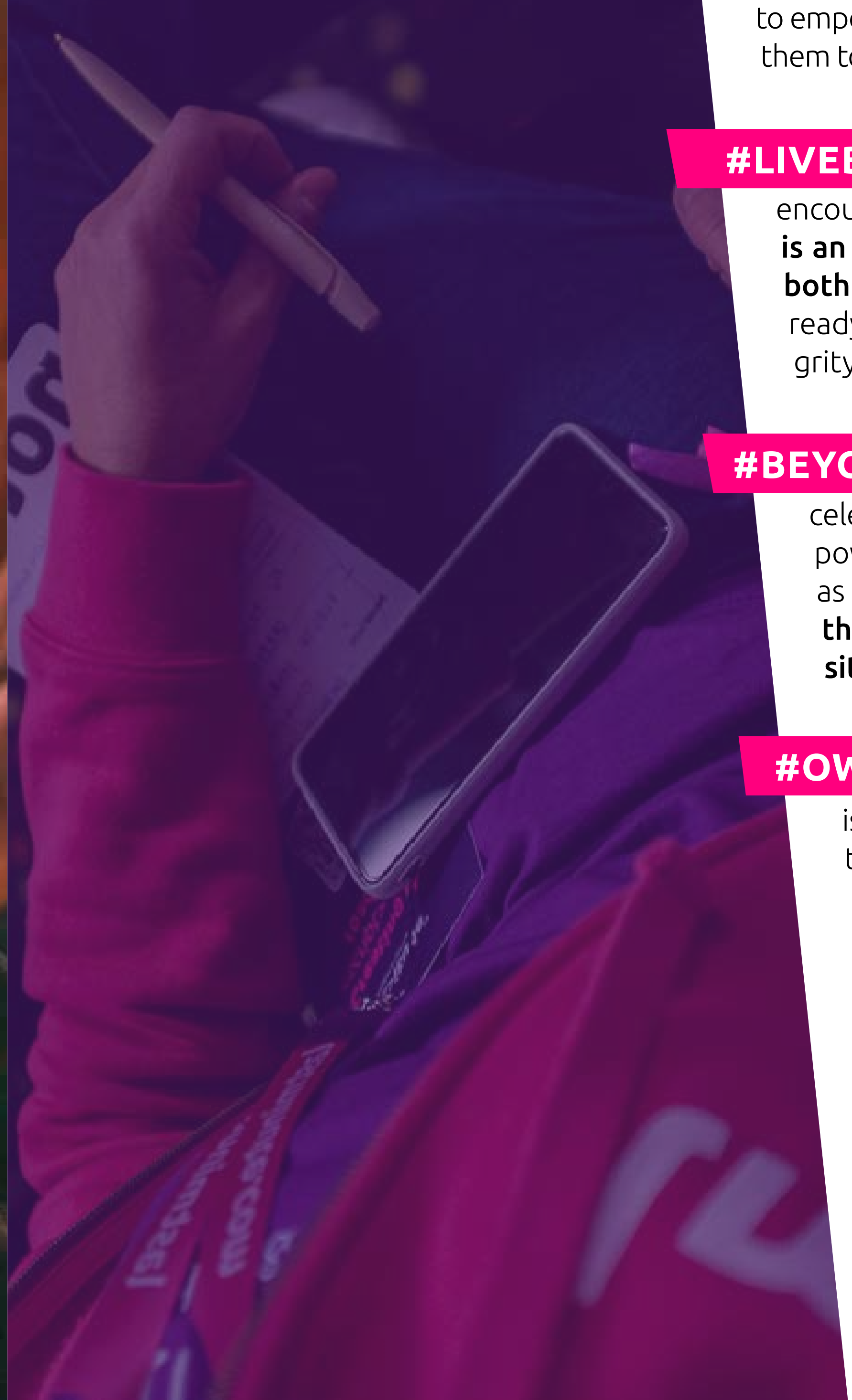
You can deeper dive into these topics in the 2023 Sustainability Report.

Stakeholder focus

At lastminute.com, we prioritise stakeholder engagement to balance business objectives and ensure sustainable growth. Our commitment involves creating long-term value while protecting the rights of all stakeholders. We foster a collaborative environment through continuous dialogue, transparency, and accountability, embedded in our corporate strategy.

Employees, customers, society & communities, shareholders, financial institutions, suppliers and partners, governments, institutions & supervisory authorities, have been identified as our main stakeholders.

We focus only on some of them here, but a more comprehensive overview can be found in our 2023 Sustainability Report.



EMPLOYEES

As a 100% digital business our people represent our greatest asset. Our employees are the heart and soul of lastminute.com, and the driving force behind our success. From our frontline staff who directly interact with customers to our executives who steer our strategic direction, each member of our team plays an invaluable role in shaping our company's present and future. Our values have been developed to empower our employees, ensure they feel valued, and encourage them to freely express their authentic selves.

#LIVEBOLD

encourages living with purpose, recognising that **every moment is an opportunity to grow and to generate positive impact - both on yourself and on people around you.** It's about being ready to embrace challenges, while upholding unwavering integrity and respect.

#BEYOURSELF

celebrates authenticity and individuality. It emphasises the power of embracing one's unique qualities and using them as a catalyst for innovation. At the same time, **it's also about the importance of respecting and appreciating the diversity of those around you.**

#OWNIT

is a commitment to personal - and collective - excellence that fosters a culture of accountability and resilience. **It's about giving your best, staying confident in your abilities, and empowering others to do the same.** "Own it" means understanding that mistakes are inevitable, yet valuable opportunities for learning and growth.

We believe in the pivotal role of employee engagement within the workplace. When employees feel motivated, satisfied, and strongly connected to their role and the workplace in general, they're not only happier and healthier but also more productive and keen to deliver results and contribute to innovation.

Closing the year on 31 December 2023, the lastminute.com Group workforce had employed 1,722 individuals of which 1,644 employees. Our employees represent 48 nationalities, with an almost equal split between men and women. Nearly all of them (99%) hold permanent contracts, and 96% are employed full-time, highlighting our commitment to maintaining lasting and reliable professional relationships while prioritising job security and upholding high standards of work quality.

Our Code of Conduct and Integrity Helpline

We have established a framework for ethical behaviour by proactively developing policies that guide employees in making ethical decisions. This framework promotes a culture of integrity, clarifies expectations for our team, and establishes a mechanism for reporting and addressing ethical concerns before they escalate.

In 2023 we conducted a comprehensive review of our Group's Code of Conduct, introducing new sections and providing further elaboration on existing topics. Primarily for our employees, the Code of Conduct now features a dedicated section focused on our relationships with partners and suppliers, emphasising business conduct.

Diversity, inclusion and equal opportunities

Our core value #BEYOURSELF reflects our commitment to celebrating diversity, individuality, and equality for all. As an international business, we take pride in our diverse workforce, which reflects a vibrant tapestry of individuals, languages, and cultures.

Fostering diversity, inclusion, teamwork and trust while ensuring a safe working environment should be paramount in every workplace. Our labour and employment policies and practices aim to uphold fair and non-discriminatory labour practices, condemning harassment and discrimination of any kind. We cultivate a culture where everyone is treated fairly and to promote diversity and dignity both in and outside the workplace.

By building a diverse talent network capable of understanding consumer needs we can influence not only the direction of the industry but ensure diversity, equity, and inclusion continue to be fundamental values embedded within our corporate culture. We believe in the power of diverse teams for enhancing problem-solving and decision-making, ultimately improving work quality and market performance.

As part of this review of our Code of Conduct, we also provided deeper definitions of discrimination, workplace bullying, and harassment, offering detailed examples.

Employee engagement survey

We conduct an annual PULSE check to gather feedback from our employees on well-being matters.
This company-wide survey allows us to check the engagement and well-being levels of our colleagues focusing on three main areas: employee engagement and well-being, understanding the emotional drivers that influence these results, and - starting from 2022 - Diversity, Equity, and Inclusion (DE&I) as key engagement levers.
Core questions are tagged to form what we call the Employee Engagement Index (EI), Emotional Well-Being Index (EWI), and Diversity, Equity, and Inclusion (DE&I).

We have set ourselves an overall **Employee Engagement Index target of 70% or higher**. With 1,399 employees participating this year in the PULSE check, we achieved a response rate of 84%. All surveys are 100% anonymous and the feedback is confidential.

Flexible working

For our organisation, smart working embraces a holistic and strategic approach to flexibility, emphasising autonomy and a results-oriented management approach. Our goal is to evolve into a superior workplace that can both attract and retain. Achieving this involves finding a harmonious blend of valuable face-to-face interactions with the flexibility to determine the preferred location, schedule, and method of work.

Following local regulations, our staff have the option to work on-site (Full Office Working), strike a balance between remote and office days (Hybrid Working), or work entirely remotely (Full Remote Working).

This coupled with the introduction of the 36-hour working week and a setting of core working hours between 10:00 - 16:00; gives our employees a lot of freedom within our working framework.

Performance management & training and development

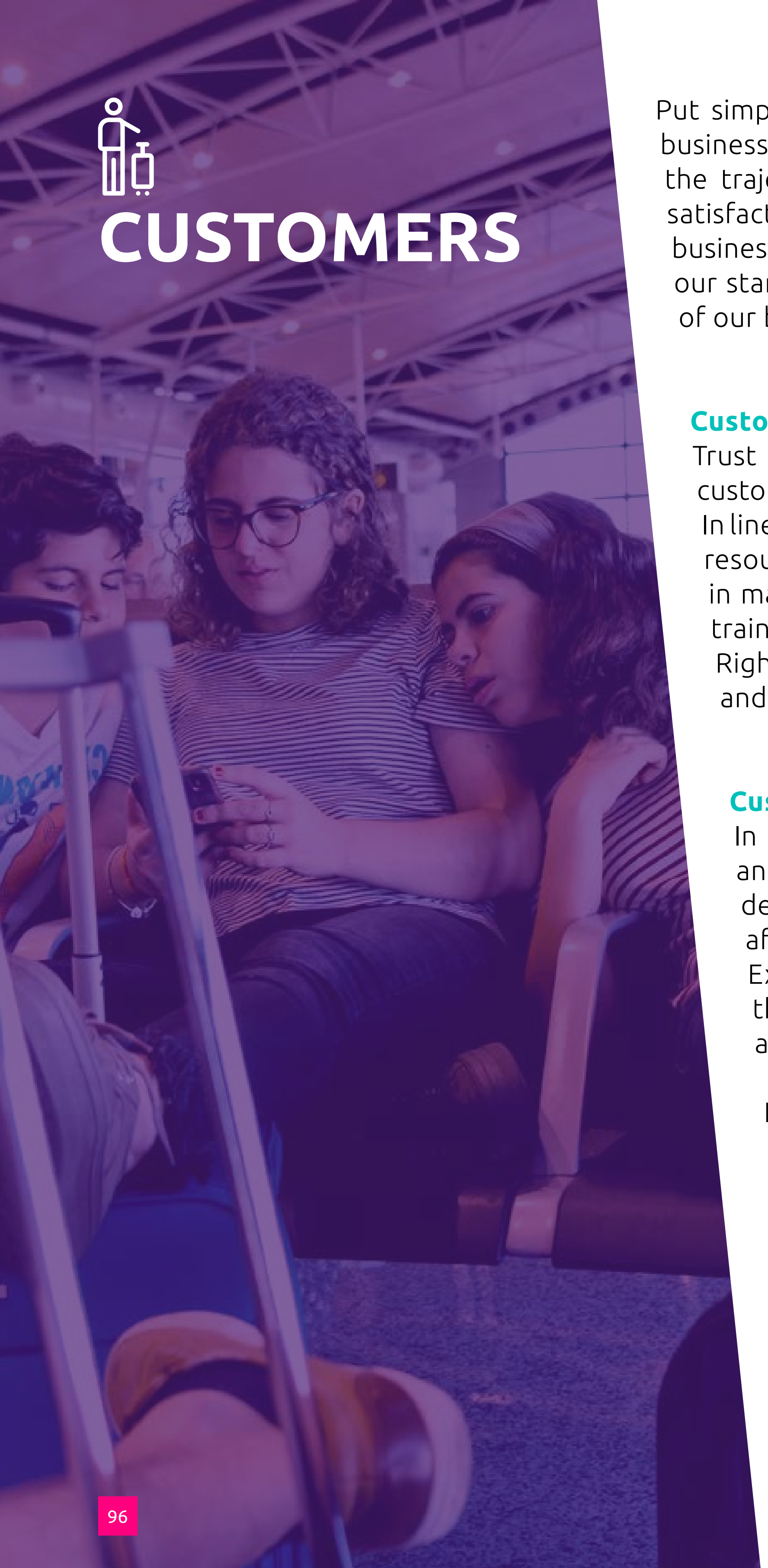
The driving force behind our growth is our people. We prioritise training and development, as well as performance management, recognising that acquiring new skills and receiving acknowledgement are significant motivators. We understand the importance of personal growth, establishing transparent expectations, setting SMART goals, and offering ongoing feedback.

Our two-stage performance management cycle has one mid-year review during the summer (June-July) and a more comprehensive end-of-year review between October and December. The process is focused on feedback, measurable individual quantitative and qualitative goals and development conversation.

Training is a cornerstone of personal and professional development, providing individuals with the knowledge, skills, and expertise necessary to excel in their chosen endeavours. It also can boost continuous growth and innovation, enabling individuals to stay competitive. Investing in training not only enhances individual competence but also contributes to organisational advancement and societal progress.

We provide a wide portfolio of training to all of our employees, a mix of face-to-face and digital-only content, in the form of e-learning through our dedicated learning platform.

CUSTOMERS



Put simply, people are at the heart of everything we do as a business. Their preferences, expectations and experiences shape the trajectory of our success. Our commitment to customer satisfaction remains unwavering and drives every aspect of our business. Improving the entire customer journey and raising our standards of customer service remain fundamental pillars of our business strategy.

Customer's Privacy

Trust is fundamental to any relationship and protecting our customers' privacy is a top priority.
In line with this commitment, we have established a dedicated resource, the Privacy Customer Care Team that specialises in managing customer privacy requests. This team is highly trained and equipped to deal with queries and Data Subject Rights Requests, in conjunction with the DPO office, quickly and efficiently.

Customer Care

In response to travellers' desire for seamless technology and personalised support, our Customer Care and Legal departments provide rapid and tailored assistance to affected travellers when unexpected events occur. Examples include our response to fires in Rhodes and the earthquake in Morocco in 2023, where we swiftly arranged alternative travel and accommodation.

In 2023, we extended our ***Terminal Project***, which provides rapid assistance in the event of travel disruptions, resulting in reduced turnaround times and increased satisfaction.

Additionally, the ***All Night Long*** initiative provides 24/7 chat support in all languages, ensuring continuous assistance from 48 hours before departure until travellers return home.

Inclusive Travelling

Promoting inclusive and accessible travel is not only the right thing to do ethically, but it also expands our customer base, reduces legal risks and enhances our reputation. We are continually improving our platform to better serve travellers with special needs, such as enabling accessibility filters for accommodation and offering personalised assistance when booking flights for those with mobility or dietary requirements. These efforts prioritise diversity and ensure that all travellers receive appropriate support and attention.

Customer Satisfaction

Our Voice of Customer (VOC) Initiative gathers feedback through tailored surveys to improve services, focusing on the quality of customer care, the effectiveness of claims management and website accessibility.

We use the **Welcome Back Survey**, which measures the Net Promoter Score (NPS), to measure overall satisfaction and brand recommendation. In 2023, our average NPS was 31.39, an 11% improvement on the previous year, despite supplier-related challenges. Our goal is to maintain this positive trend and aim for a score of 30 or higher by the end of 2024, demonstrating our commitment to delivering exceptional customer experiences.

Our enhanced customer satisfaction has been underpinned by our remarkable improvement in Turnaround Time of the post-sales requests and reduced abandon rates.

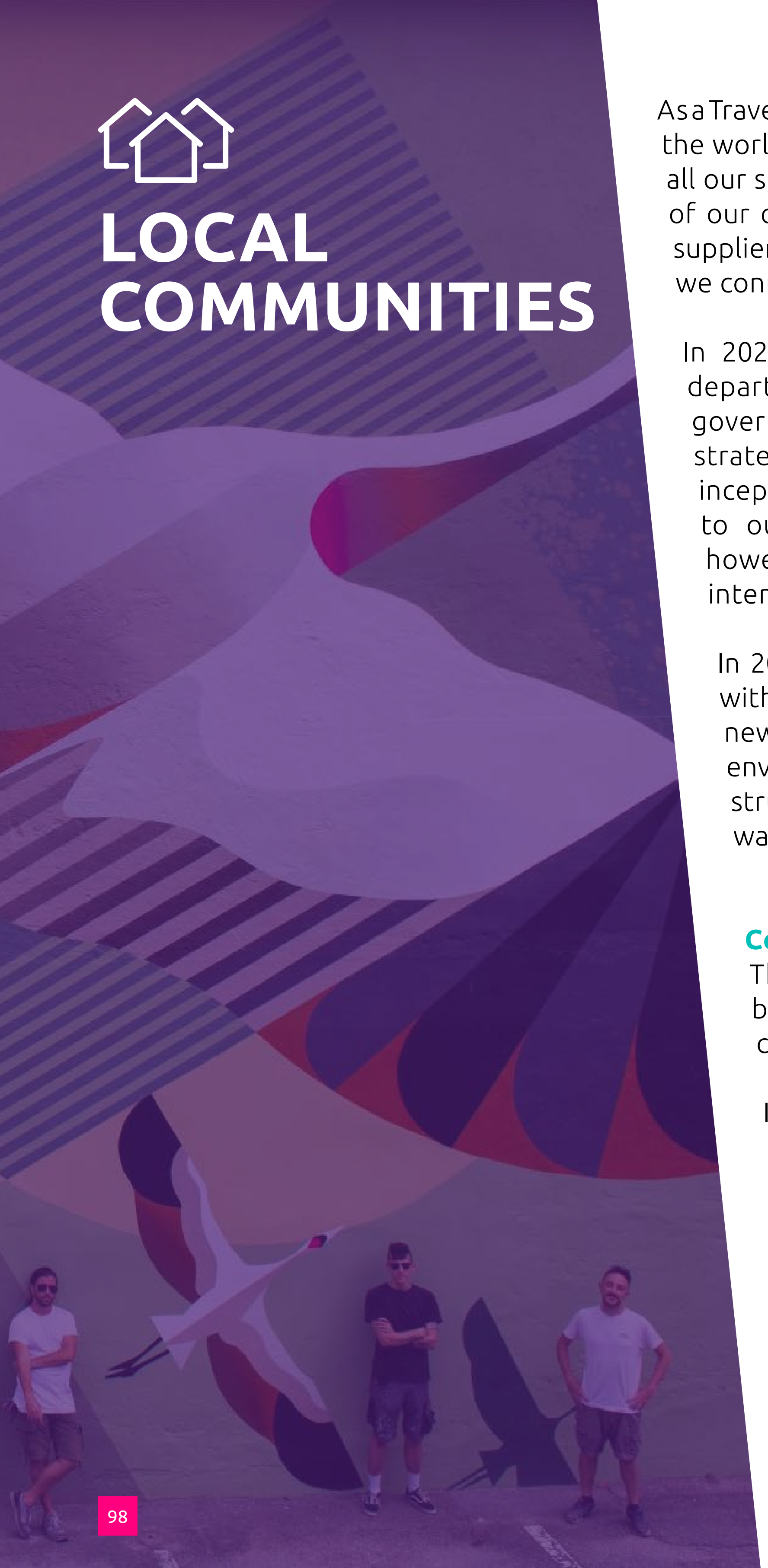
Claims Management

In 2018, we set up an internal team focused on claims management, which now consists of 100 professionals as of March 2024. This team responds quickly to customer concerns regarding bookings, cancellations and refunds, with 99% of 79,083 claims resolved in 2023.

Special Projects

In 2023, we focused on strengthening supplier relationships by reviewing contracts and terms. We launched an extensive survey to our claims agents to identify areas for improvement and initiated joint meetings with key suppliers to ensure alignment with our customers' needs and expectations. We improved supplier contracts and processes based on agent feedback, resulting in a 25% increase in the customer satisfaction index and a reduction in service level agreements from 19 to 15 days.

In October 2023, we re-launched customer service on social media platforms such as Facebook and Instagram, recognising their importance in modern customer interactions. Our proactive approach, managing both public and private interactions ensured prompt and personalised responses to queries. A new strategic framework to escalate unresolved issues efficiently was highly successful, managing 5,232 social media posts.



LOCAL COMMUNITIES

As a TravelTech company helping millions of customers experience the world, we are committed to generating long-term value for all our stakeholders and society at large. Leveraging the power of our customers and our extensive network of partners and suppliers, our goal is to foster a positive impact on the societies we connect with.

In 2023, our organisation launched a new **Public Affairs** department aimed at enhancing collaboration with governmental entities and policymakers, reflecting a strategic shift towards structured engagement. Since its inception, the team has primarily focused on activities related to our corporate headquarters in Chiasso, Switzerland, however, our overarching goal is to expand this strategy internationally across our Group.

In 2023 we also reviewed our company **Code of Conduct**, with a specific focus on external relationships. We added new bespoke sections on local communities and the environment and we aim to put in place an even more structured strategic plan around the vision and KPIs we want to achieve in the coming years.

Collaboration with the lastminute foundation

The Public Affairs department also serves as a bridge between the company and the lastminute foundation, co-founded by lastminute.com in 2016.

It helps us strengthen our link with the local community with two main areas of focus:

- **Education:** harnessing the potential of younger generations, stimulating their critical and creative thinking, cooperation, and empathy.

- **Social Entrepreneurship:** endorsing impactful projects and solutions able to provide tangible benefits to individuals and communities.

As part of this synergy, in 2023 we organised an internal workshop for our employees about Diversity, Equity, and Inclusion with a specific focus on Women Empowerment in the IT sector, collaborating with a keynote speaker.

Employee volunteering

We believe that real change starts with our people, which is reflected in our **Volunteering Policy** that gives our employees the chance to use up to 2 days per year supporting charity projects. These could be projects sponsored by the company and the lastminute foundation, or whichever cause is meaningful. We are always open to new volunteering activities and our people are encouraged to pitch in ideas for new non-profit projects.

In 2022, we launched the **Pink Clean-Up and Awareness Project**, which we continued to carry out in 2023, engaging our employees in volunteering and raising awareness about environmental issues. This initiative has a focus on the marine ecosystem, and our employees across office locations in Europe and Bangalore participated in cleaning beaches, riverbanks, and surrounding areas, organised together with a marine conservation organisation.

Volunteering and charity initiatives

Collaborating with local charities and partners, we've actively involved our teams in meaningful social initiatives to support those more in need:

- In **Madrid**, our Spanish Hotel Partnership team has forged partnerships with selected hotels to orchestrate a Christmas tradition now spanning nine years. This heartwarming initiative is focused on collecting toys for children and has expanded its reach to include Barcelona, Lisbon, and Majorca since its launch in 2015.

- In **Bangalore**, India, our team organised a festive event during Christmas 2023 dedicated to underprivileged children and their teachers. The event featured an in-house dance competition, carol singing, and a special visit from Santa, creating a joyous occasion for those who may have less access to such celebrations.

Extending our impact beyond our direct locations

The media arm of lastminute.com, Forward, collaborates with Tourist Boards worldwide, offering valuable assistance in promoting holiday destinations. Our contracts are always stipulated through shared investments or discounted pricing, thus giving them the chance to promote the beauty of their local destinations in the most accessible way.
In 2023, we ran three campaigns with tourism boards, all centred around sustainable tourism with a focus on nature and outdoor activities. These initiatives were carried out for the tourism boards of Slovenia, Ireland, and the Basque Country. While the first two aimed to establish themselves as sustainable tourism destinations, the third placed a specific emphasis on promoting outdoor activities, particularly cycling, in connection with the Tour de France, which commenced in the region in 2023. We take pride in actively supporting our partners as they embrace the promotion of sustainable tourism.

Environment focus

As an online travel agency, we operate in an industry that is naturally linked to the environment. Our services are aimed at helping people travel and explore the world, and this inherently involves the consumption of resources, energy use, and emissions.

In an age of heightened environmental consciousness, prioritising environmental sustainability is no longer just a moral obligation; it's become a strategic imperative. Our customers, investors, and regulators now demand a demonstration of our commitment to environmental responsibility. By proactively mitigating our environmental impact and embracing green initiatives, we can attract more environmentally conscious travellers, enhance our reputation, and improve our positioning and competitiveness in the technology-driven industry marketplace.

We are committed to adopting a comprehensive approach to environmental responsibility by actively engaging in initiatives to preserve our planet and combat climate change. Prioritising the reduction of our direct energy consumption and greenhouse gas emissions, and engaging our stakeholders in environmentally conscious initiatives are key aspects of this commitment.

THE GROUP'S CARBON FOOTPRINT

For the second year running, the company has measured its carbon footprint to assess its performance in terms of greenhouse gas emissions.

The methodology used for calculating Scope 1, 2 and 3 emissions is based on the procedures described in the Corporate Accounting Reporting Standard of the Greenhouse Gas (GHG) Protocol, which is currently the most widely used international methodology and follows the Intergovernmental Panel on Climate Change (IPCC) guidelines.

The carbon footprint calculation considered the following sources of emissions for each scope:

Scope 1 Fugitive emissions related to refrigerant leaks of air conditioning units at our offices and emissions from the use of fossil fuels in a company van.

Scope 2 Emissions from the consumption of electricity and heating at the leased offices where lastminute.com carries out its activities.

Scope 3 The most relevant categories of indirect emissions that occur in the company's value chain.

In 2023, lastminute.com conducted a thorough assessment to determine the significance of its Scope 3 emissions. This was done to enhance the calculation of its greenhouse gas (GHG) inventory and potentially expand reporting coverage to include additional categories not previously included. The identification of relevant Scope 3 emissions followed the *GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard.*

A detailed analysis of the calculations result is available in the 2023 Sustainability Report.

OUR CLIMATE AMBITION

Our path towards emissions reduction will lead us to achieve **net-zero for Scope 1&2 by 2025 and Scope 3 by 2050**

EMISSION SOURCES	tCO_2e in kg	%
Scope 1	**5.42**	**0.018**
Stationary Emissions	N/A	N/A
Company vehicle Emissions	0.99	0.003
Fugitive Emissions	4.43	0.015
Scope 2 (market-based)	**145.07**	**0.477**
Electricity consumption	45.47	0.149
Heating consumption	99.60	0.327
Scope 3	**30,279.11**	**99.505**
Category 1 - Purchased goods and services	28,279.84	94.414
Category 2 - Capital goods	73.61	0.242
Category 3 - Fuel and energy-related activities	183.84	0.604
Category 6 - Business travel*	0	0
Category 7 - Employee Commuting	872.23	2.867
Category 8 - Upstream Leased Assets	303.30	0.997
Category 15 - Investments	116.24	0.382
Total emissions	**30,429.59**	**100**

* Emissions from Business Travel category have been offset through purchased of carbon credits

OUR CLIMATE ACTION PLANS

As part of our ongoing commitment to environmental sustainability, we recognise the critical importance of setting ambitious emissions reduction targets.

Our overarching goal is to achieve net zero emissions by 2050, in line with the global effort outlined in the Paris Agreement to limit global warming to no more than 1.5°C above pre-industrial levels. To this end, we have set a clear near-term goal of achieving net-zero Scope 1 and Scope 2 emissions by 2025.

To achieve this, we will focus our efforts on optimising the energy efficiency at our offices and increasing the use of renewable electricity. This will initially be done by evaluating potential improvements that could impact electricity consumption, raising awareness among employees to promote energy efficiency, reviewing all electricity supply contracts and switching to green options where possible.

We are also pleased to announce the forthcoming introduction of a comprehensive Global Facility Management Policy in 2024. This ground-breaking policy will cover various environmental aspects, including waste management, temperature control and waste reduction strategies. By providing clear guidelines for all our offices, this policy aims to cultivate a more environmentally conscious workplace in line with our overarching sustainability goals.

For the remaining emissions that cannot be eliminated, offsetting measures will be implemented. We are exploring various options to ensure that our emissions are fully offset in line with our sustainability goals.

For Scope 3 emissions, we made significant progress in 2023 to expand our data coverage, ensure a robust baseline for targets and improve our understanding of the company's environmental footprint. We expect to set clear and ambitious targets by the end of 2024.

CIRCULAR ECONOMY AND ENVIRONMENTAL AWARENESS

As an online travel agency, our operating model differs from traditional manufacturing processes, which often generate significant waste and resource consumption. However, we recognise the importance of adopting a circular business approach to all facets of our operations. Circularity is not just about managing waste; it is a holistic perspective that emphasises resource efficiency, product longevity and sustainable practices at every stage of our business lifecycle.

We pay particular attention to Waste of Electrical and Electronic Equipment (WEEE), not only to ensure legal compliance but also to embrace the principles of the circular economy to minimise waste and extend the life of electronic equipment.

As part of our commitment to promoting reuse and minimising waste, we have implemented a policy that sets clear guidelines to the expected minimum time of usage for the equipment and allows employees to purchase end-of-life company equipment. This initiative not only provides a cost-effective solution for employees but also extends the useful life of electronic equipment.

We are also actively involved in raising environmental awareness among our employees and promoting good waste management practices in our offices. In 2023, we launched an environmental campaign called "From Pink to Green: Embracing Sustainable Habits in Our Offices", recognising that real change requires a collective effort. The campaign focused on encouraging sustainable habits in the office and beyond, emphasising the importance of proper waste segregation following local regulations and guidelines to ensure effective disposal. We also focused on promoting the reduction and reuse of materials and the use of reusable containers and water bottles to minimise single-use plastics.

We recognise the paramount importance of environmental awareness as a tool to drive positive change so we built on the success of 2022's Ocean & River Protection initiative and carried out high-impact clean-ups in Madrid, London, Chiasso and San Remo.

During the activities, open discussions were held to raise employee awareness of specific environmental issues, such as littering and its negative impact on marine biodiversity.

With this year's programme, we have sought to ensure widespread employee involvement by offering volunteering opportunities close to all our main offices.

2023 Impact Figures

4 cities

58 volunteers

21 trash bags
≈ 760 litres of waste

500 pieces of glass

8500 cigarette butts

1.300 pieces of plastic

For those who work remotely or in smaller offices, we organised an alternative activity in partnership with a marine conservation organisation in the form of an interactive masterclass on plastic pollution.

The aim was to deepen understanding of the causes and consequences of marine litter, highlight the impact of tourism on marine pollution, and provide participants with actionable steps and practical strategies to make positive changes in their daily lives. This masterclass was recorded and is available on our self-service training platform to all employees.

Sustainable tourism focus

In the ever-evolving landscape of sustainability, our commitment to the principles of responsible tourism remains unwavering. As laid out in the previous year's report, we recognise the escalating global awareness of environmental and social issues specifically related to the tourism sector. This year, we delved deeper into our role as part of the travel community, acknowledging the growing interest among holidaymakers in adopting conscientious travel practices.

As an asset-light company with no ownership of aircraft, hotels, or tangible assets, our direct impact on the environment and local communities remains limited. However, we firmly believe in the transformative power we hold as intermediaries and travel organisers within the industry. Our duty to innovate persists, and we are dedicated to utilising our platform to influence positive change. This section outlines our ongoing efforts to leverage our website's audience and contribute to the paradigm shift towards a more sustainable and responsible approach to tourism.

Sustainable Travel insights

During 2023 we conducted an extensive research initiative, to understand both our existing and potential customers better. The research was focused on travel in general and also included some questions regarding the respondents' general approach to sustainability and their expectations in terms of sustainability in travel. As leaders in travel packages, our focus for the research was on this specific segment. We had an even spread of participants across our 5 main markets, with a total of 25,000 respondents.

These were the main highlights:
General attitudes:

47%
Are increasingly wary about certain destinations, due to climate change issues (e.g. heatwaves,fires, etc)

34%
Have started to limit air travel due to the impact on the environment

This suggests that climate change considerations are a relevant factor in travel decision-making and a heightened awareness of the environmental impact of air travel.

Practical travel approach:
A little over 1 in 2 adults are interested in more sustainable travel options and, of those, receiving tips about how to travel more sustainably without incurring high costs, is of the most appeal.

There is also interest in alternative forms of transport to reach the destination, with options to avoid plane journeys where possible, as well as an interest in incentives in return for making more sustainable travel choices and options to book more sustainable accommodation types

Considerations when making holiday choices:

43%

Holiday choices are influenced by interest in helping **local communities**

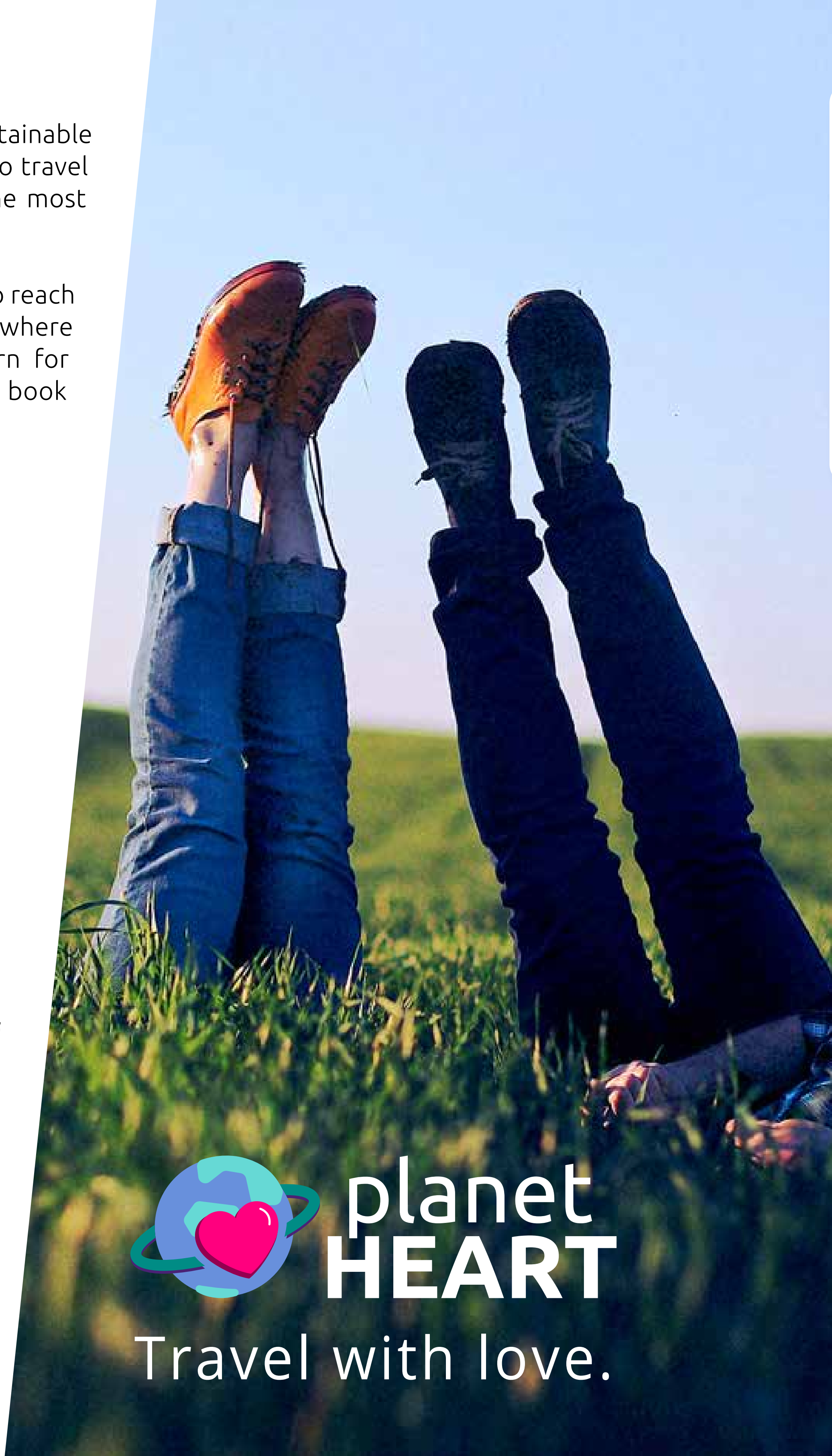
45%

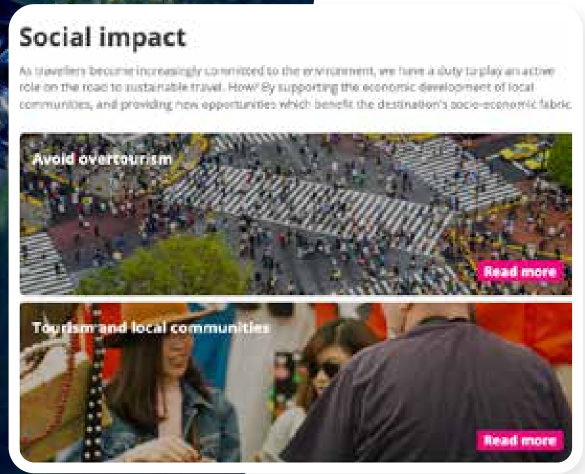
Holiday choices are influenced by concerns about the **environment**

There is a high awareness of the broader impact of travel on local communities and the environment, possibly also indicating a willingness to be involved in sustainable activities while on holiday.

Overall the market research results highlight an interest in more sustainable and environmentally conscious travel choices.

We see this as an opportunity to cater to a demand for sustainable travel experiences.





Planet Heart - Travel with love

We can leverage our audience reach to support more sustainable choices and habits and as announced in last year's report external content on sustainability topics was one of our focus areas during 2023.

We launched our new editorial hub dedicated to creating awareness around topics of sustainability in travel for our main markets, covering 5 languages, and featuring our new Planet Heart concept. This concept represents the world we aspire to live in a world where we take care of the Blue Planet we call home. Encompassing social sustainability and eco-friendly lifestyles, from reducing our carbon footprint to protecting the environment and nature as a whole, and looks to ways in which we can improve our approach to travel, for a more sustainable future.

We have already launched several articles on Planet Heart, covering ocean protection and the social impact of the tourism industry. We have a communication plan in place for additional articles throughout 2024. Given the insights of the market research conducted as described above, we are also focusing on providing practical tips for travellers covering pre-travel preparations, things to do while they are at the destination, and things to do from home.

Protecting the oceans - Ocean protection is a cornerstone for sustainable tourism. It not only safeguards the natural beauty and biodiversity that attract tourists but also ensures the long-term viability of economic activities dependent on healthy marine environments.

Social impact - social impact in tourism is essential for the long-term success of sustainable tourism initiatives. By prioritising the well-being of local communities, preserving cultural heritage, and promoting equitable economic development, sustainable tourism can create a positive and lasting impact on both visitors and host communities.

Understanding travel emissions and supporting climate action

As the effects of climate change are becoming more visible, it's important that we acknowledge the impact of travel on the environment. We want to provide our customers with the ability to measure and understand their travel emissions, and then support carbon offsetting projects in an easy and accessible manner, via our Planet Heart page.

That's why we've partnered with CHOOOSE, a leading climate technology company based in Oslo, Norway, that provides digital solutions to enable multi-faceted carbon programs in hard to abate sectors, including aviation, shipping, and logistics. Our clients will have the opportunity to simply enter their trip details into a carbon calculator, powered by CHOOOSE, and be instantly provided with an estimate of the carbon emissions associated with the trip. The customer can then voluntarily choose to support certified climate projects around the world in an amount based on their emissions footprint.

In recent years carbon offsetting has been introduced as one of many levers for addressing global carbon dioxide emissions and for financing climate solutions. For instance, to offset flight emissions, you first calculate the emissions per passenger, based on factors such as the length of the flight, allowing you to then determine how much it would cost to purchase carbon offsets in an amount equivalent to that footprint.

In parallel to the Planet Hearth page, we are enhancing transparency in our booking flow regarding CO_2 emissions associated with travel options for flights, hotels, and Dynamic Packages. We believe that this will contribute to raising awareness about the impact that travel has on the environment, empowering customers to make more informed decisions based on the information provided.

Sustainability efforts in accommodation providers

In the same spirit of providing more transparency and awareness around sustainability in travel, we have kicked off a new project during 2023 promoting the importance of sustainability certifications for hotels. We believe that it is our duty to continuously work on raising awareness and reshape travel habits across our customer base by leveraging our extensive network of accommodation providers.

While we don't own any hotels ourselves, we provide an extensive inventory of accommodations worldwide and have a direct business relationship with tens of thousands of hotel owners. We wish to leverage upon these connections and partnerships to promote and encourage the adoption ofsustainable certifications.

Acting as proactive intermediaries between our hotel partners and potential sustainability certification programs, our role is to advocate for sustainable practices and underscore their importance, especially in light of the impending EU Green Claims Directive.

CONSOLIDATED FINANCIAL STATEMENTS

QUICK LINKS
Consolidated Profit & Loss
Consolidated Balance Sheet
Consolidated statement of changes in equity
Consolidated cash flow statement
Notes

Consolidated statement of profit or loss and other comprehensive income

in '000 EUR	Notes	2023	2022
Revenue	7a	317,139	294,360
Other income from expired refund vouchers	7b	10,729	13,270
Marketing costs	8	(127,273)	(130,031)
Personnel costs	9	(81,493)	(87,995)
Other operating costs	10	(87,438)	(84,885)
Amortisation and depreciation	17/18/19	(16,856)	(15,051)
Impairment	19	(1,114)	(285)
Operating Profit / (Loss)		**13,694**	**(10,617)**
Gain/(loss) from disposal of investments and other assets	11	(156)	(1)
Finance income	12	909	-
Finance costs	12	(3,721)	(3,221)
Share of result of equity-accounted investees	22	158	27
Profit / (Loss) before income tax		**10,883**	**(13,811)**
Income tax	13	(3,912)	(1,328)
Profit / (Loss) for the period		**6,971**	**(15,139)**
- thereof attributable to the shareholders of lastminute.com N.V.	14	6,958	(15,167)
- thereof attributable to non-controlling interest	26	13	28
OTHER COMPREHENSIVE INCOME			
Items that will never be reclassified to profit or loss			
Remeasurements of the employee benefits liability	15	(740)	2,323
Related tax	13	138	(450)
Items that will never be reclassified to profit or loss		**(602)**	**1,872**
Items that are or may be reclassified to profit or loss			
Foreign currency translation differences	26	340	(829)
Items that are or may be reclassified to profit or loss		**340**	**(829)**
Total other comprehensive income for the period, net of tax		**(261)**	**1,043**
Total comprehensive income		**6,709**	**(14,096)**
- thereof attributable to the shareholders of lastminute.com N.V.	26	6,696	(14,125)
- thereof attributable to non-controlling interest	26	13	28
EARNINGS PER SHARE			
Basic earnings per share (euro)	14	0.65	(1.37)
Diluted earnings per share (euro)	14	0.65	(1.37)

Consolidated Balance Sheet*

in '000 EUR	Notes	31 Dec 2023	31 Dec 2022
NON CURRENT ASSET			
Property, plant and equipment	18	2,361	2,631
Right-of-use assets	17	8,043	13,218
Intangible assets	19	165,031	154,537
Goodwill	19/20	60,416	60,418
Non-current financial assets	21	3,894	4,605
Investment in equity accounted investees	22	1,388	1,308
Deferred tax assets	13	19,745	19,613
TOTAL NON CURRENT ASSETS		**260,878**	**256,330**
CURRENT ASSETS			
Inventories		20	19
Current financial assets	21	8,494	15,020
Current tax assets	13	1,940	1,122
Trade and other receivables	23	83,866	88,112
Contract assets	24	11,626	8,647
Cash and cash equivalents	25	100,008	118,492
TOTAL CURRENT ASSETS		**205,954**	**231,412**
TOTAL ASSETS		**466,832**	**487,742**
SHARE CAPITAL AND RESERVES			
Share capital	26	117	117
Capital reserves	26	53,888	69,055
Other reserves	2/26	-	(24,658)
Currency translation reserve	26	1,907	1,567
Treasury share reserve	26	(17,683)	(17,683)
Retained earnings / (losses)	26	4,513	(17,010)
TOTAL EQUITY of THE GROUP		**42,741**	**11,388**
Non-controlling interests	26	595	582
TOTAL EQUITY		**43,336**	**11,969**
NON CURRENT LIABILITIES			
Long term employee benefits liability	15/16	9,206	7,752
Long term financial liabilities	4/28	7,376	20,690
Long term lease liabilities	17	4,508	9,010
Deferred tax liabilities	13	29,925	28,873
TOTAL NON CURRENT LIABILITIES		**51,016**	**66,325**

* Before appropriation of results

in '000 EUR	Notes	31 Dec 2023	31 Dec 2022
CURRENT LIABILITIES			
Short term employee benefits liability	15/16	3,096	3,804
Current provisions	27	3,637	4,895
Short term financial liabilities	4/28	66,327	59,062
Short term lease liabilities	17	4,540	5,351
Current tax liabilities	13	4,132	3,526
Trade and other payables	29	290,014	332,013
Contract liabilities	24	734	796
TOTAL CURRENT LIABILITIES		**372,480**	**409,447**
TOTAL LIABILITIES		**423,496**	**475,773**
TOTAL LIABILITIES AND EQUITY		**466,832**	**487,742**

Consolidated statement of changes in equity

in '000 EUR	Notes	share capital	Capital reserves	Other reserves	Currency translation reserve	Treasury share reserve	Retained earnings / (losses)	EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF LASTMINUTE.COM N.V.	Non-controlling interest	TOTAL EQUITY
Balance at 1 January 2023		**117**	**69,055**	**(24,658)**	**1,567**	**(17,683)**	**(17,010)**	**11,388**	**582**	**11,969**
Result for the period		**-**	**-**	**-**	**-**	**-**	**6,958**	**6,958**	**13**	**6,971**
OTHER COMPREHENSIVE INCOME										
- Remeasurements of the employee benefits liability (net of tax)	13/15	-	-	-	-	-	(602)	(602)	-	(602)
- Foreign currency translation differences	26	-	-	-	340	-	-	340	-	340
Total other comprehensive income net of tax		**-**	**-**	**-**	**340**	**-**	**(602)**	**(261)**	**-**	**(261)**
Total comprehensive income net of tax		**-**	**-**	**-**	**340**	**-**	**6,356**	**6,696**	**13**	**6,709**
TRANSACTIONS WITH SHAREHOLDERS										
- Allocation of result	26	-	(15,167)	-	-	-	15,167	-	-	-
- Annulment of shares purchase from minority investors	2/26	-	-	24,658	-	-	-	24,658	-	24,658
Total transactions with shareholders		**-**	**(15,167)**	**24,658**	**-**	**-**	**15,167**	**24,658**	**-**	**24,658**
Balance at 31 December 2023		**117**	**53,888**	**-**	**1,907**	**(17,683)**	**4,513**	**42,741**	**595**	**43,336**

in '000 EUR	Notes	share capital	Capital reserves	Other reserves	Currency translation reserve	Treasury share reserve	Retained earnings / (losses)	EQUITY ATTRIBUTABLE TO SHAREHOLDERS OF LASTMINUTE.COM N.V.	Non-controlling interest	TOTAL EQUITY
Balance at 1 January 2022		**117**	**76,409**	**-**	**2,396**	**(14,184)**	**(11,070)**	**53,669**	**554**	**54,223**
Result for the period		**-**	**-**	**-**	**-**	**-**	**(15,167)**	**(15,167)**	**28**	**(15,139)**
OTHER COMPREHENSIVE INCOME										
- Remeasurements of the employee benefits liability (net of tax)	13/15	-	-	-	-	-	1,872	1,872	-	1,872
- Foreign currency translation differences	26	-	-	-	(829)	-	-	(829)	-	(829)
Total other comprehensive income net of tax		**-**	**-**	**-**	**(829)**	**-**	**1,872**	**1,043**	**-**	**1,043**
Total comprehensive income net of tax		**-**	**-**	**-**	**(829)**	**-**	**(13,295)**	**(14,125)**	**28**	**(14,097)**
TRANSACTIONS WITH SHAREHOLDERS										
- Allocation of result	26	-	(7,354)	-	-	-	7,354	-	-	-
- Indirect purchase of shares from minority investors	34	-	-	(24,658)	-	-	-	(24,658)	-	(24,658)
- Indirect acquisition of own shares	26	-	-	-	-	(559)	-	(559)	-	(559)
- Share buy back	26	-	-	-	-	(2,940)	-	(2,940)	-	(2,940)
Total transactions with shareholders		**-**	**(7,354)**	**(24,658)**	**-**	**(3,499)**	**7,354**	**(28,157)**	**-**	**(28,157)**
Balance at 31 December 2022		**117**	**69,055**	**(24,658)**	**1,567**	**(17,683)**	**(17,010)**	**11,388**	**582**	**11,969**

Consolidated cash flow statement

in '000 EUR	Notes	2023	2022
Cash flow from operating activities			
Profit / (loss) for the period		6,971	(15,139)
Adjustments for:			
Amortisation and depreciation	17/18/19	16,856	15,051
Impairment losses on intangible and tangible assets	18/19	1,114	285
Net finance result	12	2,813	3,221
(Gain)/ losses from disposal of inv. and other	11	156	1
Income tax expense	13	3,912	1,328
Share of result of equity-accounted investees	22	(158)	(27)
Change in trade and other receivables	23	4,246	(49,042)
Change in contract assets	24	(2,979)	(4,629)
Change in other assets & liabilities		2	19
Change in trade and other payables	29	(41,999)	131,393
Change in contract liabilities	24	(61)	(139)
Change in provisions	27	(1,277)	1,640
Change in employee benefit liability	15/16	6	(6,411)
Interest (paid) / received		(1,883)	(675)
Income tax (paid) / received		(3,070)	(3,791)
Net cash (used in) / from operating activities		**(15,353)**	**73,084**
Cash flow from investing activities			
Purchase of property, plant and equipment	18	(1,052)	(2,094)
Proceeds from sale of property, plant and equipment	18	48	29
Purchase of intangible assets	19	(22,609)	(16,679)
(Acquisition) / proceeds of financial assets	21	6,797	(11,377)
Net cash (used in) / from investing activities		**(16,816)**	**(30,121)**

in '000 EUR	Notes	2023	2022
Cash flow from financing activities			
Proceeds from borrowings	4	79,673	34,189
Repayments of lease liabilities	17	(4,924)	(4,147)
Repayments of borrowings	4	(76,934)	(44,229)
Share buy back	26	-	(2,940)
Indirect (purchase)/payment received for shares from minority investors	2	15,324	(15,324)
Indirect acquisition of own shares	26	-	(559)
Net cash (used in) / from financing activities		**13,140**	**(33,010)**
Net increase / (decrease) in cash and cash equivalents		**(19,029)**	**9,953**
Cash and cash equivalents at 1 January	**25**	**118,492**	**109,664**
Effects of currency translation on cash and cash equivalents		545	(1,124)
Cash and cash equivalents at 31 December	**25**	**100,008**	**118,492**

NOTE 1 - GENERAL INFORMATION

lastminute.com N.V. (hereinafter referred to as the "Company") is a company domiciled in the Netherlands and registered with the Chamber of Commerce under number 34267347. The address of the Company's registered office is Rokin 92 - 1012 KZ Amsterdam. The consolidated financial statements of the Company as at and for the year ended 31 December 2023 include the Company and its subsidiaries (together referred to as "lastminute.com Group", the "Group" or "LMN" and individually as "Group entities"). The Group is an online travel player providing consumers with online tools and technologies that allow them to easily search for, compare and book flights, vacation packages and cruises, hotel accommodations, car rentals and other travel products and services.
These financial statements cover the year 2023, which ended at the balance sheet date of 31 December 2023.

NOTE 2 - MATERIAL ACCOUNTING POLICIES

The accounting policies detailed below have been consistently applied across all Group entities, and to all periods covered in these consolidated financial statements, with the exception of changes described in the section addressing the adoption of new and revised standards and interpretations.

BASIS OF PREPARATION

The consolidated financial statements of the Company are part of the statutory financial statements of the Company. These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as endorsed by the European Union (EU-IFRS) and with part 9 of Book 2 of the Dutch Civil Code.

The consolidated financial statements are presented in thousands of Euros and all amounts (including totals and subtotals) have been rounded according to normal commercial practice.

The consolidated financial statements are prepared using historical cost as the primary valuation method, except for financial instruments categorised at fair value through profit and loss, and employee benefits. The first are measured at fair value, while the latter are assessed at the fair value of plan assets - less the present value of the defined benefit obligation, for the net defined benefit liabilities - and measured at fair value for cash-settled share-based payment liabilities.

The consolidated financial statements have been prepared on a going concern basis. Refer to the "Business update, outlook & other events of the period" paragraph for a detailed assessment of the going concern assumption.

The consolidated financial statements were authorised for issue by the Board of Directors on 3 April 2024.

Business update, outlook & other events of the period

Highlights FY 2023 and outlook

In the first quarter of the year, trading improved significantly with Dynamic Packages (DP) continuing to drive the growth. The Group dealt with fast returning demand and the secular shift to online travel with a lean infrastructure and a robust balance sheet. The concerted efforts to hire IT developers in 2022 were instrumental in boosting the technology investments and improving product excellence with new strategic initiatives.

Gross Travel Value (GTV)[11] reached an all-time first quarter high of over EUR 1 billion (EUR 1,070 million). The positive results have been driven by strong demand from customers and a higher share of Dynamic Packages compared to the first quarter of 2022 with related revenues increasing by 75% year on year. Consolidated IFRS revenues, including other income from expired refund vouchers, reached EUR 91,011 thousand, significantly higher than in the prior year period (+30.7%).

In the first quarter of 2023, Adjusted EBITDA[12], was EUR 9,343 thousand and grew proportionally with the top-line. IFRS EBITDA stood at EUR 8,378 thousand (-18% versus 2022), the latter impacted by higher cancellation costs and lower voucher misredemption compared to the first quarter of 2022. Also, the first quarter of 2022 still included working hour reduction subsidies of EUR 1,138 thousand.

Net Result of the first quarter was EUR 2,238 thousand. The Group realised approximately EUR 2 million Net Income per month, which is consistent with the first quarter of 2022. Moreover, the Company showed a solid cash position. At the end of March 2023 Gross Cash[13] stood at EUR 125,391 thousand, with Net Financial Position being at EUR 80,279 thousand. This includes the reversal of temporary negative impact of EUR 24,658 thousand from the accounting treatment of the purchase of minority interests in Freesailors at year-end 2022, a transaction that was annulled on 29 March 2023. Reference should be made to the following paragraph for further details.

Net Equity as of the end of the first quarter of 2023 amounted to EUR 39,478 thousand and likewise included the above-mentioned reverse effect. During the first quarter, considering the strong cash position, the Group management decided to refund the Covid-19 government-secured bank loan, for a total amount of EUR 15,294 thousand.

[11] Gross Travel Value ("GTV") is defined as the value of the travel products purchased by the Group's clients using the Group's platforms, including agency fees, insurance and gross of any discounts and cancellations.
[12] Please refer to Note 6 for further details on the new definition of "Adjusted EBITDA" modified in 2023.
[13] "Gross Cash" means cash and cash equivalents.

In the second quarter of the year, the good performance of the business continued to drive the growth. Gross Travel Value (GTV) followed the positive trend of the first quarter, totalling EUR 941,073 thousand. Adjusted EBITDA was EUR 15,577 thousand, boosted by the spring and summer period bookings. Consolidated IFRS revenues, including other income from expired refund vouchers, reached EUR 90,511 thousand, in line with the previous year's period. IFRS EBITDA was EUR 12,040 thousand, lower than the second quarter of 2022 mainly due to the negative accounting effects of the remeasurement of incentive plans.

When it comes to the performance of the first half of 2023, Adjusted EBITDA reached EUR 24,923 thousand, in line with the previous year's period (+0.9%). On top of that, the positive performance of the business led to strong growth in terms of cash position. At the end of June, Gross Cash stood at EUR 167,039 thousand with Net Financial Position being EUR 102,517 thousand, including the subsequently mentioned effects related to the annulment of the Freesailors transaction. Net Equity at the end of June amounted to EUR 45,481 thousand, confirming that the Group is back on track and ready to build a bright future.

In a stable market environment between July and September, lastminute.com's Gross Travel Value (GTV) September YTD still reached EUR 2,850,647 thousand, +13% higher than in the same period of 2022. Revenue growth was mainly driven by Dynamic Packages (DP) which are now offered in 30 markets across Europe, 11 of which were opened in 2023. DP revenues year to date grew approximately 50% vs. 2022, now representing half of the revenues of the Group. The product mix shift from flights to DP continued in the third quarter, as did the focus on more profitable travel services. Cancellations were tightly managed in the third quarter through sophisticated pricing and had a negligible impact on EBITDA.

In the fourth quarter, traditionally the Group's weakest period, the Group remained committed to its strategy of prioritising profitable growth while exercising rigorous cost control, especially in marketing spend. In terms of profitability, the Group recorded a +36% of Gross Profit compared to the fourth quarter of 2022.

When it comes to full-year results, Gross Travel Value (GTV) was EUR 3.4 billion, +5% versus last year. At the end of December, Gross Cash was at EUR 100,008 thousand and the Net Financial Position at EUR 27,799 thousand, versus respectively EUR 118,492 thousand and EUR 41,718 thousand at the end of the year 2022. The difference is mainly due to the repayment of EUR 29,531 thousand Swiss government subsidies. Adjusted EBITDA was EUR 39,720 thousand, driven by strong bookings during the spring and summer periods and by the increased focus on Dynamic Packages. Consolidated IFRS revenues, including other income from expired refund vouchers (reference should be made to Note 7a and 7b of this report), reached EUR 327,868 thousand, higher than 2022 (+7%). IFRS EBITDA was EUR 31,664 thousand, significantly higher than in 2022 (EUR 4,719 thousand), which was negatively impacted by the costs for the investigation on certain current and former employees.

Regarding 2024, current trading for the first months was very strong on the back of softer trading at the end of 2023. Backed by strong 2023 results, the Group has positioned itself for a successful year, which has started very well in terms of performance compared to budget figures. Our Dynamic Holiday Packages business is the bedrock of our current, and future, profitable and sustainable growth. 2024 will see us continue to fortify its value proposition, via our properties and white-label partnerships, alongside venturing further into new markets.

The Group will maintain its focus on cost and cash management to uphold a solid financial structure, allowing it to seize potential investment opportunities. The strong business performance underscores the effectiveness of our business model and the quality of our sales operations. Consolidated financial statements have been prepared on a going-concern basis.

Subsequent annulment on Freesailors transaction
On 29 March 2023 the Freesailors transaction was declared nulled "ab initio". This implies that the agreement is considered as if it had never existed.For further information, reference should be made to the Group's annual consolidated financial statements for the year ended 31 December 2022, in particular Note 34. As a result of the annulment, the impact on the Consolidated Financial Statements at 31 December 2023 are the followings:

- The effects on the Group's equity (particularly other reserves) accounted for at year-end 2022 have been restored in 2023 for an amount of EUR 24,658 thousand, as a result of the aforementioned annulment;

- Net Financial Position positively impacted for an amount of EUR 24,658 thousand due to the increase of cash and cash equivalents for EUR 15,324 thousand (the amount paid in advance has been fully reimbursed by the minor investors) and the decrease of the short-term financial liabilities for an amount of EUR 9,333 thousand (linked to the second tranche of the transaction that has never been completed as a result of the annulment).

Closing of the administrative procedure with the Swiss State Secretariat for Economic Affairs (also called SECO)
In May 2023 the Group fully repaid the outstanding amounts to the Swiss State Secretariat for Economic Affairs (SECO), closing the administrative procedure started in July 2022 on its Swiss subsidiaries. The total reimbursed amount of EUR 29,531 thousand negatively impacted cash and cash equivalents.

USE OF ESTIMATES AND JUDGMENTS

The preparation of the consolidated financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Estimates are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

Information about critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements as well as information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year affects mainly the following areas.

To conclude this paragraph, the Group adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement_2) from 1 January 2023. The amendments require the disclosure of "material", rather than "significant", accounting policies. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed.

Income taxes
As of 31 December 2023 the net liability for current taxes amounts to EUR 2,192 thousand (2022: EUR 2,404 thousand). The net liability for deferred taxes amounts to EUR 10,180 thousand at 31 December 2023 (2022: EUR 9,260 thousand, refer to Note 13 for further details).Significant estimates are required in determining the current and deferred tax assets and liabilities. Some of these estimates are based on interpretations of existing tax laws and regulations. Management believes that these estimates are reasonable and that the recognised liabilities for income tax-related uncertainties are adequate. Various internal and external factors may have favourable or unfavourable effects on the income tax assets and liabilities. These factors include but are not limited to, changes in tax laws and regulations or their interpretation, and changes in tax rates. Any such changes could impact the current and deferred income tax assets and liabilities recognised in the balance sheet in future periods. Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year, along with any adjustment to tax payable or receivable related to previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends. Current tax assets and liabilities are offset only if certain criteria are met.

Provision and contingencies
The use of estimates and judgments is required to assess the amount and timing of future cash outflows to settle the present legal or constructive obligations. In case the estimates of the Group's management differ significantly from effective cash outflows, the consolidated financial statements could be materially affected. Total provisions amount to EUR 3,637 thousand as of 31 December 2023 (2022: EUR 4,895 thousand). For further information see Note 27.

Impairment
As of 31 December 2023 and 2022 the Group had respectively EUR 60,416 thousand and EUR 60,418 thousand in goodwill (see Note 20) and EUR 165,031 thousand and EUR 154,537 thousand in intangible assets (see Note 19). Assets with indefinite useful life, such as trademarks owned by the Group, goodwill, and intangible assets not yet available for use, are not subject to amortisation and are annually tested for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. To compute the recoverable amount, the Group's management uses key assumptions, e.g. a discount rate that reflects the risk associated with the assets tested for impairment, as well as future expected cash flows generated by these assets. Actual outcomes, e.g. cash flows, may vary significantly from those assumed by the management. Factors such as the underperformance of the operating activities, worsening of market conditions, changes in discount rates and lower than anticipated revenues derived from the assets could lead to significant impairment.

Share-based payment fair value

The fair value of the employee share-based payment liabilities has been measured by applying the Black-Scholes method.
The fair value of the Group's share-based payments liabilities depends on the following inputs: the strike price of the share, the current market price, the volatility of the underlying shares price, the estimate of the number of shares expected to be vested in relation to the average exit rate of the employees. At the end of each reporting period, the Group reviews its estimates. Additional details on the accounting policies for share-based payments are included in Note 16.

BASIS OF CONSOLIDATION

The consolidated financial statements include the financial information of both the parent company, lastminute.com N.V., and the entities over which the Group has the right to exercise control, either directly or indirectly.

Subsidiaries

Control exists when lastminute.com N.V. is exposed or has rights to variable returns from its involvement with an investee and can affect those returns through its power over the investee.

The financial statements of subsidiaries that are controlled by the Group are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

Transactions eliminated on consolidation

When preparing the consolidated financial statements, intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions are eliminated. Unrealised losses are eliminated in the same way as unrealised gains, provided there is no evidence of impairment.

Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions, that is, as transactions with the owners acting in their capacity of owners. The difference between the fair value of any consideration paid and the related acquired share of the carrying value of the subsidiary's net assets is recognised in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

Loss of control

When the Group ceases to have control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, as well as any related non-controlling interests, and other equity components. Any resulting gain or loss is recognised in the consolidated statement of profit and loss. Any interest retained in the former subsidiary is measured at fair value when control is lost. This value is the initial carrying amount for the subsequent accounting of the retained interest as an associate, joint venture or financial asset.

Interests in equity-accounted investees

The Group's interests in equity-accounted investees consist of interests in associates, entities over which the Group exercises significant influence but lacks control, or joint control, over their financial and operating policies. This typically involves shareholdings ranging from 20% to 50%. Interests in associates are accounted for using the equity method. They are recognised initially at cost. Subsequently to initial recognition, the consolidated financial statements include the Group's share of the profit or the loss and other comprehensive income of equity-accounted investees, until the date on which significant influence ceases.

Additional information regarding changes in the scope of consolidation, if any, is provided in Note 5.

Non-controlling interests

The Group includes non-controlling interests in its consolidated financial statements within equity, separately from the equity of the owners of the parent. The Group attributes the profit or loss, as well as each component of other comprehensive income, to shareholders and to non-controlling interests. The allocation to the parent and non-controlling interests is determined based on their respective ownership interests at the present time. The Group also attributes a total comprehensive income to the shareholders and to the non-controlling interests, even if this leads to a deficit balance for the non-controlling interests.

FUNCTIONAL AND PRESENTATION CURRENCY

The financial statements of subsidiaries, associates and joint ventures are prepared in the currency of the primary economic environment in which they operate (the "functional currency"). The consolidated financial statements are presented in Euros (EUR), which is the functional currency of the parent company. In individual companies, transactions in foreign currencies are recorded at the exchange rate effective at the reporting date. Monetary assets and liabilities in foreign currencies are translated into the functional currency at year-end rates.

Any resulting exchange differences are recognised in the consolidated statement of profit and loss.

Foreign operations are consolidated as follows:

- The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on the acquisition, are translated into Euros at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Euro at the average exchange rates for the period when considered a reasonable approximation of the spot rate.

- Foreign currency differences are recognised in Other Comprehensive Income and accumulated in the translation reserve, except when the translation difference is allocated to non-controlling interests.

PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is stated at acquisition or construction cost, less accumulated depreciation and impairment losses or reversals.

Depreciation is charged to profit or loss on a stright-line basis over the following estimate useful lives:

- IT Equipment .... 5 years
- Furniture .... 3-5 years
- Other property, plant and equipment .... 4 years

Depreciation on property, plant and equipment begins when it is in the working condition intended by Management.

The residual value and the useful economic life of property, plant and equipment are reviewed annually and adjusted where necessary. Gains and losses arising from the sale of property, plant and equipment are recognised in the consolidated statement of profit and loss.

An asset's carrying amount is written down immediately to its recoverable amount if it is greater than its estimated recoverable amount.

INTANGIBLE ASSETS

Intangible assets are stated at cost less any accumulated amortisation and impairment losses.

Trademarks
Trademarks acquired in a business combination are recognised at fair value at the acquisition date. All trademarks have been assumed to have an indefinite life due to the absence of a foreseeable limit to the period over which the assets are expected to generate net cash inflows. They are tested annually for impairment, or whenever specific events or changes in circumstances suggest that trademarks may be impaired.

Capitalised development costs
The capitalised development costs of lastminute.com Group consist mainly of capitalised internal and external expenses for the development of its websites.

Internal and external development expenditures are capitalised if:

- they lead to new or substantially improved features on the website or other intangible assets;
- the finalisation of the development is technically and commercially feasible;
- the Group intends to complete the project and has the ability to use the new (or substantially improved) features;
- the Group has sufficient resources to complete the development; and
- the expenditure can be measured reliably.

Development expenditures that do not fulfil the above criteria are expensed as incurred.

The expenditure capitalised includes the cost of materials together with internal and external project costs as well as borrowing costs that are directly attributable to a development project.

Other Intangible Assets
Other intangible assets include customer relationships externally acquired by the Group, which based on an initial assessment, are considered intangible assets with a definite or indefinite useful life. Intangible assets with an indefinite useful life are systematically tested for impairment at each balance sheet date.

Amortisation
Amortisation of intangible assets starts on the day they are available for us and is charged to profit and loss on a straight-line basis over their estimated useful life. Those with an indefinite useful life are not amortised.
They are tested annually for impairment or whenever events or changes in circumstances indicate that trademarks may be impaired.

The estimated useful lives are as follows:

- Capitalised development cost (software): 2-5 years
- Other intangible assets: 2-4 years

The residual value and the useful economic life of intangible assets are reviewed annually and adjusted where necessary.

Gains and losses arising from the sale of intangible assets are recognised in the consolidated statement of profit and loss.

GOODWILL

At the date of acquisition and the date of control, the equity of the consolidated companies is determined by attributing to the individual assets and liabilities their fair value. The remaining difference, if any, compared to the cost of acquisition, if positive, is recorded in goodwill; if negative, after having remeasured the fair value of the acquired assets and liabilities, such difference is recognised in the consolidated statement of profit and loss. Whenever the initial recognition of a business combination can be determined only provisionally, adjustments to the initially allocated values are recognised within 12 months from the acquisition date.

IMPAIRMENT OF NON-FINANCIAL ASSETS

The carrying amount of the Group's property, plant equipment and intangible assets is reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the asset's (or the respective cash-generating units) recoverable amount, being the higher of its fair value less cost of disposal and its value in use, is estimated. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Goodwill and intangible assets with indefinite useful lives are tested for impairment at least annually.

The test is performed at the end of every year so the date of testing is the year-end closing date of the consolidated financial statements. Goodwill acquired and allocated during the year is tested for impairment at the end of the year in which the acquisition and allocation took place. Goodwill is allocated and tested at the operating segment level as it is not monitored at a lower CGU level.

Any impairment loss is recognised in the income statement whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

Impairment losses recognised in prior periods, if any, are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reviewed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. An impairment loss in respect of goodwill is not reversed.

LEASES

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability (principal) and finance cost. The finance cost is charged to profit and loss over the lease period (interest expense) to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Assets and liabilities arising from a lease are initially measured on a present-value basis. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

In applying IFRS 16, the Group has used the following practical expedients permitted by the standard:

- low-value lease: leases whose underlying asset has been evaluated less than EUR 5,000 thousand have been excluded
- short-term lease: leases for which the lessee is not reasonably certain to renew the lease beyond 12 months;
- discount rate: apply a single discount rate to a portfolio of leases with reasonably similar characteristics;
- initial direct costs: exclude initial direct costs from the measurement of right-of-use assets at the date of initial application;
- lease term: the Group used hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

Regarding the amendment to IFRS 16 related to Covid-19 rent concessions, the Group deems it not applicable at a consolidated level, since the main lease contract modifications do not meet the requirements and have been accounted for as a modification to the original contract.

FINANCIAL INSTRUMENTS

Financial assets
Financial assets are initially recognised on the trade date at fair value plus any directly related transaction costs. Subsequently, they are categorised and measured as follows:

- Derivatives, part of financial assets are measured at fair value through profit and loss, whereby changes in the fair value are immediately recognised in the consolidated statement of profit and loss within the Net financial result;

- Loans and receivables at amortised cost, whereby the difference between the issue and repayment amount is recognised in the consolidated statement of profit and loss using the effective interest method over the period to maturity;

The classification of financial assets depends on the purpose for which they were acquired. Management determines the classification at initial recognition.

Impairment of financial assets
The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

Investments
Investments are measured at fair value with changes in their value recognised in the consolidated statement of profit and loss.

Trade and other receivables
Trade and other receivables are initially measured at fair value. Subsequently to initial recognition, they are measured at amortised cost based on the effective interest rate method.

Cash and cash equivalents
Cash and cash equivalents are stated at book value that approximates the fair value. They include cash on hand, bank accounts, debit balances on credit card accounts and fixed-term deposits with a term of less than 90 days based on the original maturity date.

Financial liabilities
Financial liabilities are initially recognised at fair value less any directly attributable transaction costs. They are subsequently stated at amortised cost, whereby the difference between the issue and repayment amount is recognised in the consolidated statement of profit and loss using the effective interest method over the period to maturity.

Trade and other payables
Trade and other payables are stated initially at fair value and subsequently at amortised cost, which generally corresponds to their book value that approximates the fair value.

EMPLOYEE BENEFITS

Post-employment plans
The Group operates various post-employment schemes, including defined benefit and contribution pension plans. For defined contribution plans, the Group pays contributions to publicly or privately administered pension insurance plans on a mandatory, contractual or voluntary basis. Once the contributions have been paid, the Group has no further payment obligations. The contributions are recognised as employee benefit expenses when they are due.

Post-employment plans for employees adhere to the specific legislation of each country. Plans in Switzerland and France are categorised as defined benefit plans. In Switzerland, the pension plan is funded by both employer and employee contributions, and its funds and foundation operate independently of the Group. In France, employees benefit from the “Indemnités de Fin de Carrière” defined as a “defined benefit” plan. The Italian plan relates to the employee severance indemnity (TFR), which represents a contribution plan.

The present value of the defined benefit obligation is calculated using the Projected Unit Credit Method (PUCM). The pension fund obligations and the related plan assets are assessed annually by a qualified actuary. Current service costs and net interest on the net defined benefit liability or asset are recognised as costs. The Group determines the net interest expense by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability or asset.

Remeasurements of the net defined benefit liability, which comprises actuarial gains and losses on the defined benefit obligation and the return on plan assets (excluding interest), are immediately recognised in other comprehensive income (OCI).

When the benefits of a plan are changed or when a plan is curtailed, any resulting changes in benefits related to past service or the gain or loss on curtailment are

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immediately recognised as personnel costs. A net pension asset is recorded only if it does not exceed the present value of any economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Share-Based Payment Transactions

The Group has in place cash-settled share-based payment arrangements. The fair value of the amount payable to employees in respect of these arrangements, which is settled in cash, is recognised as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and the settlement date is based on the fair value of the rights. Any changes in the liabilities are recognised in profit or loss.

REVENUE RECOGNITION

The paragraphs below summarise the revenue recognition basis for the Group's revenue streams.

Online Travel Agency (OTA)

Within Online Travel Agency (OTA) services, the Group offers travel services on a stand-alone and package basis generally either through the merchant or the agency business model.

Merchant revenues are travel-related transactions where the Group facilitates the payments from travellers for the services provided. The Group records cash collected from travellers, which includes the amounts owed to the travel service providers and the Group's commission, and recognises revenues once the transaction with the customer is finalised.

Agency revenues are derived from travel-related transactions where the Group does not facilitate payments from travellers for the services provided, instead, the Group receives commissions from travel suppliers.

Under the merchant model, the Group's customers are represented by the travellers while in other transactions the Group's customers are the service providers. When a customer makes a booking on the webpages the Group passes the booking to the travel supplier. The Group acts as an agent or broker. Revenue from the intermediation of travel services therefore consists of the commission that represents the difference between the total amount receivable from the customer and the amount payable to the travel supplier or the related commissions

received from the travel supplier. Revenue from commissions paid by financial and commercial partners under specific revenue-sharing agreements, such as commissions received from telecom operators based on the volume of inbound calls to our premium customer service numbers, is recognised according to the information provided on their periodical statements.

OTA revenue stream is divided between B2B and B2C[14]. B2B revenues are recognised when a customer books a travel service through the Group's platforms, while B2C revenues are facilitated by white-label agreements with partners.

See below for further information on the main OTA revenue streams per each caption included in the IFRS revenues, for which reference should be made to Note 7a.

- **Revenues from sales of travel services**
  This line includes the commissions generated from the sale of hotels, flights, dynamic packages, tour operators and other OTA products, both B2B and B2C. Revenue is recognised upon transfer of control of the promised services in an amount that reflects the consideration expected to be entitled to in exchange for those services. Revenues for online travel reservation services are recognized at a point in time when the customer has completed their booking.

- **Revenues from over-commissions, kickbacks and rebates**
  The Group also receives incentives (overcommission) from its Global Distribution System (GDS) service providers based on the volume of purchases mediated by the Group through the GDS system and kickbacks from merchants. Kickbacks are the revenue share that the Group obtains from issuer banks when using some specific type of cards while purchasing travel products from suppliers. The revenues are recognised at a point in time during the year based on the agreements with the flight companies and merchants.

- **Other revenues**
  The line includes residual income received during the year, not attributable to other streams. In this caption are included, for example, government grants, if any or other income not directly related to a specific business activity.

- **Revenues from advertising revenues**
  Revenue from advertising services comprises revenue from providing advertisement banners on the Group's companies' websites and on third parties websites. Revenue derived from the delivery of advertisements is recognised either at the time of display of each advertisement or when the service is

[14] See Note 6 for further details on the difference between B2B and B2C and its impact on segment reporting.

transferred to the customer over the delivery period. Media revenues are included in revenues from advertising services line items, together with the media deals and co-marketing business (such as long-term partnerships).

- **Revenues from ancillaries**
  The Group receives commissions from the intermediation of ancillary services, such as insurance on packages sold to the customers, car services and other services such as seat selection, luggage, online check-in, priority boarding, parking and ticket for additional experiences. Revenues for ancillaries are recognised at a point in time when the customer has completed its booking.

- **Revenues post-sales**
  The Group receives commissions from the intermediation of post-sales services such as administration fees on refunds. These revenues are recognised at a point in time.

Metasearch
Metasearch revenues are recognised at the time when searches, clicks and purchases are generated by our metasearch activities. Metasearch revenues are mainly included in the revenues from sales of travel services caption. Metasearch earns revenues on both CPC (Cost Per Click) and CPA (Cost Per Acquisition). CPC is a paid advertising term where an advertiser pays a cost to a publisher for every click on an ad while CPA is a marketing metric that measures the cumulative costs of a customer taking an action that leads to a conversion.

Cruise revenues
This line includes the commissions generated from the sale of cruise services through proprietary platforms and related ancillary services. Cruise revenues are mainly included in the revenues from sales of travel services caption. Revenues from cruise commission are recognised at a point in time.

OTHER INCOME FROM EXPIRED REFUND VOUCHERS

The line includes the accounting effects of vouchers expired and not redeemed by the customers.

Depending on the cancellation policy of the booking the customers may receive a cash refund or a voucher from the Group. The refund does not change the accounting nature for the voucher issued and in accordance with IFRS 9 financial liabilities are initially measured at fair values. When the original booking is cancelled, the Group has already fulfilled its performance obligation and the traveller hasn't yet made a new booking which would give rise to a new contract under IFRS 15 and a new performance obligation as an agent.

As requested by the applicable accounting standard, the release of the liability for vouchers not used by customers is booked only at the date of expiration of the voucher and if the voucher doesn't have the right of cashback.

MARKETING COSTS

Marketing costs include both online and offline costs. Online costs (also called performance marketing costs) are variable costs linked to online marketing and advertising activities in which the Group pays marketing companies (search engines, affiliates) when a specific action is completed such as a sale, lead or click. Offline costs (also called non-performance marketing costs or brand marketing costs) are the costs sustained to improve brand awareness. Marketing costs are recognised in the consolidated statement of profit and loss when the underlying expenditure is incurred and classified as such based on their nature.

OTHER OPERATING COSTS

The Group considers "other operating costs" all the other costs that are incidental to the business. It includes, by nature, expenses that are incurred in the Group for its normal operational purposes and activities. This line includes a portion of variable costs, such as credit card processing fees and service costs, and a portion of fixed costs, such as consultancy, overhead and rent fees. Other operating costs are recognised in the consolidated statement of profit and loss when the underlying expenditure is incurred and classified as such based on their nature.

INCOME TAXES

Income tax comprises current and deferred taxes. Income tax is recognised in the consolidated statement of profit and loss except to the extent that it relates to items recognised in other comprehensive income or directly in equity (i.e. transactions with shareholders), in which case it is recognised in other comprehensive income or equity.

Deferred taxes are determined using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for the initial recognition of assets or liabilities that affect neither accounting nor taxable profit, and differences relating to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and, probably, they will not reverse in the foreseeable future. No deferred tax liabilities are recognised for taxable temporary differences upon the initial recognition of goodwill. The amount of deferred taxes is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

Deferred tax assets resulting from temporary differences and tax loss carry-forwards are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

NEW AND REVISED STANDARDS AND INTERPRETATIONS NOT YET APPLIED

The following new and revised standards and interpretations have been issued but are not yet effective and are not applied early in these consolidated financial statements. Their impact on the consolidated financial statements has not been systematically analysed yet.

Amendments	IASB Effective date	Mandatory application in the EU: annual period beginning on or after
Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (issued on 25 May 2023)	01 Jan 24	Not yet endorsed
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (issued on 15 August 2023)	01 Jan 25	Not yet endorsed
IASB and IFRS IC documents that have been endorsed	**EU Effective date**	**Date of endorsement**
Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback (issued on 22 September 2022)	01 Jan 24	20 Nov 23

Regarding the above standards, the impacts on the consolidated financial statements of the Group are expected to be additional disclosures or minor changes in the presentation of items and no impacts on the accounting treatment.

In addition to the above, the following amendments to existing standards, applicable from 1st January 2023, didn't have a significant impact on the Group's consolidated financial statements.

See below for further details:

Amendments	IASB Effective date	Mandatory application in the EU: annual period beginning on or after
• Amendments to IFRS 17 Insurance Contracts, including amendments to the initial application of IFRS 17 and IFRS 9 - Comparative information; • Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies; • Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimate; • Amendments to IAS 12 income taxes - Deferred tax related to assets and liabilities arising from a single transaction;	01 Jan 23	01 Jan 23
Amendments to IAS 1 Presentation of Financial Statements: • Classification of Liabilities as Current or Non-current Date (issued on 23 January 2020); • Classification of Liabilities as Current or Non-current - Deferral of Effective Date (issued on 15 July 2020); and • Non-current Liabilities with Covenants (issued on 31 October 2022)	01 Jan 24	01 Jan 24

International Tax Reform – Pillar Two Model Rules

Amendments to IAS 12 introduced a mandatory temporary exception to the requirements of IAS 12 under which a company does not recognise or disclose information about deferred tax assets and liabilities related to the proposed OECD/G20 BEPS Pillar Two model rules. The Group has applied the temporary exception in the Group's consolidated financial statements. The above mentioned amendment had no impact on the Group's consolidated financial statements.

NOTE 3 - CHANGES IN ACCOUNTING POLICIE

There are no significant changes in accounting policies during the year.

NOTE 4 - FINANCIAL RISK MANAGEMENT

Financial Instruments

The following table shows, for each of the periods presented, the Group's financial instruments arranged according to the categories defined by IFRS 9:

in '000 EUR	31 Dec 2023	31 Dec 2022
Non current financial assets	3,894	4,605
Current financial assets (Deposits and other)**	6,648	12,500
Trade and other receivables* (Current and Non Current)	73,160	82,650
Contract assets	11,626	8,647
Cash and cash equivalents (excl. Cash on hand)	100,006	118,490
Total financial assets measured at amortised cost	**195,334**	**226,891**
Short term and long term financial liabilities	73,703	79,752
Short term and long term lease liabilities	9,048	14,361
Trade and other payables * (Current and Non Current)	193,214	181,179
Contract liabilities	734	796
Total financial liabilities measured at amortised cost	**276,700**	**426,922**
Financial investments at fair value through profit or loss	1,846	2,520
Total financial assets at fair value through profit or loss	**1,846**	**2,520**
Financial investments at fair value through profit or loss	(1)	-
Total financial liabilities at fair value through profit or loss	**(1)**	**-**

* "Trade and other receivables/payables" do not include credit/debit VAT position and other non-cash items (as liabilities to employees) as of 31 December
** Current financial asset do not include investment at fair value through profit and loss for an amount of EUR 1,846 thousand (EUR 2,520 thousand at 31 December 2022)

For further details on Financial assets refer to Note 21.

The carrying amounts of the above listed loans and receivables including cash and cash equivalents as well as of the financial liabilities measured at amortised cost approximate the estimated fair value of these financial instruments.

With reference to the existing covenants the Group has already obtained the waiver from the bank, therefore not impacting the continuity of the financing. In addition, for evidence of the bank guarantees refer to Note 32.

Measurement of fair values

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- **Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- **Level 3:** inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Please find below a detail of financial investments measured at fair value:

in '000 EUR	Fair Value		
31 December 2023	**Level 1**	**Level 2**	**Total**
Investment at fair value	1,846	-	1,846
Derivative financial instrument liability	-	(1)	(1)
Total	**1,846**	**(1)**	**1,844**
31 December 2022	**Level 1**	**Level 2**	**Total**
Investment at fair value	2,286	-	2,286
Derivative financial instrument assets	-	234	234
Total	**2,286**	**234**	**2,520**

The amount for the year is related to the following:

- **Level 1:** the investment held in Destination Italia SpA (12.14%) for a total amount of EUR 1,846 thousand (2022: EUR 2,286 thousand)). The investment has been measured at fair value through profit and loss at 31 December 2023, leading to a finance cost for the Group of EUR 440 thousand (2022: EUR 529 thousand). The fair value of the investment in Destination Italia is calculated as follows: number of shares held multiplied by the quoted price of the share itself at the reporting date;

- **Level 2:** the Group has foreign currency forwards derivative instruments for a total negative amount of EUR 1 thousand at 31 December 2023 (2022: positive amount of EUR 234 thousand). These derivative financial instruments are classified as other current financial liabilities. These instruments are classified as financial assets/liabilities at fair value through profit and loss considering that no hedge accounting has been applied.

Financial risk management

Risk management is a fundamental element of the Group's business practice on all levels and encompasses different types of risks. At a Group level risk management is an integral part of the business planning and controlling processes. Material risks are monitored and regularly discussed with the Executive management of the Company, particularly with the Chief Financial Officer and the Chief Executive Officer. Organisational and process measures have been designed to identify and mitigate risks at an early stage.

The Group is operating in a scenario where macroeconomic events can have an important impact on the consolidated financial statements. Pandemics, conflicts, climate change, inflation and the consequences that these events have on the customer's willingness to travel and spending power are monitored by the management. The Group has reported on the impact of the macroeconomic events on each of its principal risks, as set out below.

Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented:

FY 2023

in '000 EUR	1 Jan 2023	Repayments (principal + interest)	Interests Charges	Additions	Other non cash movements	31 Dec 2023	Currency	Year(s) of maturity
Uncommitted bank loans/overdraft	28,729	(56,194)	979	78,338	126	51,978	EUR_CHF	2024
Committed bank loans	13,895	(4,458)	748	-	-	10,185	EUR	2024
Covid-19 government secured bank loans	26,852	(17,086)	508	-	-	10,274	EUR_CHF	2025-2027
Other financial liabilities	10,276	(1,079)	-	1,335	(9,265)	1,266	EUR	2024
Total	**79,752**	**(78,817)**	**2,235**	**79,673**	**(9,139)**	**73,703**		

FY 2022

in '000 EUR	1 Jan 2022	Repayments (principal + interest)	Interests Charges	Additions	Other non cash movements	31 Dec 2022	Currency	Year(s) of maturity
Uncommitted bank loans/overdraft	28,521	(33,337)	399	33,140	7	28,729	EUR	2023
Committed bank loans	17,487	(3,942)	350	-	-	13,895	EUR	2023
Covid-19 government secured bank loans	31,584	(5,807)	294	-	781	26,852	EUR_CHF	2023-2027
Other financial liabilities	2,016	(1,817)	6	1,049	9,022	10,276	EUR	2023
Total	**79,608**	**(44,904)**	**1,049**	**34,189**	**9,810**	**79,752**		

The amounts included in the tables above reconcile with the following Financial Statements Line Items: Short Term Financial Liabilities and Long Term Financial Liabilities, for both the periods presented.
The column "repayments (principal + interests)" includes the amount of principal repaid during the year (on both financing obtained during the period and financing previously obtained) and the interests paid on existing debt. The column "additions" includes the new loans and credit lines obtained during the period, including those that have been paid back during the year itself. The net amount of additions and repayments in 2023 is EUR 856 thousand. The decrease in "Other Financial liabilities" compared to FY 2022 is mainly linked to the annulment of the Freesailors Transaction, as already explained in Note 2.

The interest payments on loans in the table above reflect the market interest rates at the reporting date and these amounts may change as market interest rates change.

For further information on the lease liabilities, not included in the table above but forming part of the Net Financial Position described in Note 28, reference should be made to Note 17.

As of 31 December 2023 short term financial liabilities amount to EUR 66,327 thousand (2022: EUR 59,062 thousand) and long term financial liabilities amount to EUR 7,376 thousand (2022: EUR 20,690 thousand). The decrease in financial liabilities is mainly driven by the annulment of the Freesailors transaction, included in other liabilities. In both the 2023 financial year and the 2022 financial year, all payment obligations have been fulfilled.

During the year the Group was unable to comply with two out of three parameters of the covenants included in one loan contract, obtaining from the banks the related waiver not impacting the continuity of the financing. This loan is presented under short-term financial liabilities and amounts to EUR 10,183 thousand.

Concerning the current scenario in which the Group is operating and pictured in Note 2, the following effects on credit and liquidity risk have been considered:

a. **Failure of main supplier:** In the event of airline failure the Group must refund the customers or replace the customer's flight arrangements with a possible incremental cost of the booking. To mitigate the risk, the Group is constantly monitoring its cash and working capital position to ensure it has sufficient funds to refund/replace customer bookings. Based on that it decides to draw or reimburse the existing credit lines.

b. Recoverability of airline and hotel refunds: the cancellations have become an embedded and ordinary effect of the Group's business. The Group had to face during the year, as in the previous periods, the issue related to airlines/hotels not timely refunding flight/hotel costs related to bookings cancelled. To mitigate the risk, the Group has continued the negotiation with the main airlines to secure its receivable position. Moreover, specific considerations have been made on bad debt provision calculation. For evidence of the calculated risk refer to the paragraph related to exposure to credit risk.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's trade and bank receivables.

Transactions with customers are to a large extent processed by secured credit card payments, where the Group takes no or only limited credit risk if a customer fails to pay. On the other hand, lastminute.com Group is exposed to credit risk concentration in connection with its receivables from credit card companies and the collection of commissions from other parties. Flows from credit card transactions are managed through international leading banks. The creditworthiness of these institutions is reviewed periodically.

Due to the focus on dynamic packaging and the investment in digital rather than physical assets, the Group business model diversification means that the company is not facing typical risks of classic tour operators such as lack of flexibility in terms of periods of vacation and supplier offers. For any further information refer to Note 7a and Note 23.

As part of credit risk, the Group is subject to counterparty risk with respect to the cash and cash equivalents held on deposit with banks and foreign currency financial instruments. The Group generally deposits cash and undertakes currency transactions with highly-rated banks. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

Exposure to credit risk

The maximum credit risk exposure of the Group is limited to the carrying amounts of its financial and trade and contract assets. The maximum exposure to credit risk at the reporting date was as follows:

in '000 EUR	31 Dec 2023	31 Dec 2022
Non current financial assets	3,894	4,605
Current financial assets*	6,648	12,500
Trade and other receivables** (Current and Non Current)	73,160	82,650
Contract assets	11,626	8,647
Cash and cash equivalents (excl.cash on hand)	100,006	118,490
Total	**195,334**	**226,891**

* "Current financial assets" do not include investment at fair value through profit and loss, for an amount of EUR 1,846 thousand as required by IFRS 9 standard on impairment
** "Trade and other receivables" do not include credit VAT position and other non-cash items as at 31 December

Cash and cash equivalents are held by primary financial institutions with high credit ratings. Cash and cash equivalents at 31 December 2023 are mainly held in Euro. As it relates to deposits, as of 31 December 2023, the Group held cash in bank depository accounts of EUR 100,006 thousand (primarily in Intesa San Paolo, Corner Bank, BBVA and other primary European banks).

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The Group allocates each exposure to a credit risk grade based on data that is determined to be predictive of the risk of loss and applying credit judgement.

The expected loss rates are based on the payment profiles of sales over 36 months before 31 December 2023 or 1 January 2024 respectively and the corresponding historical credit losses experienced within this period. At each reporting date, the Group performs an analysis of loss rates which, if necessary, are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The percentages for the reporting period didn't change when compared to the previous period.

On that basis, the loss allowance as at 31 December 2023 was determined as follows:

	NOT DUE	0-30	31-90	91-180	181-360	OVER 360	TOT
Expected credit loss %	2%	3%	5%	20%	60%	100%	
Credit loss other receivable	**558**	**145**	**223**	**120**	**380**	**2,591**	**4,017**

As of 31 December 2023 the Group performed a specific assessment over trade and other receivables and has determined a bad debt provision for a total amount of EUR 4,017 thousand (EUR 3,733 thousand at 31 December 2022), of which the amount of bad debt for hotels and flights receivables is equal to EUR 271 thousand (EUR 271 thousand at 31 December 2022). Reference should be made to Note 23 for the bad debt provision movement schedule.

During the year, the Group has accounted for impairment losses on receivables (and not against the bad debt provision) for a total amount of EUR 2,829 thousand, of which EUR 2,729 thousand related to Flight and Hotel partners and EUR 100 thousand related to other receivables. For additional information please refer to Note 10 and Note 23.

Liquidity risk

Liquidity risk is the risk that the Group will face difficulties in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group meets its obligations from brokering services, in which it acts as an agent between the provider of the service and the customer. The Group maintains credit lines to meet its obligations from such brokering transactions. For other transactions, the Group maintains sufficient reserves of cash to meet its liquidity requirements at all times.

The negative working capital is inherent in the business model of online travel agencies (OTA). The gross amount of the travel services rendered to customers is cashed at the time of the booking through credit cards, while the corresponding amounts net of the OTA's margin is payable later.

As of 31 December 2023, the total amount of unused available cash credit lines for the Group was EUR 7,000 thousand (EUR 5,000 thousand at 31 December 2022). Trade and other payables are mainly due within 60 days.

The table below shows the contractual maturities of the discounted and undiscounted financial and trade liabilities of the Group at reporting date:

in '000 EUR	31 Dec 2023				31 Dec 2022			
	Not due	Less than 6 months	Between 6 month and 1 year	More than 1 year	Not due	Less than 6 months	Between 6 month and 1 year	More than 1 year
Undiscounted								
Trade and other payables	(275,464)	(13,664)	(258)	(628)	(319,303)	(11,830)	(74)	(806)
Contract liabilities	(734)	-	-	-	(796)	-	-	-
Total Undiscounted	**(276,198)**	**(13,664)**	**(258)**	**(628)**	**(320,099)**	**(11,830)**	**(74)**	**(806)**
Discounted								
Liabilities for share-based payment	(7,609)	-	-	-	(7,656)	-	-	-
Short term financial liabilities	(66,327)	-	-	-	(59,062)	-	-	-
Short term lease liabilities	(4,540)	-	-	-	(5,351)	-	-	-
Long term financial liabilities	(7,376)	-	-	-	(20,690)	-	-	-
Long term lease liabilities	(4,508)	-	-	-	(9,010)	-	-	-
Total Discounted	**(90,360)**	**-**	**-**	**-**	**(101,769)**	**-**	**-**	**-**
Total	**(366,558)**	**(13,664)**	**(258)**	**(628)**	**(421,867)**	**(11,830)**	**(74)**	**(806)**

The trade and other payables included in the not due section have a due date between 60 and 30 days. For evidence of the maturity dates of financial liabilities refer to the net debt reconciliation in the present note.

Currency risk

The Group is exposed to some currency risk mitigated by the fact that the majority of all transactions and balances are either denominated in or immediately converted to EUR.

The Group has in place forward contracts with primary financial institutions to cover currency risk. Forwards on currencies allow the Group to exchange a currency at a future date at a fixed exchange rate. Derivatives are only used for economic hedging purposes and not as speculative investments. However, as the Group elected not to apply hedge accounting, they are classified as 'held for trading' for accounting purposes only and are accounted for at fair value through profit or loss. They are presented as current financial assets to the extent they are expected to be settled within 12 months after the end of the reporting period.

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of Group companies. The functional currencies of Group companies are primarily the Euro and British Pounds. The currencies in which these transactions are primarily denominated are Euro, British Pounds, Swiss Francs and US Dollars. The currency risk is mitigated by the fact that most of the transactions are immediately converted to Euro, which is the presentation currency of the Group.

On the other hand, some of the Group's costs and investments are based upon contractually agreed payments that are denominated in CHF, e.g. some of the lease payments for office spaces or some suppliers. As of 31 December 2023, the Group's balance sheet net exposure in CHF amounted to EUR 7,784 thousand (2022: EUR 22,481 thousand). As of 31 December 2023, the Group's balance sheet net exposure in GBP amounted to EUR 53,191 thousand (2022: EUR 35,663 thousand). As of 31 December 2023, the Group's balance sheet net exposure in USD amounted to EUR 7,845 thousand (2022: EUR 8,358 thousand).

A strengthening (weakening) of the Euro against the CHF, GBP and USD of 10% at 31 December 2023 and 2022 would have affected the consolidated statement of profit and loss by the amounts shown in the table below:

in '000 EUR	31 Dec 2023		31 Dec 2022	
	Strengthening	Weakening	Strengthening	Weakening
Currency risk sensitivity in CHF	(679)	679	(2,044)	2,044
Currency risk sensitivity in GBP	(4,836)	4,836	(3,239)	3,239
Currency risk sensitivity in USD	(1,428)	1,428	(911)	911

This analysis is based on foreign currency exchange rate variances on the balance sheet position of year-end the Group, considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant and ignore any impact of forecast sales and purchases.

Interest Rate Risk

Interest rate risk refers to the potential for fluctuations in interest rates to impact the Group's financial performance. The changes in the fair value of fixed-rate bond investments (which are part of both short and long-term financial liabilities) resulting from changes in interest rates have an insignificant effect on the consolidated statement of profit and loss.

As of 31 December 2023, the Group has short term financial liabilities of EUR 66,327 thousand (31 December 2022: EUR 59,062 thousand) and long-term financial liabilities of EUR 7,376 thousand (31 December 2022: EUR 20,690 thousand). An amount of EUR 14,298 thousand (of which EUR 6,976 thousand is classified as long term) is regulated by variable interest rates. The Group periodically monitors the fluctuation of the interest rates and due to the good capability in the cash management, recent increases in interest rates will not have any material impact on the consolidated financial statements.

The Group has cash and cash equivalents (excluded cash on hand) with variable interest rates for the amount of EUR 100,006 thousand (31 December 2022: EUR 118,490 thousand). See also Note 25 for further details.

As of 31 December 2023, the interest risk is related to the cash and cash equivalents with variable interests but also related to loans and bank overdrafts with variable interest rates. Taking into consideration the interest rates applied by the financial counterparts of the Group, a reasonable possible change in the interest rates of cash and cash equivalents, which is expected to be maximum equal to 1%, would not have a material impact on the consolidated statement of profit and loss.

Price Risk

Due to the nature of the business, price risk is considered not significant for the Group.

NOTE 5 - CHANGES IN THE SCOPE OF CONSOLIDATION

Business combinations

During the year there were no business combinations.

Other events of the period

Epico Viajes SL

In June 2023 the equity investment in Epico Viajes SL was impaired, considering the inactivity of the Company. The total impact of the derecognition of the investment is EUR 156 thousand, affecting the Net financial result. See Note 11 and 22 for further information.

Menastar DMCC

In April 2023 the Group signed a joint venture agreement for the incorporation of Menastar DMCC. The long-term goal of the Group with this investment is to develop the OTA business in the Middle East. At the moment the Company is active, but the amount to be invested by the Group has not been paid yet (the Company has been operating since September 2023 and is fully owned by the other shareholders). This operation will likely be finalised during 2024, hence the investment has not been included in the consolidation perimeter.

NOTE 6 - SEGMENT INFORMATION

As defined by IFRS 8, an operating segment is a component of an entity:

- that engages in business activities from which it may earn revenues and incur expenses;
- whose operating results are regularly reviewed at the entity's chief operating decision maker;
- for which discrete financial information is available.

Management is determining operating segments based on the information reviewed by the Group CEO and the Leadership Team, which includes the Group's top management. The accounting standard IFRS 8 doesn't specify the drivers that lead to a change in the operating segments but provides a guideline to be followed. In particular, when there is a change in the budgeting process and a change in the way the figures are presented to external stakeholders, it's worth noting that this could trigger a change in the operating segment's representation.

Starting from the second half of the financial year 2023, the Group management has decided to adopt a new reporting view when it comes to the internal and external disclosure of main business KPIs. In particular, from a segment perspective, the old segregation between OTA/Metasearch/Other has been replaced by a view based on the sale channel (Business to Business/Business to Consumer, also called B2B/B2C). As such, for FY 2023 the Group decided to change from the old view to the new one. As a consequence, comparative figures have been restated.

In particular, the new operating segment B2C includes the following products/revenue streams:

- OTA core products, such as Dynamic Packages, Flights, Hotels, and Tour Operator;
- Cruise business as a whole;
- Other minor products, such as cars, experience.

The new operating segment B2B includes

- Meta business unit;
- Media;
- Long-term partnerships (affiliations, white-label, gift cards, corporate rewards).

Based on an internal assessment, the above mentioned new representation of the business KPIs doesn't change the way the Group identifies the Cash Generating Units; see Note 20 for further information on this matter.

lastminute.com CEO and the Board of Directors assesses the performance of the operating segments based on a measure of "Adjusted EBITDA" effects:

in '000 EUR	31 Dec 2023				31 Dec 2022*			
	B2B	B2C	Corporate Cost	Total	B2B	B2C	Corporate Cost	Total
Managerial Revenues**	**125,479**	**195,805**	**-**	**321,284**	**106,049**	**195,711**	**-**	**301,760**
Previous year adjustments				**1,866**				**91**
Expired refund vouchers				**(10,231)**				**(9,885)**
Other costs/income incidental to operating activities				**4,220**				**1,844**
Government grants				**-**				**550**
Consolidated IFRS Revenues***	**123,342**	**193,797**	**-**	**317,139**	**103,230**	**191,131**	**-**	**294,361**
OLD Adjusted EBITDA****	**19,998**	**31,923**	**(11,151)**	**40,770**	**19,670**	**26,750**	**(8,740)**	**37,680**
Cancellations effects				**(12,091)**				**(18,557)**
Expired voucher not Covid-19 related				**8,764**				**12,394**
Previous year adjustments				**2,277**				**(395)**
Adjusted EBITDA	**18,955**	**31,916**	**(11,151)**	**39,720**	**17,344**	**22,518**	**(8,740)**	**31,122**
Long term incentive plans				(3,012)				6,280
Consultancy				(4,172)				(838)
Other costs/income incidental to operating activities				(2,227)				(529)
Restructuring costs				(2,784)				(462)
Local WHR ("Working Hour Reduction") Investigation				(785)				(35,001)
IFRS 16				4,924				4,147
Consolidated EBITDA				**31,664**				**4,719**
Depreciation, amortisation and impairment				(17,970)				(15,336)
Profit/(loss) before Interest and Income Tax				**13,694**				**(10,617)**

* Comparative figures have been restated considering the new segment reporting. The old segregation between OTA/Metasearch/Other has been replaced by a reporting view based on the sale channel (Business to Business/Business to Consumer, also called B2B/B2C).
** The comparative figures related to segment revenues ("managerial revenues") have been restated due to the changes in the way the Groups treats the effects of the cancellation. Cancellations are now considered an embedded and ordinary effect of the business and as a consequence managerial revenues are presented including the cancellations effects.
*** Consolidated IFRS Revenues include the margins generated by the group revenue streams that are accounted for following IFRSs and include the extraordinary effects of previous years' adjustments, government grants and other minor effects, if any. Further explanation can be found in Note 7a.
**** The former Adjusted EBITDA, including cancellations and previous years' adjustments has been disclosed to ensure comparability of the figures presented.

In 2023 the Group modified the way it defines the Adjusted EBITDA, to be consistent with the competitors, considering that the cancellations have become an ordinary and embedded effect of the business. As such, also previous years' adjustments, being mostly related to the Group's business activities, are represented as ordinary effects. As such, the Group defines "Adjusted EBITDA" as "Consolidated EBITDA" (EBITDA stands for Earnings Before Interest, Tax, Depreciation, Amortisation) adjusted for the effects of long term incentive plan costs and other income and costs considered by management as incidental to operating activities, such as those related to acquisitions, litigations and restructuring. The reconciling amounts include also the accounting effects of other IFRS principles (i.e. IFRS 16, IAS 19).

Below you can find a detailed explanation of the cancellations and previous years' effects of the year, previously disclosed as a reconciling item between the former Adjusted EBITDA ("OLD Adjusted EBITDA") and "Consolidated EBITDA" but now included in the new definition of "Adjusted EBITDA":

- Net Cancellations effect during the period had a negative impact of EUR 3,327 thousand on the consolidated statement of profit and loss, with main effects on revenues, personnel cost and other operating costs. The amount includes the following negative cancellations effects: EUR 10,898 thousand related to cancellations via cash or voucher of the current and the previous year, EUR 2,423 thousand related to personnel variable cost involved in cancellations management, EUR 268 thousand related to other Covid-19 related effects, and EUR 2,703 thousand related to bad debts on flight and hotel. The amount also includes the following positive effects, such as the release of the provision for future cancellations (EUR 3,835 thousand) and a positive effect of EUR 366 thousand related to Fullflex. The total amount previously disclosed is partially offset by the positive effects coming from the vouchers not redeemed, included in the FSLI Other income from expired refund vouchers (EUR 8,764 thousand).

- Previous year adjustments are related to the net effects of income and costs accounted for during the year which had been provided in the previous years on an accrual basis;

With reference to the reconciling items between "Adjusted EBITDA" and "Consolidated EBITDA", please find below a detailed explanation:

- "Long term incentive plans" effects includes both the remeasurement of incentive plans in accordance with IFRS 2 and the exit costs of the period; reference should be made to Note 16 and Note 9;

- "Consultancy" includes advisory costs and legal costs that are not related to the ordinary business activities;

- "Other costs/income incidental to operating activities", includes miscellaneous effects not related to the ordinary business or non recurring business related;

- "Restructuring costs" such as termination benefits and other garden leave costs, mainly linked to the changes in the Group's top management during the year;

- "Local WHR ("Working Hour Reduction") Investigation" is related to consultancies or legal expenses incurred during the year by the employees and directors involved, in connection with the investigation on Swiss started in July 2022 and already mentioned in Note 2;

- "IFRS 16" is related to the accounting requirements on lease contracts, in particular the reversal of other operating costs and personnel costs in accordance with the applicable accounting standard.

Total amount of depreciation, amortisation and impairment as of 31 December 2023 is EUR 17,970 thousand, including the depreciation charge on right-of-use assets for which reference should be made to Note 17. The amount includes the impairment losses recognised during the year for the deprecated capitalised projects, for an amount of EUR 1,114 thousand, which are related to the segment OTA. For further details, a reference should be made to Note 19.

The tables below describe the Group's non-current assets, excluding right-of-use assets, financial instruments, investments in equity-accounted investees and deferred taxes, based on the geographic location and operating segments of the assets as of 31 December 2023 and 2022:

in '000 EUR	2023	2022
Spain	78,302	78,386
France	38,963	38,210
Switzerland	77,482	68,112
Germany	13,238	13,267
Others	15,663	15,177
UK	4,161	4,434
Total	**227,808**	**217,586**

in '000 EUR	2023	2022*
B2B	103,868	99,835
B2C	123,941	117,751
Total	**227,808**	**217,586**

* Comparative figures related to segmented assets have been restated considering the new segment reporting. The old segregation between OTA/Met search/Other has been replaced by a reporting view based on the sale channel (Business to Business/Business to Consumer, also called B2B/B2C).

Please find below the reconciliation of non-current assets included in the analysis mentioned above with totalnon-current assets coming from consolidated balance sheet:

in '000 EUR	2023	2022
Property, plant and equipment	2,361	2,631
Intangible assets	165,031	154,537
Goodwill	60,416	60,418
Sub-total	**227,808**	**217,586**
Right-of-use assets	8,043	13,218
Non-current financial assets	3,894	4,605
Investments in equity accounted investees	1,388	1,308
Deferred tax assets	19,745	19,613
Total non-current assets	**260,878**	**256,330**

NOTE 7A - REVENUES

The Group generates revenues primarily from the sale of travel services to its customers, including ancillary and post-sales services. The table below shows revenues for 2023 and 2022:

in '000 EUR	2023	2022
Revenue from sales of travel services	137,622	87,670
Revenue from overcommission, kickback and rebate	98,139	124,806
Other revenues	57,690	60,910
Revenue from advertising services	16,316	13,994
Revenue from ancillaries	5,565	5,209
Revenue post sales	1,805	1,771
Total	**317,139**	**294,360**

In 2023 total revenues increased by EUR 22,779 thousand (+7.7%), from EUR 294,360 thousand to EUR 317,139 thousand.

Revenues from sales of travel services include the margins generated through new bookings and bookings made with vouchers previously issued (also called rebookings). In fact, based on the applicable accounting standard (IFRS 15) margins from voucher utilisation are recognised at the time of the new booking. The positive variation is driven by the increase in Gross Travel Value and Average Booking Value during the year driven by the shift to a product mix with higher profitability. Revenue growth was mainly driven by Dynamic Packages, representing the leading product of the Group in terms of marginality.
The decrease in revenues from ancillaries is mainly linked to a mix of factors. One of the main products included in this category is insurance on flight-only bookings. The overall reduction in flight volumes and the mix shift towards Dynamic Packages led to lower revenues generated by this product. Similarly, the revenues generated by baggage, which is the other main product presented in this caption, is lower as a consequence of the overall reduction in bookings year on year.

In the following table, revenue is disaggregated by primary geographical market, major products/service lines and timing of revenue recognition. The table also includes a reconciliation of the disaggregated revenue with the Group's strategic divisions, which are its reportable segments.

in '000 EUR	B2B		B2C		TOTAL	
	2023	2022*	2023	2022*	2023	2022*
Primary geographical markets						
Italy	21,004	14,872	30,152	28,211	51,155	43,082
Spain	7,861	6,599	15,268	17,684	23,128	24,283
UK	22,727	18,024	52,652	50,789	75,379	68,813
France	15,690	15,371	34,513	32,242	50,203	47,613
Germany	34,248	29,564	31,921	34,069	66,169	63,633
Others	21,812	18,800	29,292	28,137	51,104	46,937
Total	**123,342**	**103,230**	**193,798**	**191,131**	**317,139**	**294,360**
Major products/service lines						
Flight	335	3	81,301	107,758	81,635	107,761
Dynamic Holiday Packages	68,673	50,681	82,770	53,923	151,443	104,604
Hotel	1,251	1,341	11,893	12,070	13,144	13,412
Tour operator	11,947	10,695	12,229	13,090	24,176	23,785
Cruises	-	-	5,172	3,533	5,172	3,533
Other OTA services	14,734	8,597	-	-	14,734	8,597
Metasearch	19,526	25,287	-	-	19,526	25,287
Media	6,023	5,524	-	-	6,023	5,524
Other revenue	854	1,102	433	756	1,286	1,858
Total	**123,342**	**103,230**	**193,798**	**191,131**	**317,139**	**294,360**

* Comparative figures have been restated considering the new segment reporting structure. The old segregation between OTA/Metasearch/Other has been replaced by a reporting view based on the sale channel (Business to Business/Business to Consumer, also called B2B/B2C).

Geographical Information

The Group categorises its geographical markets by the countries for which its websites are localised through language and other elements. As websites in a specific language are accessible from any location, individuals residing outside of a country can use these websites as well. Products are not delivered to physical addresses, and the locations of users' ISPs (IP addresses) and the banks issuing customers' credit cards do not identify users' locations with certainty. Therefore, a split of revenues based on customers' location is not available. However, Group management believes that the majority of the customers booking through the Italian, UK, Spanish, German and French websites are located, respectively, in Italy, UK, Spain, Germany and France.

Major Customers

Revenues of the Group are generated by numerous different transactions of limited value. There is not a single customer that accounts for more than 10% of total consolidated revenues.

NOTE 7B - OTHER INCOME FROM EXPIRED REFUND VOUCHERS

in '000 EUR	2023	2022
Other income from expired refund vouchers	10,729	13,270

The line includes the revenues related to vouchers issued and expired but not used by the customers. Only vouchers with no cashback conversion have been released to profit and loss. As requested by the applicable accounting standard (IFRS 15), the release of the liability for vouchers not used by customers is booked only at the date of expiration of the voucher and if the voucher doesn't have the right of cashback.

The variation is linked to the lower impact of cancellations in the past 12 months; the lower stock of vouchers issued had, as a consequence, a reduction in the impact of vouchers not redeemed by the Group's customers.

NOTE 8 - MARKETING COSTS

The table below shows marketing costs for the Group for 2023 and 2022:

in '000 EUR	2023	2022
Online costs	114,816	120,386
Offline costs	12,457	9,645
Total	**127,273**	**130,031**

Marketing costs decreased by EUR 2,758 thousand (-2.1%) from EUR 130,031 thousand in 2022 to EUR 127,273 thousand in 2023. Online costs are back to pre-pandemic levels due to business recovery but lower than in 2022 due to higher efficiency in marketing expenditure; offline costs increased during the period as the Group continued the partnership agreement with the Tour de France and London Eye and signed new agreements in the Cruise business.

Marketing costs as a percentage of revenues decreased in 2023 compared to 2022 (40.1% in 2023 versus 44.2% in 2022). The lower incidence is mainly explained by the higher efficiency reached in the marketing spend. Overall, the marketing expenditure is similar compared to 2022 but the optimisation in the marketing spend in the OTA core perimeter, reached thanks to a more controlled marketing strategy, led to a lower contribution on revenues year on year. In online spending, the biggest efficiency has been reached in the SEM (Search Engine Marketing) channel thanks to a maximisation of the ROAS[15] Ante Marketing cost/Marketing expenditure, per booking.

In terms of offline marketing costs, the investments of the year are mainly related to Tour de France and London Eye sponsorships (as already done in 2022), with a higher investment in influencer and celebrity marketing, in particular in the Cruise business. Regarding the core business (OTA), the Group has reduced the investments in TV campaigns compared to 2022.

[15] Return On Ad Spend (ROAS) is a marketing metric that measures the efficacy of a digital advertising campaign, showing how much a business earns in revenue for every Euro spent on marketing or advertising.

NOTE 9 - PERSONNEL COSTS

The table below shows Personnel costs for the Group for 2023 and 2022:

in '000 EUR	2023	2022
Wages and salaries	58,959	80,166
Social security charges	14,719	11,589
Expenses relating to defined benefit plans	997	1,042
Other personnel costs	3,807	1,478
share-based payments	3,012	(6,280)
Total	**81,493**	**87,995**

Personnel costs decreased by EUR 6,502 thousand (-7.4%) from EUR 87,995 thousand in 2022 to EUR 81,493 thousand in 2023.

The variance is due to the combined effects of:

- In 2022 Wages and salaries included the cost for the Covid-19 subsidies repaid to the Swiss authorities for EUR 29,531 thousand. Without that extraordinary effect, the wages and salaries would have been higher for EUR 23,029 thousand mainly due to higher average salaries and higher averaged full-time equivalents (FTE) during the period;

- An increase in Social security charges due to the increase in headcount and salaries during the period;

- Increase in share-based payment costs linked to the measurement and remeasurement of the plans in scope and the costs for the exit of former participants.

Personnel costs as a percentage of revenues in 2023 decreased compared to 2022 (25.7% vs 29.9%).

Costs for wages and salaries of EUR 17,597 thousand (2022: EUR 13,531 thousand) have been capitalised as development costs (refer to Note 19 for further details). Wages and salaries capitalised as development costs refer specifically to employees working on such development.

Expenses relating to defined benefit plans decreased by EUR 45 thousand (-4.3%) from EUR 1,042 thousand in 2022 to EUR 997 thousand in 2023.

Details about expenses/(income) relating to defined benefit plans under the scope of IAS 19 are disclosed in Note 15, including a positive amount of EUR 157 thousand for the effects of IAS 19 valuation. The remaining amount of EUR 1,154 thousand accounted for in the consolidated statement of profit and loss as Personnel cost is related to both unfunded employee benefit liabilities and pension scheme costs not qualified as defined benefit plans under the scope of IAS 19.

Other personnel costs increased by EUR 2,329 thousand (>100%) from EUR 1,478 thousand in 2022 to EUR 3,807 thousand in 2023. The variance is mainly due to the higher amount accounted for termination benefits in 2023 (EUR 1,768 thousand in 2023 compared to EUR 115 thousand in 2022).

Share-based payments for a negative amount of EUR 3,012 thousand (2022: positive amount of EUR 6,280 thousand) are mainly related to the costs for the exit of some employees during the year (EUR 2,267 thousand in 2023 while EUR 1,382 in 2022) and the measurement and remeasurement of the liability towards employees (negative amount for EUR 744 thousand in 2023 while positive amount EUR 7,662 thousand in 2022). The costs for the exit of the employees have been accounted for against financial assets or employee benefits liabilities. For further details on expenses related to cash-settled share-based payment liabilities please refer to Note 16.

The average number of staff employed by the Group in 2023 amounted to 1,641 headcounts (2022: 1,381).

The table below shows the Group's headcount split at the end of 2023 and 2022:

Units	2023	2022*
IT	454	467
Sales	153	124
Administrations	201	189
Marketing	83	124
Operations	758	691
Management	3	4
Total	**1,652**	**1,599**

* Comparative figures related to the "IT" and "Operations" departments have been restated to reflect an internal change in the classification of telesales operators.

The table above includes the following categories: employees (permanent and fixed-term) and interns and doesn't include direct contractors and consultants.

Compared to the figures presented in the Sustainability Report, the headcount presented for 2023 is including 1 intern and 7 people who resigned on 31.12.

NOTE 10 - OTHER OPERATING COSTS

The table below shows other operating costs for the Group for 2023 and 2022:

in '000 EUR	2023	2022
Credit card processing fee	25,892	24,919
Fees for advisory, legal and other services	14,748	12,522
Call center operation costs	6,512	8,400
Expense for operating leases	440	561
IT fix costs	3,339	2,875
Office fix costs	972	875
Overhead	5,939	4,303
Service costs	24,476	23,995
Other operation costs	1,897	2,134
Losses and allowance for doubtful accounts	3,223	4,300
Total	**87,438**	**84,885**

Total other operating costs increased by EUR 2,553 thousand (+3.0%) from EUR 84,885 thousand in 2022 to EUR 87,438 thousand in 2023. The increase in credit card processing fees and fees for advisory, legal and other services is partially offset by the reduction of the call centre operation costs. See below the most relevant explanations split by categories:

"Credit card processing fee" increased by EUR 972 thousand (+3.9%) from EUR 24,919 thousand in 2022 to EUR 25,892 thousand in 2023 due to higher transaction volumes processed during the year linked to the increased number of bookings. Acquiring costs are those costs incurred with financial institutions that process credit card transactions on behalf of the merchant.

"Fees for advisory, legal and other services" increased by EUR 2,225 thousand (+17.8%) from EUR 12,522 thousand in 2022 to EUR 14,748 thousand in 2023. Most of the increase is related to the consultancy and legal costs the Group incurred in connection with the strategic process review started after the investigation and the advisors that have been involved in ordinary and extraordinary projects during the year.

"Call Centre operation costs" decreased by EUR 1,888 thousand (-22.5%) from EUR 8,400 thousand in 2022 to EUR 6,512 thousand in 2023 as a consequence of the investments made in the development of the internal customer service held during 2022.

"IT fix costs" increased by EUR 464 thousand (+16.1%) from EUR 2,875 thousand in 2022 to EUR 3,339 thousand in 2023. The increase is mainly due to the increase in cloud Infrastructure.

"Overhead costs" increased by EUR 1,636 thousand (+38.0%) from EUR 4,303 thousand in 2022 to EUR 5,939 thousand in 2023. These costs are mainly referred to insurance costs, travel expenses and other taxes not income-related.

"Services costs" increased by EUR 482 thousand (+2%) from EUR 23,995 thousand in 2022 to EUR 24,476 thousand in 2023 and are mainly referred to licence costs and fraud fees incurred. Being mostly a variable cost, its increase is linked to the growth of the Gross Travel Value cashed in by the Group.

"Other operation costs" decreased by EUR 237 thousand (-11.1%) from EUR 2,134 thousand in 2022 to EUR 1,897 thousand in 2023 and include residual costs incidental to the business, operational taxes not income-related and but also the allowance and the release for other provisions.

"Losses and allowance for doubtful accounts" decreased by EUR 1,077 thousand (-25.1%) from EUR 4,300 thousand in 2022 to EUR 3,223 thousand in 2023 and includes the losses on irrecoverable trade receivables and the net effect of the movements in bad debt provision of the period, please refer to Note 23 for further details.

NOTE 11 - GAIN/(LOSS) FROM DISPOSAL OF IN.V.ESTMENTS AND OTHER ASSETS

The table below shows the gain/(loss) from disposal of investments and others for the Group in 2023 and 2022:

in '000 EUR	2023	2022
Net loss from disposal of investments	(156)	-
Net loss from disposal of assets	-	(1)
Total	**(156)**	**(1)**

In 2023 the Group has impaired the investment in Epico Viajes SL, for a total cost of EUR 156 thousand. Please refer to Notes 5 and 22 for further information.

NOTE 12 - FINANCE INCOME AND COSTS

The table below shows the net finance income and costs for the Group in 2023 and 2022:

in '000 EUR	2023	2022
Net FX exchange income	902	-
Other finance income	6	-
Total Finance Income	**909**	**-**
Net loss on investments classified as at fair value through profit or loss	(440)	(529)
Net FX exchange losses	-	(959)
Interest expenses	(3,281)	(1,646)
Other finance costs	-	(87)
Total Finance Cost	**(3,721)**	**(3,221)**
Total Finance Income and Costs	**(2,813)**	**(3,221)**

In 2023 total finance income and costs decreased from a net loss of EUR 3,221 thousand in 2022 to a net loss of EUR 2,813 thousand in 2023.

During the year, the investment in Destination Italia Spa led to a cost of EUR 440 thousand (EUR 529 thousand as of 31 December 2022) due to the drop in the share price. Please refer to Note 4 for further details on the fair value measurement.

The increase in interest expenses is mainly linked to higher costs for the loans subject to variable interest rates, while interests on lease liabilities are in line with the previous period.

During the year, the Group benefited from the positive effects of the exchange rates on the Group's net balance sheet positions (an exchange gain of EUR 902 thousand in 2023 compared to an exchange loss of EUR 959 thousand in 2022).

NOTE 13 - INCOME TAXES

Components of income tax expenses

The table below shows the composition of income tax expenses / (income) for 2023 and 2022:

in '000 EUR	2023	2022
Current income taxes	2,858	2,868
Deferred taxes	1,055	(1,540)
Total	**3,912**	**1,328**

In 2023 the Group's consolidated income tax amounted to EUR 3,912 thousand, compared to EUR 1,328 thousand in 2022 with a variation of EUR 2,584 thousand. The difference is mainly due to higher earnings before taxes leading to higher accrual for current income taxes and higher utilisation of previously recognised deferred tax assets, partially net by the recognition of losses not previously recognised. It should be noted that the deferred taxes have been negatively impacted by the write-down done in Switzerland as a consequence of the reduction in tax rate enacted for the coming years which implies a devaluation of the assets.

Income taxes recognised in other comprehensive income (OCI)

The table below shows the composition of income tax expense/(income) recognised in other comprehensive income (OCI) for 2023 and 2022:

in '000 EUR	2023	2022
Income taxes on remeasurements of the Employee benefits liability	(138)	450
Total income taxes recognised in the period in OCI	**(138)**	**450**

See Note 15 for further details on the movements of the employee benefits liability.

Reconciliation of effective income tax expenses

The table below shows the Group tax rate reconciliation for 2023 and 2022:

in '000 EUR	2023 (%)	2023	2022 (%)	2022
Profit (loss) before taxes from continuing operations		10,883		(13,811)
The Group's expected weighted average rate is 26,8% (2022: 18.5%)				
Income tax based on the Group's expected weighted average tax rate	26.8%	(2,916)	18.5%	2,568
Difference in overseas tax rates	1.7%	(186)	0.5%	64
Current-year tax losses for which no deferred tax assets are recognised	20.1%	(2,188)	-56.3%	(7,772)
Non deductible expenses	0.3%	(31)	-2.2%	(299)
Tax-exempt income	-0.9%	102	4.1%	562
Effect of change in tax rate on deferred taxes	21.2%	(2,304)	0.0%	-
Recognition of previously unrecognised tax losses	-34.0%	3,703	25.0%	3,457
Recognition of previously unrecognised deductible temporary difference	-0.8%	86	2.1%	284
Other	3.1%	(341)	-0.1%	(16)
Changes in estimates related to prior years	-1.5%	163	0.0%	-
Utilisation of DTA previously recognised	0.0%	-	-1.3%	(174)
Income Tax (expense)/benefit for the Group		**(3,912)**		**(1,328)**

Deferred tax assets & liabilities

In respect of unrecognised deferred tax assets, as of 31 December 2023, tax losses carried forward of around EUR 71,921 thousand exist (2022: EUR 69,863 thousand).

These losses can be offset against future operating profits. EUR 29,905 thousand will expire within 10 years, while the remaining part has no expiring date.

Deferred tax assets and liabilities accounted for in the balance sheet are attributable to the following categories:

in '000 EUR	31 Dec 2023		31 Dec 2022	
	Assets	Liabilities	Assets	Liabilities
Trade receivables	-	(350)	-	(269)
Property, plant and equipment	19	-	5	-
Intangible assets	-	(29,575)	-	(28,604)
Employee benefits liability	1,153	-	868	-
Provision	2	-	24	-
Losses carry-forward	18,354	-	18,472	-
Other	217	-	243	-
Deferred Tax assets (liabilities)	**19,745**	**(29,925)**	**19,613**	**(28,873)**

In 2023 compared to 2022, deferred tax assets increased by EUR 132 thousand mainly due to the combined effect of recognition of deferred tax assets on losses of the period and the utilisation of previously recognised deferred tax assets.

As of 31 December 2023 management recognised deferred tax assets on losses of the period for EUR 18,354 thousand (2022: EUR 18,472 thousand) based on its estimates of future taxable profits. Management considers it probable that future taxable profits will be available against which such losses can be used.

The main portion of deferred tax assets is related to losses that may be carried forward for a period between seven years and indefinitely after the year in which the losses did occur. Every year specific limits may apply to their utilisation based on the applicable local legislation.

Deferred tax liabilities increased during 2023 by EUR 1,052 thousand mainly due to temporary differences in the amortisation of intangible assets.

The movement in the net deferred tax assets / (liabilities) during 2023 and 2022 was as follows:

in '000 EUR	1 Jan 2023	Recognised in Profit or Loss	Recognized in OCI	Other movements	31 Dec 2023
Net deferred tax assets/(liabilities)	(9,260)	(1,055)	138	(4)	(10,180)
Total	**(9,260)**	**(1,055)**	**138**	**(4)**	**(10,180)**

in '000 EUR	1 Jan 2022	Recognised in Profit or Loss	Recognized in OCI	Other movements	31 Dec 2022
Net deferred tax assets/(liabilities)	(10,312)	1,540	(450)	(38)	(9,260)
Total	**(10,312)**	**1,540**	**(450)**	**(38)**	**(9,260)**

Current tax assets & liabilities

As of 31 December 2023, the total net position relating to "current tax assets & liabilities" amounts to a liability of EUR 2,192 thousand (2022: EUR 2,404 thousand). Tax liabilities may arise also in those countries where the Group recognised deferred taxes on losses carried forward because of specific thresholds that limit the utilisation of those losses.

NOTE 14 - EARNING PER SHARE

Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to the shareholders of the Group by the weighted average number of ordinary shares outstanding during the period. The denominator is calculated by adjusting the shares in issue at the beginning of the period by the number of shares bought back or issued during the period, multiplied by a time-weighting factor. For evidence of the movements in the treasury share reserve during the period, if any, reference should be made to Note 26.

The table below shows basic earnings per share for 2023 and 2022:

	2023	2022
Profit /(Loss) for the period attributable to the shareholders of lastminute.com N.V. (in Eur/000)	6,958	(15,167)
Profit/ (Loss) attributable to the obligation of repurchasing of indirect shares from minority shareholders	-	(1,003)
Profit / (Loss) attributable to ordinary shares	**6,958**	**(14,164)**
Weighted-average number of ordinary shares outstanding during the year (in thousand)	10,684	10,364
Basic earnings /(loss) per share	**0.65**	**(1.37)**

The denominator used in the above computation has been calculated in the following way:

Number of shares (in thousand of units)	2023	2022
Issued ordinary shares at 1 January	11,664	11,664
Treasury shares hold	(980)	(879)
Ordinary shares outstanding at 1 January	**10,684**	**10,785**
Effects of indirect purchase of shares from minority investors	-	(357)
Effects of other indirect acquisition of shares	-	(9)
Effects of share buy back of the year	-	(55)
Weighted-average number of shares (Basic) at 31 December	**10,684**	**10,364**

Diluted earnings per share

Diluted earnings per share is calculated by dividing the profit attributable to the shareholders of the Group by the weighted average number of ordinary shares outstanding during the period plus the effect of the share options in issue. If negative earnings per share (loss) are reported, no anti-dilutive effect may be taken into account (IAS 33.41). Thus fully diluted earnings per share are equal to basic earnings per share.

The table below shows diluted earnings per share for 2023 and 2022:

	2023	2022
Profit /(Loss) attributable to ordinary shares	6,958	(14,164)
Weighted-average number of ordinary shares outstanding during the year (in thousand)	10,684	10,364
Diluted earnings per share	**0.65**	**(1.37)**

The denominator used in the above computation has been calculated in the following way:

Number of shares (in thousand of units)	2023	2022
Weighted-average number of ordinary shares (Basic)	10,684	10,364
Effect of share options in issue	-	-
Weighted-average number of shares (Diluted) at 31 December	**10,684**	**10,364**

EPS takes into account the Company's ordinary shares, whereas diluted EPS takes into account all convertible securities, such as convertible bonds or convertible preferred stock, which are changed into equity or common stock. Considering that the Group doesn't have share options in issue, no difference between ordinary and diluted EPS.

NOTE 15 - EMPLOYEE BENEFITS

The table below shows employee benefits liabilities as of 31 December 2023 and 2022 for the Group:

in '000 EUR	Notes	31 Dec 2023	31 Dec 2022
Net defined benefit liabilities	15	4,693	3,901
Cash-settled share-based payment liabilities	16	7,609	7,656
Total employee benefit liabilities (short and long term)		**12,302**	**11,557**

Cash-settled share-based payment liabilities are in line with the previous period and include both the liability for remeasurement and the contributions of the employees who entered in the plans, for those plans where an initial capital contribution is required. For further information see Note 16. The increase in Net defined benefit liabilities is mainly related to the change in financial assumptions applied to pension plans valuation. See below for further details.

Net defined benefit liabilities are described as follows.

Characteristics of defined benefit plans and risks associated with them

The Swiss pension plan is governed by the Swiss Federal Law on Occupational Retirement, Survivors and Disability Pension Plans (BVG), which stipulates that pension plans are to be managed by independent, legally autonomous units. The assets of the pension plan are held within a separate foundation and cannot revert to the employer. Pension plans are overseen by a regulator as well as by a state supervisory body.

The Swiss Group entities, starting from 2020, are affiliated with the "BVG-Sammelstiftung Swiss Life" and "Swiss Life Collective Foundation for Complementary Pensions", which is a collective foundation administering the pension plans of various unrelated employers. The pension plans of the Swiss Group entities are fully segregated from the ones of other participating employers.

The most senior governing body of the collective foundation is the Board of Trustees. All governing and administration bodies have an obligation to act in the interests of the plan participants.

Plan participants, their spouses and children are insured against the financial consequences of old age, disability and death. Their benefits are defined in pension plan rules compliant with the BVG, which specifies the minimum benefits that are to be provided. Retirement benefits are based on the accumulated retirement capital which can either be drawn as a life-long annuity or as a lump sum payment. The annuity is calculated by multiplying the retirement capital with the currently applicable conversion rate. The accumulated retirement capital is made of the yearly contributions towards the old age risk by both employer and employee and the interest thereon until retirement. Contributions towards the old age risk are based on the rules defined by the Board of Trustees of the collective foundation. Minimum contributions and interests are defined by the BVG and the Swiss Parliament. In 2023 the minimum interest was 1.0% (1.0% also in 2022).

According to IAS 19, the Swiss pension plan is classified as a "defined benefit" plan. All actuarial risks of the plan, e.g. old age, invalidity and death or investment are fully covered by insurance. However the collective foundation can withdraw from the contract with the Group at any time, the reason why the plan is classified as a “defined benefit” plan.

The insurance company bearing the investment risk is also making these investments on behalf of the collective foundation. As a result, the assets of the Swiss plan consist of receivables from the insurance policy.

In France, employees benefit from the “Indemnités de Fin de Carrière” defined in the “Convention Nationale Collective du Travail du personnel des Agences de Voyages et du Tourisme” (number 3061). The rights correspond to 15% of the monthly salary per year of seniority in the company. According to IAS 19, the French pension plan is classified as a “defined benefit” plan.

In Italy employee severance indemnities are due under an Italian plan, the “Trattamento di Fine Rapporto” (TFR), which is mandatory for Italian companies and is an unfunded defined contribution plan. The deferred compensation to be paid when an employee leaves the Italian entity is based on the employee’s years of service and the taxable compensation earned by the employee during the service period, i.e. the accumulated retirement capital at the time when the employment ends. Contributions are payable in the event of retirement, death, disability or resignation.

There were no special events, e.g. plan amendments, curtailments or settlements during the reporting period.

Movement in net defined benefit liability

The following tables present information about the net defined benefit liability and its components:

in '000 EUR	31 Dec 2023	31 Dec 2022
Funding of the defined benefit plan		
Present value of unfunded obligations	1,040	620
Present value of funded obligations	14,292	12,908
Total present value of obligations	**15,332**	**13,528**
Fair Value of plan assets	10,639	9,627
Pension liability recognised in balance sheet	**4,693**	**3,901**

Reconciliation of the defined benefit obligation	2023	2022
Defined Benefit Obligation at 1.1	**13,528**	**14,055**
Current service cost (employer)	1,727	1,946
Past service cost/(income)	(178)	(286)
Interest expense on defined benefit obligation	283	69
Contributions by plan participants	1,142	1,103
Administration cost	6	7
Benefits (paid)/deposited	(2,628)	(1,721)
Actuarial (gain) / loss on DBO	618	(2,273)
Exchange rate effect	833	628
Defined Benefit Obligation at 31.12	**15,332**	**13,528**

Reconciliation of the fair value of plan assets	2023	2022
Fair Value of plan assets at 1.1	**9,627**	**8,873**
Interest income on plan assets	223	45
Contributions by the employer	1,227	1,179
Contributions by plan participants	1,142	1,103
Benefits (paid) / deposited	(2,567)	(1,601)
Return on plan assets excl.interest income	(122)	49
Exchange rate effect	1,109	(21)
Fair Value of plan assets at 31.12	**10,639**	**9,627**

Reconciliation of the recognised net pension liability

Reconciliation of the recognised net pension liability	2023	2022
Net liability at the beginning of the period	**3,901**	**5,182**
Expense/(Income) recognised in profit or loss	1,339	2,340
Expense/(Income) recognised in other comprehensive income	740	(2,323)
Contributions by the employer	(1,227)	(1,179)
Benefits paid directly by the entity	-	(14)
Other	-	1
Benefits paid by unfunded defined benefit plans	(61)	(106)
Net liability at the end of the period	**4,693**	**3,901**

in '000 EUR	2023	2022
Pension expense recognised in profit or loss		
Current service cost (employer)	1,727	1,946
Net interest cost	60	24
Administration cost	6	7
Past service cost/(income)	(178)	(286)
Exchange rate effect	(276)	649
Expense recognised in profit or loss	**1,339**	**2,340**

in '000 EUR	2023	2022
Amount recognised in other comprehensive income		
Return on plan assets excl.interest income	122	(49)
Remeasurements (gain)/loss:		
Actuarial (gain)/loss arising from financial assumptions	761	(2,223)
Actuarial (gain)/loss arising from demographic assumptions	(3)	-
Actuarial (gain)/loss arising from experience adjustment	(140)	(50)
Total amount recognised in other comprehensive income	**740**	**(2,323)**

Actuarial assumptions for the defined benefit obligations

As of 31 December 2023, the weighted-average duration of the defined benefit obligation at Group level was 16.1 years (2022: 14.7 years).

The following were the principal actuarial assumptions at the reporting date, divided per country:

Swiss plan

Actuarial Assumptions	31 Dec 2023	31 Dec 2022
Discount rate	1.50%	2.20%
Future salary increases	1.00%	1.00%
Mortality table	BVG2020-CMI	BVG2020-CMI

As of 31 December 2023, the weighted-average duration of the defined benefit obligation was 15.9 years (2022: 14.4 years).

French plan

Actuarial Assumptions	31 Dec 2023	31 Dec 2022
Discount rate	3.40%	3.00%
Future salary increases	3.00%	3.00%
Mortality table	TGH05/TGF05	TGH05/TGF05

As of 31 December 2023, the weighted-average duration of the defined benefit obligation was 20.2 years (2022: 21.4 years).

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	2023		2022	
in '000 EUR	Increase	Decrease	Increase	Decrease
Discount rate (0.25%)	(543)	591	(445)	483
Future salary growth (0.25%)	163	(155)	131	(130)
Future mortality (1 year)	151	(151)	107	(107)

The sensitivity analysis disclosed above has been determined by changing the discount rate and the rate of salary increase by +/-0.25% respectively making an adjustment to the mortality so that the longevity increased/decreased by one year. The sensitivity analysis is based on realistically possible changes as of the end of the reporting period. Each change in a significant actuarial assumption was analysed separately as part of the test. Interdependencies were not taken into account.

Plan assets

The fair value of plan assets for the Swiss plan as of 31 December 2023 of EUR 10,639 thousand (2022: EUR 9,627 thousand) consists of a receivable from the insurance company, see above.

Expected contributions in 2024

The Group contributions paid to the defined benefit plans amounted to EUR 1,227 thousand in 2023 (the expected contribution for 2023 was EUR 1,195 thousand). The Group expects to pay contributions to the defined benefit plans for EUR 1,286 thousand in 2024.

NOTE 16 - SHARE-BASED PAYMENT ARRANGEMENTS

Employee share option plan

No employee share option plans are in place as of 31 December 2023 and 2022.

Cash settled share-based plans

The table below shows share-based payment arrangements liabilities as of 31 December 2023 and 2022 for the Group:

2023

in '000 EUR	1 Jan 2023	Measurement and remeasurement	Actual cost/(income) for exit of former participants	Employee contribution for new rights granted	Payments for cash-out during the year	Other non cash-items, incl. forex	31 Dec 2023
LTIP 1	4,227	91	757	728	(1,588)	215	**4,429**
LTIP 2	2,842	(59)	(697)	257	(603)	138	**1,878**
SAR 1	565	396	-	-	-	-	**961**
SAR 2	22	318	-	-	-	-	**340**
Total	**7,656**	**746**	**59**	**985**	**(2,191)**	**353**	**7,609**

2022

in '000 EUR	1 Jan 2022	Measurement and remeasurement	Actual cost/(income) for exit of former participants	Payments for cash-out during the year	Other non cash-items	31 Dec 2022
LTIP 1	10,315	(6,914)	1,446	(624)	3	**4,227**
LTIP 2	3,393	(614)	(64)	-	127	**2,842**
SAR 1	725	(157)	-	-	(3)	**565**
SAR 2	-	22	-	-	-	**22**
Total	**14,433**	**(7,662)**	**1,382**	**(624)**	**127**	**7,656**

With reference to the movements of 2023, please find below further details:

- Measurement and remeasurement: includes the impact in the consolidated statement of profit and loss of the fair value valuation of the plans in scope. The effects are disclosed within personnel costs, see Note 9 for further details. A portion of this effect is related to key management personnel, as disclosed in Note 31. Regarding SAR 1 and SAR 2, this column represents the only movement of the year, considering that no initial capital contribution is requested and the rights have not been vested yet;

- Actual cost/(income) for exit of former participants: includes the effects recognised for the exit of some employees during the year. This cost/(income) is included within personnel costs, see Note 9 for further details. Please consider that the difference between the caption "Actual cost/(income) for the exit of former participants" and the "Profit & Loss effect" disclosed in Note 9 is because the balance sheet counterparty could be a different Financial Statement Line Item (i.e. Financial assets);

- Employee contribution for new rights granted includes the increase in liability linked to the capital contributions during the year for those employees or directors that have joined the plans;

- Payments for cash-out during the year: is related to the amounts paid for the exit of participants during the year;

- Other non-cash-items : includes all the other non-cash effects of the movements in liability during the year, such as currency translation adjustments.

As of 31 December 2023, the Group had in place the following share-based payment arrangements.

Long Term Investment Plan 1 ("LTIP 1")

On 26 March 2015, the Group established a cash-settled share-based payment arrangement. Directors and selected key employees were offered the opportunity to participate through recurring entry windows. Plan participants are required to make an equity co-investment contribution in cash ("the initial contribution") as limited partners of a limited partnership entity (Sealine Investments LP) which is consolidated by the Group.

The Group offers to Limited Partners (also called LPs) the possibility to obtain a personal loan to finance up to 85% of the initial contribution (in Window 9 up to 90% of the initial contribution). Under the terms of the plan, the Group contributes an amount equal to three times the initial capital contribution ("the LMN contribution").

The limited partnership entity which administers the arrangement purchases the Group's shares (also called "LMN shares"), and the LMN shares equivalent is computed for both the initial and the LMN contribution. This equivalent number is equal to the contribution divided by the agreed price of an LMN share at the date of the initial contribution.

At the end of a 4-year-period from the date of the initial contribution ("qualifying period") the plan participants are entitled to a cash payment equal to the difference between

- the total value of the LMN shares equivalent, corresponding to both the initial and LMN contribution at the market price at the end of the qualifying period plus dividends on these shares accumulated during the qualifying period, if any, and
- the amount of the LMN contribution plus interests by way of redemption of the outgoing limited partner's membership.

After the expiry period of 4 years, the LP has the right to extend for an additional 4-year period, keeping the options already vested but having the chance to exit at any time.

No guarantee of refund of the initial contribution is provided to the plan participants by the Group. In case the total value of the LMN shares equivalent corresponding to both the initial and LMN contribution at the market price at the end of the qualifying period and the dividends on these shares accumulated during the qualifying period is lower than the amount of the LMN contribution plus interests, a plan participant is not receiving any payment out of the plan.

If the employee or director stops working for the Group before the end of the qualifying period, he is entitled to a cash payment at the time of exit, which is equal to the lower of his initial contribution with interests of 5% p.a. (SARON + 2% for the 2021 window) and the market value at the time of exit of the LMN shares equivalent corresponding to his initial contribution, plus the value of dividends accumulated on the LMN shares equivalent corresponding to his initial contribution from the date of the initial contribution until exit. The exit is made by way of redemption of the outgoing limited partner's membership.

Plan participants are offered the opportunity to extend their individual investment period beyond the qualifying period and request the cash settlement relating to the initial and LMN contributions computed using the same formula as at the end of the qualifying period (see above) at a later date. The later date is then used in the formula in lieu of the end date of the qualifying period.

As of 31 December 2023, the overall liability of the plan recorded in relation to the cash-settled obligation amounted to EUR 4,429 thousand (2022: EUR 4,227 thousand). During the year, the liability increased by an amount of EUR 202 thousand. The increase in the liability is mainly due to the remeasurement and the net effect of the new entries during the period.

The liability is included in the employee benefits liability line within the consolidated balance sheet, as disclosed also in Note 15. As of 31 December 2023, the receivables recorded in relation to the financing part granted to limited partners amounted to EUR 604 thousand (2022: EUR 1,111 thousand). The liability value was assessed taking into consideration the fair value of the underlying shares considering the vesting period of 4 years and other conditions, as well as the required interest payable on the company's portion of the contribution. Rights belonging to expired windows, as the term of 4 years from the date of subscription has expired of the agreement, were valued as the intrinsic value of the option (differential between the price of the underlying on the date of valuation and exercise price). Rights belonging to the not vested windows have been valued as call options with an expiry date equal to 4 years at the date of agreement with a Black Scholes model.

The fair value measurement of the assigned rights was carried out based on the following market data as of 31 December 2023:

- Price of the underlying share as of 31 December 2023 (last date of detection of the price), equal to CHF 23.3;
- Strike Price defined on the date of signing the agreement and variable for each window;
- Historical volatility calculated based on historical values. The result is between 41.7% and 49.0%
- Dividend Yield as of the date of valuation, the expected dividend parameter is 0;
- SARON COMP CHF 3 million risk-free rate yield curve;
- Exit rate between 2.4% and 33% calculated on the historical trend of the resignation of employees participating in other share-based payment arrangements.

Treasury shares held by the Group to hedge its potential obligation arising from the cash-settled share-based payment arrangement amount to around 365 thousand shares for a total investment of EUR 6,594 thousand.

Long Term Investment Plan 2 (“LTIP 2”)

On 29 September 2021, the Group established a second cash-settled share-based payment arrangement. Directors and selected key employees were offered the opportunity to participate. Plan participants are required to make an equity co-investment contribution in cash (“the initial contribution”) or through personal loan as limited partners of a limited partnership entity (Sealine Investments 2 LP) which is consolidated by the Group. The Initial Capital Contribution and eventual additional funding were used to purchase memberships in Freesailors Coöperatief UA, and these Freesailors Memberships were allocated to the Limited Partner’s partnership account.

The Partnership includes three types of Limited Partners: Limited Partner A (LPA), Limited Partner B (LPB) and Limited Partner C (LPC). When the limited partner enters the plan, he contributes funds to the Partnership with an initial capital contribution.

Depending on the Limited Partner’s categories, there are different lock-ins, mechanics and exit rules. For LPA, the lock-in period is 1 year, there’s no leverage and if the LPA asks to exit from the partnership, the Group must buy back its interests in the partnership. For LPB, the lock-in period is 4 years, with leverage and the way out is linked to the exit of Freesailors Coöperatief UA from the Group. For LPC, the lock-in period is 2 years, there’s no leverage and the exit, as for LPB, is linked to the exit of Freesailors Coöperatief UA from the Group.

In relation to the capital contribution of the Limited Partner B only, under the terms of the plan, the Group contributes an amount equal to three times the initial capital contribution (“the LMN contribution”). The initial capital contribution and the additional funding are used to purchase shares and these shares will be allocated to the Limited Partner B partnership account. The Limited Partner B will not have any further liability to repay the loan funds or otherwise beyond his initial capital contribution to Sealine 2.

As of 31 December 2023, the liability recorded in relation to the cash-settled obligation in relation to the plan amounted to EUR 1,878 thousand (2022: EUR 2,842 thousand). The liability is included in the Employee benefits liability line within the consolidated balance sheet, as disclosed also in Note 15. The related remeasurement effect is accounted for as Personnel cost within the consolidated statement of profit and loss. As at 31 December 2023, the receivables recorded in relation to the financing part granted to limited partners amounted to EUR 321 thousand (2022: EUR 764 thousand).

The fair value of the liability was determined based on methods adapted to the characteristics of the plans. The liability is valued using the Black-Scholes model.

The fair value measurement of the assigned rights was carried out based on the following market data as of 31 December 2023:

- Price of the underlying share as of 31 December 2023 (last date of detection of the price), equal to CHF 23.3;
- Exercise Price defined on the date of signing the agreement and variable for each type of Limited Partners;
- Historical volatility calculated based on historical values. The result is between 42.7% and 52.8%;
- Dividend Yield as of the date of valuation, the expected dividend parameter is 0;
- SARON COMP CHF 3 million risk-free rate yield curve;
- Exit rate between 2.4% and 33% calculated on the historical trend of the resignation of employees participating in other share-based payment arrangements.

Treasury shares held by the Group to hedge its potential obligation arising from the cash-settled share-based payment arrangement amount to around 132 thousand of shares for a total investment of EUR 2,381 thousand.

Stock Appreciation Rights Plan (“SAR” plan)

In August 2021, the Group launched a new incentive scheme for its employees, known as the “SAR 1” plan. SAR is a compensatory award granted by the Group to its management or employees. On exercise of a SAR, the participant is entitled to receive an amount equal to the appreciation in the value of the underlying Company share (LMN share) above the exercise price at the time the SAR is exercised. SARs are settled in cash.

In 2021, the Group SAR plan introduces a maximum of 750,000 “SARs” to be granted. The right to access the SARs is subject to specific conditions: period of 4 years (pro rata from the end of year 2 to the end of year 4) and lm stock price levels (only in case of stock price will be equal or above a certain threshold). Once vested, SARs will be exercisable at the same exercise price of CHF 25 and the relevant cash value will be paid to the participating employees in cash.

Regarding the accounting implications, a liability should be recognised over the vesting and grace period for costs payable in respect of SARs to be exercised. The amount of the liability will depend on the number of SARs that are expected to be exercised. All SARs granted under the plan will be subject to vesting and, in the case of Gate 2 and 3 SARs, the achievement of the threshold price. The threshold price for Gate 2 is CHF 40 and for Gate 3 is CHF 60.

SAR's assigned are divided as follows:

- 40% of the SARs not subject to a threshold;
- 35% of the SARs subject to a Price Threshold equal or higher than CHF 40;
- 25% of the SARs subject to a Price Threshold equal or higher than CHF 60.

If any SARs, which are included in Gate 2 or 3, have not vested within the vesting period, all such invested SARs shall immediately vest, in a catch-up vesting, on the first date on which the threshold price is reached or exceeded during the grace period (the six months commencing on the day after the expiry of the vesting period).

In May 2023 the Board of Directors amended the SAR 1 plan establishing a maximum of 652,500 SARs. Below a detail of SARs divided per expiry date:

- 335,391 with expiry date 01/07/2028;
- 22,000 with expiry date 01/01/2029;
- 153,000 with expiry date 28/07/2030 and
- 10,000 with expiry date 03/10/2030.

As of 31 December 2023, the total SARs allocated are 520,391 out of 652,500. SARs assigned belong to different groups which differ for vesting conditions.
SARs 1 have been assigned in a period from 1 July 2021 to October 2023.

From a financial perspective, SARs are similar to "call options", whose underlying element is the share quoted price. The fair value of the liability was determined based on methods adapted to the characteristics of the plans. The liability is valued using the Black-Scholes model.

The inputs used in the measurement of the fair values at the measurement date of the SARs were as follows:

- Price of the underlying share as of 31 December 2023 (last date of detection of the price), equal to CHF 23.3;

- Strike price: CHF 25;

- Dividend Yield as of the date of valuation, the expected dividend parameter is 0;

- Volatility between 42.71% and 53.15%;

- Risk-free rate SARON Comp CHF 3 million between 1.14% and 1.72%;

- Vesting probability between 6.52% and 100%;

- Exit rate between 2.4% and 33% calculated on the historical trend of resignation of employees participating in other share-based payment arrangements.

As of 31 December 2023, the liability recorded about the SAR Plan amounted to EUR 961 thousand (EUR 565 thousand at 31 December 2022) and is related to the remeasurement of the liabilities towards the employees. The liability is included in the employee benefits liability line within the consolidated balance sheet, as disclosed also in Note 15. The remeasurement effect is accounted for as Personnel cost within the consolidated statement of profit and loss.

Stock Appreciation Rights Plan 2 ("SAR 2" plan)
On 23 March 2022, the SAR Committee and the Board of Directors of lastminute.com N.V. resolved in favour of a new incentive plan addressed to some key employees and executive directors. Under the Plan, a maximum of 1,200,000 Stock Appreciation Rights could be assigned to beneficiaries.

Right of access to SARs is subject to the following key conditions: i) period of 4 years (Pro-rata from the end of Year 2 to Year 4) and ii) lastminute.com minimum threshold stock price levels:

- 35% of the SARs subject to a Price Threshold equal or higher than CHF 40;
- 65% of the SARs subject to a Price Threshold equal or higher than CHF 60.

As of 31 December 2023, the SARs allocated are 788,000 out of 1,200,000.

Below a detail of SARs divided per expiry date:

- 55,000 with expiry date 01/04/2029;
- 9,500 with expiry date 01/06/2029;
- 4,000 with expiry date 01/07/2029;
- 9,000 with expiry date 01/08/2029;
- 12,500 with expiry date 01/09/2029;
- 10,000 with expiry date 12/09/2029;
- 320,000 with expiry date 16/05/2030;
- 80,000 with expiry date 30/06/2030;
- 278,000 with expiry date 28/07/2030 and
- 10,000 with expiry date 03/10/2030.

From a financial perspective, SARs are similar to "call options", whose underlying element is the share quoted price. The fair value of the liability was determined based on methods adapted to the characteristics of the plans. The liability is valued using the Black-Scholes model.

The inputs used in the measurement of the fair values at the measurement date of the SARs were as follows:

- Price of the underlying share as of 31 December 2023 (last date of detection of the price), equal to CHF 23.3;
- Exercise Price defined on the date of signing the agreement and variable for each window, from a minimum of CHF 28.05 to a maximum of CHF 35.9;
- Dividend Yield as of the date of valuation, the expected dividend parameter is 0;
- Volatility between 42.71% and 51.27%;
- Risk-free rate SARON Comp CHF 3 million between 1.15% and 1.72%;
- Vesting probability between 14.78% and 100%;
- Exit rate between 2.4% and 33% calculated on the historical trend of resignation of employees participating in other share-based payment arrangements.

As of 31 December 2023, the liability recorded about the SAR Plan amounted to EUR 340 thousand (2022: EUR 22 thousand) and is related to the measurement and remeasurement of the liabilities towards the employees. The liability is included in the Employee benefits liability line within the consolidated balance sheet. The measurement effect is accounted for as Personnel cost within the consolidated statement of profit and loss.

NOTE 17 - LEASES

Right-of-use assets

The tables below show the movement schedule of the right-of-use assets during 2023 and 2022:

2023 (in '000 EUR)	Building	Hosting	Car	Total
Balance at 1 January	**7,685**	**5,042**	**490**	**13,218**
Depreciation charge for the year	(2,322)	(2,016)	(212)	**(4,550)**
Additions to right-of-use assets	328	-	180	**508**
Derecognition of right-of-use assets	(508)	-	-	**(508)**
Remeasurement of right-of-use assets	(74)	(551)	-	**(625)**
Balance at 31 December	**5,109**	**2,475**	**458**	**8,043**

2022 (in '000 EUR)	Building	Hosting	Car	Total
Balance at 1 January	**2,427**	**3,464**	**333**	**6,225**
Depreciation charge for the year	(1,748)	(2,267)	(200)	**(4,215)**
Additions to right-of-use assets	4,478	-	365	**4,843**
Derecognition of right-of-use assets	(235)	-	(8)	**(243)**
Remeasurement of right-of-use assets	2,763	3,845	-	**6,608**
Balance at 31 December	**7,685**	**5,042**	**490**	**13,218**

In 2023 the Group made additions to right-of-use assets of EUR 508 thousand (2022: EUR 4,843 thousand). The additions in 2023 were mainly related to new building contracts signed during the year, such as the agreement signed by one of the Group subsidiaries for office rental in Italy but also the expansion of the offices in the operating headquarters in Switzerland. Moreover, the remeasurement of the period is related to the negotiations of building rent fees and the reduction of the fees in one of the hosting agreements. Derecognition of the period is linked to the closing of existing contracts, in particular the buildings in Germany, Spain and Italy.

Concerning the depreciation charge for right-of-use assets, EUR 2,322 thousand (2022: EUR 1,748 thousand) is related to buildings, EUR 2,016 thousand to hosting (2022: EUR 2,267 thousand), and EUR 212 thousand to cars (2022: EUR 200 thousand).

The Group has elected not to recognise a lease liability for short term leases (leases of the expected term of 12 months or less) or leases of low-value assets. Payments made under such leases are expensed on a straight-line basis. Expenses related to low-value and short-term leases or those contracts that, based on the internal assessment, have been considered out of scope are EUR 440 thousand.
See Note 10 for further details.

Lease liabilities

The table below shows the lease liabilities as of 31 December 2023 and 31 December 2022:

in '000 EUR	31 Dec 2023	31 Dec 2022
Short Term Lease Liabilities	4,540	5,351
Long Term Lease Liabilities	4,508	9,010
Total Lease Liabilities	**9,048**	**14,361**

The tables below show the movement schedule of the lease liabilities during 2023 and 2022:

in '000 EUR	1 Jan 2023	Repayments	Additions	Disposals	Remeasure-ment	Interests charges	Other	31 Dec 2023
Lease liabilities	**14,361**	(4,924)	508	(508)	(625)	234	1	**9,048**

in '000 EUR	1 Jan 2022	Repayments	Additions	Disposals	Remeasure-ment	Interests charges	Other	31 Dec 2022
Lease liabilities	**6,955**	(4,147)	4,843	(243)	6,608	341	4	**14,361**

The lease liabilities are secured by the related underlying assets. The discounted maturity analysis of lease liabilities at 31 December 2023 is as follows:

in '000 EUR	Amount
Within 1 year	4,540
Between 1 and 5 years	4,490
More than 5 years	18
Total lease liabilities	**9,048**

NOTE 18 - PROPERTY PLANT AND EQUIPMENT

The tables below show Property, Plant & Equipment movements during 2023 and 2022:

in '000 EUR	Furniture	IT Equipment	Other tangible assets	Total
Historical Cost				
Balance at 1 January 2023	**522**	**10,610**	**2,464**	**13,596**
Addition	157	817	78	1,052
Disposal	(21)	(864)	8	(877)
Currency translation differences	(1)	(10)	16	5
Balance at 31 December 2023	**657**	**10,553**	**2,566**	**13,776**
Cumulated Depreciation				
Balance at 1 January 2023	**425**	**8,262**	**2,278**	**10,965**
Depreciation for the year	37	1,136	93	1,266
Disposal	(10)	(821)	2	(829)
Currency translation differences	1	(3)	15	13
Balance at 31 December 2023	**453**	**8,574**	**2,388**	**11,415**
At 1 January 2023	**97**	**2,348**	**186**	**2,631**
At 31 December 2023	**204**	**1,979**	**179**	**2,361**

in '000 EUR	Furniture	IT Equipment	Other tangible assets	Total
Historical Cost				
Balance at 1 January 2022	**447**	**9,243**	**2,428**	**12,118**
Addition	77	1,937	80	2,094
Disposal	-	(546)	-	(546)
Currency translation differences	(2)	(24)	(44)	(70)
Balance at 31 December 2022	**522**	**10,610**	**2,464**	**13,596**
Cumulated Depreciation				
Balance at 1 January 2022	**403**	**7,689**	**2,167**	**10,259**
Depreciation for the year	24	1,176	155	1,355
Disposal	-	(575)	-	(575)
Currency translation differences	(2)	(28)	(44)	(74)
Balance at 31 December 2022	**425**	**8,262**	**2,278**	**10,965**
At 1 January 2022	**44**	**1,554**	**262**	**1,860**
At 31 December 2022	**97**	**2,348**	**186**	**2,631**

Investments in 2023 and 2022

In 2023 and 2022 the Group made additions to property, plant and equipment of EUR 1,052 thousand and EUR 2,094 thousand respectively. The additions in 2023 were mainly related to IT equipment for EUR 817 thousand and furniture for EUR 157 thousand.

Capital Commitments

There are no capital commitments for the acquisition of property, plant and equipment

NOTE 19 - INTANGIBLE ASSETS

The tables below show Intangible assets (Capitalised development costs, trademarks and other intangibles) and Goodwill movements during 2023 and 2022:

in '000 EUR	Capitalised development cost	Other intangible assets	Trademarks	Total intangible assets	Goodwill	Total
Historical Cost						
Balance at 1 January 2023	**124,829**	**975**	**129,771**	**255,575**	**60,418**	**315,993**
Additions - internally developed	17,597	-	-	17,597	-	17,597
Addition- external supplier	5,012	-	-	5,012	-	5,012
Impairment	(1,114)	-	-	(1,114)	-	(1,114)
Currency translation differences	38	25	-	63	(2)	61
Balance at 31 December 2023	**146,362**	**1,000**	**129,771**	**277,133**	**60,416**	**337,549**
Cumulated amortisation						
Balance at 1 January 2023	**100,680**	**357**	**1**	**101,038**	**-**	**101,038**
Currency translation differences	17	7	-	24	-	24
Amortisation	10,965	75	-	11,040	-	11,040
Balance at 31 December 2023	**111,662**	**439**	**1**	**112,102**	**-**	**112,102**
At 1 January 2023	**24,149**	**618**	**129,770**	**154,537**	**60,418**	**214,955**
At 31 December 2023	**34,700**	**561**	**129,770**	**165,031**	**60,416**	**225,447**

in '000 EUR	Capitalised development cost	Other intangible assets	Trademarks	Total intangible assets	Goodwill	Total
Historical Cost						
Balance at 1 January 2022	**108,528**	**1,102**	**129,771**	**239,401**	**60,422**	**299,823**
Additions - internally developed	13,531	-	-	13,531	-	13,531
Addition- external supplier	3,148	-	-	3,148	-	3,148
Impairment	(285)	-	-	(285)	-	(285)
Currency translation differences	(93)	(127)	-	(220)	(4)	(224)
Balance at 31 December 2022	**124,829**	**975**	**129,771**	**255,575**	**60,418**	**315,993**
Cumulated amortisation						
Balance at 1 January 2022	**91,315**	**363**	**1**	**91,679**	**-**	**91,679**
Currency translation differences	(40)	(81)	-	(121)	-	(121)
Amortisation	9,405	75	-	9,480	-	9,480
Balance at 31 December 2022	**100,680**	**357**	**1**	**101,038**	**-**	**101,038**
At 1 January 2022	**17,213**	**739**	**129,770**	**147,722**	**60,422**	**208,144**
At 31 December 2022	**24,149**	**618**	**129,770**	**154,537**	**60,418**	**214,955**

Investments in 2023 and 2022

During 2023 additions related to capitalised development costs amounted to EUR 22,609 thousand (2022: EUR 16,679 thousand), including both internal developments and external suppliers.

Capitalised development costs

The capitalised development costs are related to internal and external expenditures in connection with the development of significantly new features on the webpages of the Group. As of 31 December 2023 capitalised development costs not yet available for use were EUR 17,408 thousand (2022: EUR 4,492 thousand). This amount is related to projects capitalised but not yet completed, such as improvements on the website, projects to enhance the efficiency of the selling platforms and development of IT internal tools. During the year the Group accounted for impairment losses for the deprecated capitalised projects for EUR 1,114 thousand (EUR 285 thousand at 31 December 2022).

Trademarks

The impairment test of trademarks has been performed at the Cash Generating Unit (CGU) level using the model and assumption described in Note 20 and did not result in the recognition of an impairment loss. The aggregate amounts of trademarks allocated to each Cash Generating Unit are as follows at each reporting date:

	CGU	31 Dec 2023	31 Dec 2022
Rumbo	OTA	58,900	58,900
lastminute.com	OTA	44,704	44,704
Weg.de (Comvel)	OTA	6,089	6,089
Madfish	OTA	1,316	1,316
Wayn	OTA	230	230
Other	OTA	10	10
Jetcost	Metasearch	15,385	15,385
HolidayiQ	Metasearch	888	888
Pigi Shipping	Cruise	2,248	2,248
Total Trademarks		**129,770**	**129,770**

The Other Segment includes the trademarks related to Cruise business.

Capital Commitments

There are no capital commitments for the acquisition of intangible assets.

NOTE 20 - GOODWILL

As already mentioned in Note 6, starting from the second half of the financial year 2023, the Group management has decided to adopt a new reporting view when it comes to the internal and external disclosure of main business KPIs. In particular, from a segment reporting perspective, the old segregation between OTA/Metasearch/Other Segment has been replaced by a view based on the sales channel (Business to Business/Business to Consumer, also called B2B/B2C). Reference should be made to Note 6 for further details.

The new segment reporting view doesn't change the definition of the Group's Cash Generating Units. The Group didn't experience any modification in the cash flow or revenue generation and the business and the management structure have not changed. As such, for the purpose of impairment testing, no impact when compared to the previous approach. Goodwill is allocated to the Cash Generating Unit OTA, to the Cash Generating Unit Metasearch and the Cash Generating Unit Cruise (disclosed as "Other").

The aggregate amount of goodwill allocated to each CGU is as follows at each reporting date:

CGU	31 Dec 2023	31 Dec 2022
OTA	37,003	37,005
Metasearch	20,830	20,830
Other	2,583	2,583
Total	**60,416**	**60,418**

The caption "Other" includes the goodwill related to Cruise business. The Group performed an impairment analysis for the CGUs that contain material indefinite life intangible assets and goodwill as of 31 December 2023 and 2022. It was determined that no impairment is to be recognised in the consolidated financial statements as of 31 December 2023 and 2022.

For evidence of the goodwill movement schedule please refer to Note 19.
Below is a deeper explanation of the main assumptions applied to the impairment test exercise for the two main CGUs of the Group, OTA and Metasearch.

OTA
Goodwill amounts to EUR 37,003 thousand for the OTA segment, see details in the table above. The impairment test was based on an estimate of value in use and did not result in any recognition of impairment losses.

The value in use was determined based on a DCF calculation. Key assumptions used in the calculation of the recoverable amount are the discount rate (WACC), the long-term growth rate, the revenues growth rate and the EBITDA growth rate: the values assigned to the key assumptions represent management's assessment of the future trends. The key assumptions were as follows:

	31 Dec 2023	31 Dec 2022
Weighted average cost of capital (WACC)	14.0%	15.0%
Long-term growth rate (g)	2.0%	2.0%
Revenues growth rate (average of next four years)	8.9%	9.3%
EBITDA growth rate (average of next four years)	14.7%	19.3%

Six years of cash flow were included in the DCF model. Revenues were based on future expected outcomes, taking into account past experience and future trends of the business. A long-term growth rate into perpetuity was determined based on management's best estimate of the long-term growth rate in the industry. The perpetuity growth rate considered in the terminal value has been determined as the expected long term consumer price index for each CGU according to the geographic distribution of its sales.

Sensitivity analysis
A sensitivity table to the discount rate and long-term growth rate for 2023 and 2022 is shown below. The sensitivity is referred to the headroom between the present value and the carrying amount of the OTA CGU. Reasonably possible changes at the reporting date to the discount rate and long-terminal growth rate, holding other assumptions constant, would have affected the surplus by the amounts shown below (in million Euro):

OTA 2023	in EUR M	LONG-TERM GROWTH RATE			
		1.5%	**2.0%**	2.5%	3.0%
WACC	13.5%	444.6	462.1	481.1	502.1
	13.8%	435.8	452.5	470.8	490.7
	14.0%	427.4	**443.4**	460.8	479.8
	14.3%	419.4	434.7	451.3	469.4
	14.5%	411.6	426.3	442.2	459.5

OTA 2022	in EUR M	LONG-TERM GROWTH RATE			
		1.50%	**2.00%**	2.50%	3.00%
WACC	14.50%	446.2	461.6	478.3	496.5
	14.80%	438.3	453.1	469.1	486.4
	15.00%	430.7	**444.8**	460.1	476.7
	15.30%	423.3	436.9	451.6	467.4
	15.50%	416.2	429.3	443.3	458.5

Metasearch
Goodwill allocated to Metasearch CGU amounts to EUR 20,830 thousand. The impairment test was based on an estimate of value in use and did not result in any recognition of impairment losses.

The value in use was determined based on a DCF calculation. Key assumptions used in the calculation of the recoverable amount are the discount rate (WACC), the long-term growth rate, the revenues growth rate and the EBITDA growth rate: the values assigned to the key assumptions represent management's assessment of the future trends. The key assumptions were as follows:

	31 Dec 2023	31 Dec 2022
Weighted average cost of capital (WACC)	15.0%	15.8%
Long-term growth rate (g)	2.1%	2.0%
Revenues growth rate (average of next four years)	12.3%	5.3%
EBITDA growth rate (average of next four years)	44.5%	10.0%

A long-term growth rate into perpetuity was determined based on management's best estimate of the long-term growth rate in the industry. The perpetuity growth rate considered in the terminal value has been determined as the expected long term consumer price index for each CGU according to the geographic distribution of its sales.

Sensitivity analysis
A sensitivity table to the discount rate and long-term growth rate for 2023 and 2022 is shown below. The sensitivity refers to the headroom between the present value and the carrying amount of the META CGU. Reasonably possible changes at the reporting date to the discount rate and long-terminal growth rate, holding other assumptions constant, would have affected the surplus by the amounts shown below (in million Euro):

META 2023	in EUR M	LONG-TERM GROWTH RATE			
		1.6%	**2.1%**	2.6%	3.1%
WACC	14.5%	1.1	2.2	3.3	4.4
	14.8%	0.4	1.4	2.4	3.5
	15.0%	(0.3)	**0.6**	1.6	2.7
	15.3%	(1.0)	(0.1)	0.8	1.8
	15.5%	(1.7)	(0.9)	-	1.0

META 2022	in EUR M	LONG-TERM GROWTH RATE			
		1.50%	**2.00%**	2.50%	3.00%
WACC	15.30%	4.5	5.5	6.3	7.3
	15.50%	3.9	4.8	5.7	6.6
	15.80%	3.3	**4.1**	4.9	5.8
	16.00%	2.6	3.4	4.2	5
	16.30%	1.8	2.6	3.3	4.1

NOTE 21 - FINANCIAL ASSETS

The table below shows financial assets for the Group as of 31 December 2023 and 2022:

in '000 EUR	31 Dec 2023	31 Dec 2022
Long-term Deposits	2,265	3,028
Loans granted to other companies	800	904
Other non-current financial assets	829	673
Total non-current financial assets	**3,894**	**4,605**
Short term deposits	6,229	4,079
Restricted cash	-	7,109
Investments in other companies shares	1,846	2,286
Loans granted to other companies	104	-
Other current financial assets	316	1,546
Total current financial assets	**8,494**	**15,020**

Reference should be made to Note 4 for evidence of the financial asset measurement arranged according to the categories defined by IFRS 9.

Non-current financial assets
Total non-current financial assets decreased by EUR 711 thousand (-15.4%) from EUR 4,605 thousand in 2022 to EUR 3,894 thousand in 2023. This variation is mainly due to the decrease of long-term deposits held by the Group, which amounts to EUR 2,265 thousand in 2023 compared to EUR 3,028 thousand in 2022.

Loans granted to other companies decreased by EUR 104 thousand, from EUR 904 thousand in 2022 to EUR 800 thousand in 2023 due to a reclassification from non-current financial assets to current financial assets, in accordance with the contractual terms with the counterparty.

The line also includes the non-current portion of receivables related to the share-based plan ("LTIP 1" and "LTIP 2") for EUR 804 thousand, see Note 16 for further details on share-based payment plans.

Current financial assets
Total current financial assets decreased by EUR 6,526 thousand (-43.4%), from EUR 15,020 thousand in 2022 to EUR 8,494 thousand in 2023.

In connection with the investigation of the Swiss subsidiaries of the Group, an amount of EUR 7,109 thousand previously frozen has been released in 2023 to pay back the liabilities towards the SECO. Reference should be made to Note 2 for further information.

Investment in other companies' shares decreased by EUR 440 thousand from EUR 2,286 in 2022 thousand to EUR 1,846 thousand in 2023. The reduction is due to the drop in the share value of Destination Italia Spa during the year. Please for any further information refer to Note 4 and Note 12.

The line also includes the current portion of receivables related to the share-based plan ("LTIP 1" and "LTIP 2") for EUR 121 thousand (disclosed within other current financial assets), see Note 16 for further details.

NOTE 22 - INVESTMENT IN EQUITY ACCOUNTED INVESTEES

At 31 December 2023, investment in equity-accounted investees to EUR 1,388 thousand and consists of the investments in URBANnext SA and InstaGo Sagl (2022: EUR 1,308 thousand and consisted of the investments in URBANnext SA, InstaGo Sagl and Epico Viajes Sl). The positive result of the period realised by Instago Sagl is almost entirely offset by the negative result of URBANnext SA and the Epico Viajes Sl write-off.

In fact, in June 2023 the equity investment in Epico Viajes SL was impaired, considering the inactivity of the Company. The total impact of the derecognition of the investment is EUR 156 thousand, affecting the Net financial result. See Note 11 for further details.

All the investments in equity-accounted investees are companies operating in the tourism industry with which the Group has signed or will sign service agreements. Please find below a reconciliation of the opening and closing balance (in EUR thousand) of each investment in equity-accounted investees, included in non-current assets:

URBANnext SA

Opening balance at 1 January	**487**
Share of result	(105)
Closing balance at 31 December	**382**

InstaGo Sagl

Opening balance at 1 January	**665**
Share of result	341
Closing balance at 31 December	**1,006**

Epico Viajes S.l

Opening balance at 1 January	**156**
Write-off of investment	(156)
Closing balance at 31 December	**-**

Please find below a reconciliation of the opening and closing balance of the liability for investments in equity-accounted investees (when the investment accounted for at equity method is negative), included in financial liabilities within the consolidated balance sheet and represented as "other financial liabilities" in the movement schedule included in Note 4:

StarNext Ltd

Opening balance at 1 January	**(321)**
Share of result	(79)
Closing balance at 31 December	**(399)**

The tables below show a summary of financial information for the Group's investments in equity-accounted investees (not adjusted for the percentage of ownership held by the Group).

URBANnext SA is a company which operates with a shared-use mobility aggregator app. The Group has minor operational transactions with the entity. Please refer to Note 31 for further details.

in '000 EUR	2023	2022
	URBANnext SA	URBANnext SA
Percentage ownership interest	***25%***	***25%***
Non-current assets	1,315	981
Current assets*	1,200	667
Non-current liabilities	(2,443)	(1,856)
Current liabilities	(1,272)	(560)
Net assets (100%)	**(1,200)**	**(768)**
Revenues	1,540	1,072
Costs	(1,904)	(1,127)
Amortisation and depreciation	(307)	(283)
Finance income / (costs)	260	267
Income taxes	(8)	(1)
Profit / (Loss)	**(418)**	**(72)**
Effects of OCI adjustment	-	-
Total comprehensive income	**(418)**	**(72)**

* Cash and cash equivalents are included in current assets for a total amount of EUR 333 thousand at 31 December 2023 and EUR 54 thousand at 31 December 2022.

InstaGo SAGL is a company which can manage web-check-in. The Group has minor operational transactions with the entity. Please refer to Note 31 for further details.

in '000 EUR	2023	2022
	InstaGo SAGL	InstaGo SAGL
Percentage ownership interest	***30.04%***	***30.04%***
Non-current assets	2	3
Current assets*	3,260	1,772
Non-current liabilities	(668)	(172)
Current liabilities	2,594	1,603
Net assets (100%)	**2,962**	**1,747**
Revenues	(1,562)	(797)
Costs	(265)	-
Amortisation and depreciation	1,135	950
Finance income / (costs)	-	-
Income taxes	1,135	950
Profit / (Loss)	**950**	**253**
Effects of OCI adjustment	-	-
Total comprehensive income	**950**	**253**

* Cash and cash equivalents are included in current assets for a total amount of EUR 2,410 thousand at 31 December 2023 and EUR 1,441 thousand at 31 December 2022.

StarNext Israel Ltd is a company formed in Israel, focused on the distribution of flights through meta channels. The Group has minor operational transactions with the entity. Please refer to Note 31 for further details.

in '000 EUR	2023	2022
	StarNext Ltd	StarNext Ltd
Percentage ownership interest	***33.25%***	***33.25%***
Non-current assets	768	433
Current assets*	1,927	10,531
Current liabilities	(3,951)	(11,865)
Net assets (100%)	**(1,256)**	**(901)**
Revenues	1,974	1,859
Costs	(3,148)	(2,871)
Amortisation and depreciation	(127)	(119)
Finance income / (costs)	1,064	540
Profit / (Loss)	**(236)**	**(591)**
Effects of OCI adjustment	-	-
Total comprehensive income	**(236)**	**(591)**

* Cash and cash equivalents are included in current assets for a total amount of EUR 162 thousand at 31 December 2023 and EUR 108 thousand at 31 December 2022.

NOTE 23 - TRADE AND OTHER RECEIVABLES

The table below shows Trade and other receivables as at 31 December 2023 and 2022 for the Group:

in '000 EUR	31 Dec 2023	31 Dec 2022
Trade receivables	68,421	80,037
Receivables from shareholder	-	1
Other receivables	10,706	5,462
Accrued income and deferred expenses	4,739	2,612
Total Trade and other current receivables	**83,866**	**88,112**

Trade and other receivables (current) decreased by EUR 4,246 thousand (-4.8%) from EUR 88,112 thousand in 2022 to EUR 83,866 thousand in 2023. Below is a short explanation of the most significant captions presented in the table above.

Trade receivables

Trade receivables amount includes the invoices to be issued to the customers, which are mainly linked to the Dynamic Packages bookings with deferred payment, net of the amount already cashed in at the time of the booking (as deposit). Customers have the option to enter a deferred payment plan whereby a deposit is required at booking date and the balance can be paid over a number of instalments or, in most of the cases, before the departure. The invoice is issued at the booking date while the full amount of the product sold is cashed in later on, therefore the amounts to be collected are recorded within this caption.

On top of that, in 2023 the majority of trade receivables positions are related to receivables towards airlines, hotels and Global Distribution System ("GDS") partners.

Other receivables

Other receivables include mainly VAT receivables and the residual part is referred to other receivables.

Ageing of trade and other receivables

The ageing of trade and other receivables at the reporting date is shown in the following table:

in '000 EUR	31 Dec 2023	31 Dec 2022
Not past due	76,086	81,379
Past due 0-30 days	4,076	2,926
Past due 31-90 days	3,268	3,095
Past due 91-180 days	280	712
Past due 181-360 days	156	-
Total	**83,866**	**88,112**

The Group has trade and other receivables fully impaired for the cluster "Past due 361 and over" as at 31 December 2023. For any further information refer to Note 4.

Bad debt provision

The movement in the allowance for doubtful accounts in respect of trade receivables during the year has been as follows:

in '000 EUR	31 Dec 2023	31 Dec 2022
Balance at 1 January	**3,734**	**4,639**
Additions during the year	1,667	1,238
Used during the year	(117)	(1,320)
Released during the year	(1,274)	(791)
Currency translation difference	7	(32)
Balance at 31 December	**4,017**	**3,734**

During the year, the Group has accrued EUR 1,667 thousand to bad debt provision. Moreover, an amount of EUR 117 thousand has been used during the year. The release of EUR 1,274 thousand is mainly linked to the credit collection activities carried out during the period for which the provision is no longer needed.

Moreover, during the year the Group accounted for losses on trade receivables against receivables positions (and not against bad debt provision, hence it's not included in the movement schedule presented above) for a total amount of EUR 2,829 thousand, of which 2,729 is referred to hotels and flights receivables and EUR 100 thousand is related to other receivables. Please refer to Note 10 for further details.

In line with IFRS 9, the Group applies the simplified approach for the impairment of trade receivables and therefore does not track changes in credit risk, instead a loss allowance is recognised based on lifetime expected credit losses at each reporting date. For further detail refer to Note 4.

NOTE 24 - CONTRACT ASSETS AND CONTRACT LIABILITIES

The Group has recognised the following assets and liabilities related to contracts with customer:

in '000 EUR	31 Dec 2023	31 Dec 2022
Contract assets	11,626	8,647
Contract liabilities	(734)	(796)

Contract assets are related to overcommissions and other incentives on flights (i.e. GDS). The higher amount of contract assets in 2023 is due to the Group's increase in flight volumes with scheduled-flight companies, leading to higher over-commissions and incentives.

Contract liabilities are related to advance payments from customers. The amount is in line with the previous year.

The Group applies the IFRS 9 simplified approach to the measurement of expected credit losses also on contract assets. Please refer to Note 4 for evidence.

NOTE 25 - CASH AND CASH EQUIVALENTS

The table below shows cash and cash equivalents as of 31 December 2023 and 2022:

in '000 EUR	31 Dec 2023	31 Dec 2022
Cash on hand	2	2
Bank accounts	94,539	108,862
Credit Card accounts	5,467	9,629
Total	**100,008**	**118,492**

Bank accounts

The interest rates applied to Group's bank accounts is 0% in 2023 (2022: -0.85% and 0.01%). Bank overdrafts bearing variable interest rates are between 0% and 5.95% in 2023 (2022: between 0% and 3.60%). For further information refer to the Consolidated Cash Flow Statement.

Credit card accounts

Credit card accounts of EUR 5,467 thousand (2022: EUR 9,629 thousand) contain all credit card accounts with debit balances that are used for payments in the daily business.

NOTE 26 - SHAREHOLDERS' EQUITY

The table below shows total equity as of 31 December 2023 and 2022:

In '000 EUR	31 Dec 2023	31 Dec 2022
Share capital and reserves		
Share capital	117	117
Capital reserves	53,888	69,055
Other reserves	-	(24,658)
Treasury share reserve	(17,683)	(17,683)
Currency translation reserve	1,907	1,567
Retained earnings / (losses)	4,513	(17,010)
Equity attributable to shareholders of lastminute.com N.V.	**42,741**	**11,388**
Non-controlling interest	595	582
Total equity	**43,336**	**11,969**

Total equity of the Group increased from EUR 11,969 thousand at the end of 2022 to EUR 43,336 thousand at the end 2023, mainly driven by the profit of the year and the annulment of the Freesailors transaction, as already explained in Note 2.

Total equity presented above is before the appropriation of FY 2023 net result.

Share capital

As of 31 December 2023 the number of ordinary shares is 11,664,219 (same as of 31 December 2022) for a nominal value per share of EUR 0.01 (2022: EUR 0.01).

Capital reserves

As of 31 December 2023 capital reserves, including share premium reserves, amount to EUR 53,888 thousand (2022: EUR 69,055 thousand). As approved during the annual shareholder meeting held on 30 June 2023, the capital reserves decreased for the allocation of the results of the financial year ended 31 December 2022 for a total amount of EUR 15,167 thousand.

There are restrictions for the distribution of capital reserves, refer to Note 7 of the Company financial statements.

Other reserves

The balance at the end of the period is nil. The other reserves accounted for at year end 2022 in connection with the Freesailors transaction (EUR 24,658 thousand) have been reversed in 2023 as a result of the annulment of the operation. Reference should be made to Note 2 for further information.

Treasury share reserve

The reserve for the Group's treasury share comprises the cost of the own shares held by the Group. At 31 December 2023 the Group held 980 thousand shares for a total value of EUR 17,683 thousand (2022: EUR 17,683 thousand), hence no movements during FY 2023.

Currency translation reserve

The currency translation reserve comprises all foreign currency differences arising from the translation of the subsidiaries with functional currencies different from the presentation currency (EUR).

Retained earnings / (losses)

Retained earnings / (losses) as of 31 December 2023 amounted to EUR 4,513 thousand (2022: EUR negative amount of EUR 17,010 thousand, before the allocation of the result) and include the result related to current year and accumulated results generated in previous years by the Group and not distributed to shareholders as well as amounts booked in relation to the remeasurements of the employee benefits liability. As approved during the annual shareholder meeting held in June 2023, the entire loss for the financial year ended 31 December 2022 (EUR 15,167 thousand) has been allocated to capital reserves.

The 2023 retained earnings were mainly impacted by the positive results realised by the Group partially offset by the negative effects of IAS 19 actuarial valuation on other comprehensive income.

Dividends
No dividends were paid by the Group during 2023 and 2022.

Capital Management
The capital managed by the Company consists of consolidated equity. The Group's goal is to maintain a strong capital base to sustain the future development of the business and to maximise long-term shareholder value.

Non-controlling interests
The difference in non-controlling interests, from EUR 582 thousand in 2022 to EUR 595 thousand in 2023, is mainly related to the profit of the period pertaining to non-controlling interests for EUR 13 thousand.

The table below shows the number of shares and total issued capital as of 31 December 2023 and 2022:

Issued Capital	31 Dec 2023	31 Dec 2022
Number of ordinary shares	11,664,219	11,664,219
Nominal value per share (EUR)	0,01	0,01
Total amount (EUR)	**116,642**	**116,642**

NOTE 27 - PROVISIONS

The table below shows the movements in provisions for 2023 and for 2022:

Provisions 2023

in '000 EUR	1 Jan 2023	Addition	Release	Use	Other	31 Dec 2023
Provision for fraudulent credit card transactions and chargebacks	1,886	470	(621)	(1,271)	1	465
Provision for investigation	1,769	-	-	(220)	-	1,549
Other provisions	1,167	973	(500)	(93)	-	1,547
Provision for tax risks	72	3	-	-	-	75
Total	**4,895**	**1,446**	**(1,121)**	**(1,584)**	**1**	**3,637**
Non current	-	-	-	-	-	-
Current	4,895	1,446	(1,121)	(1,584)	1	3,637
Total	**4,895**	**1,446**	**(1,121)**	**(1,584)**	**1**	**3,637**

Provisions 2022

in '000 EUR	1 Jan 2022	Addition	Release	Use	Reclassification	31 Dec 2022
Provision for fraudulent credit card transactions and chargebacks	1,729	1,885	(284)	(1,445)	-	1,886
Provision for investigation	-	35,894	-	-	(34,125)	1,769
Other provisions	1,521	1,505	(1,801)	(57)	-	1,167
Provision for tax risks	5	72	(5)	-	-	72
Total	**3,255**	**39,356**	**(2,090)**	**(1,502)**	**(34,125)**	**4,895**
Non current	-	-	-	-	-	-
Current	3,255	39,356	(2,090)	(1,502)	(34,125)	4,895
Total	**3,255**	**39,356**	**(2,090)**	**(1,502)**	**(34,125)**	**4,895**

Provision for fraudulent credit card transactions and chargebacks
Provision for fraudulent credit card transactions and chargebacks, for an amount of EUR 465 thousand (2022: EUR 1,886 thousand), refers to transactions completed in the year before the reporting date and likely to be disputed by the customer in the following year. The decrease is mainly due to the lower number of chargebacks as a direct consequence of the reduced number of cancellations managed compared to last year and also the higher utilisation of payment technologies (i.e. 3ds - a technical standard that adds an authentication in online card payment to increase security), that reduces the risk of chargebacks by the Group's customers.

Provision for investigation
As of 31 December 2023, the Group accounted for a provision related to the expected costs for legal expenses that will be incurred by the Group employees and directors under investigation, for a total amount of EUR 1,549 thousand (2022: EUR 1,769 thousand). The amount has been reduced due to the utilisation during the year to cover the legal costs incurred by the Group employees.

Other provisions
As of 31 December 2023, other current provisions amounted to EUR 1,547 thousand (2022: EUR 1,167 thousand) and they are mainly referred to:

- a provision for future cancellations for EUR 955 thousand. The Group management has estimated a provision to cover losses coming from cancellations that will happen in 2024 related to bookings of which revenue has been already accounted for in 2023. The basis of the calculation is the backlog of bookings not yet cancelled at the end of the year with a future departure. Cancellation percentage estimation is based on the latest trends. The total provision accrued for Flight/DP/hotels business is EUR 657 thousand. Regarding the Tour Operator business, a provision of EUR 297 thousand has been accrued. Flight category does not bring significant negative effects from cancellation thanks to the positive contribution of the administration fees applied where a refund is done by cash and the huge effect of misredemption of the voucher or positive contribution margins from future bookings made with vouchers that more than compensates negative effects coming from the cancellation itself;

- a provision for litigation and other risks in Germany for EUR 364 thousand.

Provision for tax risks

Provision for tax risks, for an amount of EUR 75 thousand (2022: EUR 72 thousand), refers to minor tax risks for which the Group expects to have a cash outflow in the coming years.

NOTE 28 - NET FINANCIAL POSITION

The table below represents the Net Financial Position for the Group as of 31 December 2023 and 2022:

in '000 EUR	31 Dec 2023	31 Dec 2022
Current financial assets*	6,648	12,734
Cash and cash equivalents	100,008	118,492
Short term financial liabilities	(66,327)	(59,062)
Short term lease liabilities	(4,540)	(5,351)
Net Financial Position within 12 months	**35,790**	**66,813**
Non-current financial assets	3,894	4,605
Long term financial liabilities	(7,376)	(20,690)
Long term lease liabilities	(4,508)	(9,010)
Net Financial Position over 12 months	**(7,991)**	**(25,095)**
Total Net Financial Position	**27,799**	**41,718**

* Current financial assets don't include shares at fair value through profit and loss, that for their nature are not included in the Net Financial Position. See Note 4 and 21 for further information.

The Net Financial Position for the Group was EUR 27,799 thousand in 2023, compared to EUR 41,718 thousand in 2022.

The changes in the composition of the Net Financial Position as of 31 December 2023 compared to December 2022 can be mainly explained by the following:

- lower cash and cash equivalents by EUR 18,484 thousand due to the negative operating cash flow during the year (strongly influenced by the repayment of the SECO liability as already explained in Note 2), the negative effect from investing activities (mainly due to capitalisation of development costs), partially compensated by the positive cash flow from financing activities, mainly positively impacted by the annulment of the Freesailors transaction (EUR 15,324 thousand);

- net decrease in Financial liabilities mainly due to the combination of the total reimbursement of the Swiss Covid-19 loan (EUR 15,294 thousand), the repayment of a committed loan (EUR 3,708 thousand including both principal amount and interests), the positive effect from the annulment of the Freesailors transaction and the subsequent release of the liability for the second tranche (EUR 9,334 thousand) and net amount of new reimbursed uncommitted credit lines obtained during the period (EUR 22,862 thousand);

- decrease in financial assets (Current and Non-current) by EUR 6,797 thousand, mainly related to the closing of the administrative procedure with the SECO. In fact, current financial assets at 31 December 2022 included cash restricted in connection with the investigation of Swiss subsidiaries (EUR 7,109 thousand) and this amount has been released since the Group has fully repaid the SECO liability during the month of May 2023.

For further information see the Consolidated Cash Flow Statement and net debt reconciliation in Note 4. Furthermore, please refer to Note 17 for evidence of the movement schedule of lease liabilities.

NOTE 29 - TRADE AND OTHER PAYABLES

The table below shows trade and other payables as of 31 December 2023 and 2022:

in '000 EUR	31 Dec 2023	31 Dec 2022
Trade payables	193,214	181,179
Credit card payables	53,251	72,895
Other payables	15,893	40,796
Accrued expenses and deferred income	27,656	37,144
Total Current	**290,014**	**332,013**
Total Trade and other payables	**290,014**	**332,013**

Below a detailed explanation of each caption included in the table above.

Trade payables

The most significant creditors of the Group, included in the trade payables at 31 December 2023, are related to marketing service providers and the International Air

Transport Association (IATA). The trade payables mainly include the amount to be paid to Hotels and Airlines for the products already purchased by the Group's customers on the Group's websites. As the business activity increases, the Group holds an increased amount of funds on behalf of customers which are payable to suppliers for products purchased. This drives the negative Net Working Capital position of the Group.

The ageing of trade and other payables at the reporting date is shown in the following table:

in '000 EUR	31 Dec 2023	31 Dec 2022
Not past due	275,464	319,303
Past due 0-30 days	11,599	10,916
Past due 31-90 days	1,787	618
Past due 91-180 days	278	296
Past due 181-360 days	258	74
Past due 361 and over	628	806
Total	**290,014**	**332,013**

Credit card payables

The credit card payables are post-paid credit card accounts, which are used to make payments in the daily business. The amount of 2023 decreased by EUR 19,644 thousand (-26.9%) compared to the previous year. On 31 December 2023, the Group increased the credit card plafond to a total amount of EUR 103,974 thousand (2022: EUR 97,927 thousand).

Accrued expenses and deferred income

The accrued expenses and deferred income decreased by EUR 9,488 thousand, from EUR 37,144 thousand in 2022 to EUR 27,656 thousand in 2023. The most relevant component included in this line is related to the liabilities towards the customers for vouchers issued in relation to the cancellations of bookings when the customers choose this option as a method of refund. At year end total voucher refund provision amounted to EUR 11,802 thousand, compared to EUR 20,282 thousand in 2022.

Other payables

The reduction in other payables (from EUR 40,796 thousand at 31 December 2022 to EUR 15,893 thousand at 31 December 2023) is mainly linked to the reimbursement of the liability towards the SECO, for a total amount of EUR 29,531 thousand, in connection with the closing of the administrative procedure concerning the Swiss subsidiaries of the Group started in 2022. In addition, the line includes payables relating to taxes, social security and amounts due to personnel for the annual bonus (variable compensation plans or sales incentive plans).

NOTE 30 - CONTINGENT LIABILITIES

Proceedings against Ryanair Ltd now Ryanair DAC

Switzerland

Ryanair Ltd (hereinafter referred to as "Ryanair") claimed in 2008 against a company previously belonging to the Group for alleged breach of access to Ryanair's website. Ryanair went to court in Ireland, asking for an injunction preventing the former Group company from accessing its website and additionally suing for damages. In 2009, Bravofly SA (then Bravonext SA) claimed in Switzerland to reach an assessment that its activity was not violating any right of Ryanair Ltd, whereas the latter claimed to reach an assessment that Bravofly SA was acting illicitly and additionally sued for damages. On 8 May 2019, Bravonext SA received the Court decision. "Pretura" of Lugano rejected Ryanair's requests and decided the first grade in Bravonext SA's favour. Ryanair has appealed the decision. The Group received the appeal from Ryanair and answered with a counter-appeal on 13 December 2019. On 15th December 2020, the Court of Appeal of the Canton Ticino fully rejected the appeals of Ryanair, entirely confirming the first instance court decision. The appeal of the Company was only partially upheld on a side aspect but, in the main point, it was rejected, too. On 1 February 2021, Ryanair appealed to the Federal Court. Ryanair requested a suspensive effect, which means that payments can be requested if a suspensive effect is not granted. The Group objected to the suspensive effect on 4 February 2021 and requested a new deposit. In December 2021 Bravonext SA also requested that, despite the appeals being pending before the Federal Court, the first instance Court and the cantonal Court of Appeal already release in favour of Bravonext SA the amounts that had been paid by Ryanair as security for costs before the two instances. The request of release sent by Bravonext SA was then served to Ryanair by the respective courts and Ryanair was granted a deadline that expired around 10 January 2022 to file their comments.

On 21 February 2023, the Federal Court rejected Ryanair's appeals against Bravonext SA and lastminute.com N.V. The Federal Court's decision officially closed the case bringing to an end a litigation that started in October 2008.

Italy

In 2010, Viaggiare Srl brought an administrative proceeding against Ryanair, before the Court of Milan: in the claim the defendant is trying to prevent Viaggiare Srl from performing its online travel agency activities in respect of such airline flights. Viaggiare Srl has asked the Court to acknowledge and declare that: (a) such airline is culpable of acts of unfair competition to the plaintiff's detriment (along with other torts, such as abuse of its dominant position on the market of sale of air flight tickets and relating services); and conversely (b) Viaggiare Srl is entitled to perform its OTA activity also in respect of such airline flights. The first instance court accepted Viaggiare Srl's request and ordered the airline to pay damages and judicial costs for the first instance proceeding. The judgement was appealed by the airline on 31 July 2013. In July 2015 the second instance Court decided in favour of Viaggiare Srl even if Ryanair has not been recognised as dominant in the market. In 2016 the second instance judgement was appealed by Viaggiare before the "Corte di Cassazione". On 13 November 2019, the "Corte di Cassazione" decided to accept all grounds of appeal proposed by Viaggiare Srl and to reject all the Ryanair's argumentation. Particularly in regard to the abuse of the dominant position, the Highest Court said that the Appeal Court didn't properly apply the criteria to exclude or declare the abuse of the dominant position of Ryanair. The Group has gone back to the Appeal Court asking for a new decision on this point. On 7 January 2022, the Group received the orders of the Court of Appeal which, in essence, granted the Group's request for remand for investigation, with an order for Ryanair to produce various documents relating to its market position and a technical consultant on the subject. The Group is in the middle of a court expert (CTU) dispute. Parties' experts are raising their position on the most important points. After that, the judge will decide.

In 2009, LMNext CH SA brought an administrative proceeding against Ryanair, before the Court of Milan: in the claim the defendant was trying to prevent lastminute.com from performing its online travel agency activities in respect of such airline flights. lastminute.com has asked the Court to acknowledge and declare that: (a) such airline is culpable of acts of unfair competition to the plaintiff's detriment (along with other torts, such as abuse of its dominant position on the market of sale of air flight tickets and relating services); and conversely (b) lastminute.com is entitled to perform its OTA activity also in respect of such airline flights. The first instance Court accepted lastminute.com's request and ordered the airline to pay damages and judicial costs for the first instance proceeding. The judgement was appealed by the airline in June 2013. In March 2015 the proceeding was transferred to LMnext CH SA due to the transfer of going concern between lastminute.com and Lmnext CH SA. In July 2015 the second instance court decided in favour of LMnext CH SA even if Ryanair has not been recognised as dominant in the market. Ryanair appealed the decision before the third-level "Corte di Cassazione". LMnext CH SA appealed the decision before "Corte di Cassazione" against Ryanair in 2016. On 13th November 2019 the "Corte di Cassazione" decided to accept all grounds of appeal proposed by LMnext CH SA and to reject all of Ryanair's arguments. Particularly on the abuse of the dominant position, the Highest Court said that the Appeal Court didn't properly apply the criteria to exclude or declare the abuse of the dominant position of Ryanair. On 7th January 2022, the Group received the orders of the Court of Appeal which, in essence, granted our request for remand for investigation, with an order for Ryanair to produce various documents relating to its market position and a technical consultant on the subject. In February 2024, the Court of Appeal issued a judgement of merits, the Company reserves the right to appeal before the "Corte di Cassazione" according to the terms of the law. In any case, there's no risk for the Group associated with this proceeding.

France

Voyages Sur Misure (VSM) initiated a legal proceeding against Ryanair before the Paris Court of First Instance in May 2012 seeking a declaration that VSM's scraping of Ryanair content for display on the French website does not constitute an infringement of Ryanair's intellectual property rights or provide any other grounds for Ryanair to lawfully refuse booking via VMS. Ryanair submitted a pleading challenging the jurisdiction of French courts.

In March 2013 the Court held that the matter should be heard before the Paris Commercial Court rejecting Ryanair's claim to have proceedings transferred to Ireland. In March 2015 Lmnext FR took over VSM's in the trial. The parties are waiting for the Court to set a date for the first hearing.

On 20 March 2018, the Paris Commercial Court rendered a decision that ordered lastminute.com to immediately stop using Ryanair's database. The Court did not provide for provisional enforcement of the decision. In the meantime, Ryanair initiated a new proceeding to request the provisional enforcement of the mentioned part of the decision.

During the first hearing of this procedural proceeding on 6 December 2018 Ryanair the judge did not grant the provisional execution, our Lawyer raised a technical issue and the counterparty's lawyer asked for a period to prepare an answer. The Court of Appeal rendered its decision on the provisional enforcement on 4 April 2019. The judge did not give the provisional enforcement because Ryanair failed to demonstrate the needed urgency to obtain the provisional execution. As a consequence, the proceeding has been carried back to the merit appeal.

By a judgement dated 21 May 2022 the Paris Court of Appeal ruled as follows:

- Declared inadmissible the appeal of the company VSM, on the grounds that this company had disappeared as a result of an absorption merger;
- Confirmed the judgement in all its provisions, except for those that set aside the assessment of the protection of the intellectual property of Ryanair's data and

dismissed LMnext FR claim for damages"

- Enjoined Ryanair DAC from omitting from its current terms of use on its platforms The Court of Appeal ruled that: "All information, computer software (including APIs), domain names, URLs, databases, the content of this website, including in particular trade names, trademarks, logos, flight schedules, prices, etc., as well as the colour scheme and architecture of the website, are protected by copyright, trademark law, rights relating to databases and other intellectual property rights. You are authorised to use this content solely for private, non-commercial purposes. Any other use and/or reproduction of the content of the website, without the prior written consent of Ryanair, is prohibited and constitutes a breach of these terms of use, and may infringe Ryanair's intellectual property rights".

Said that the correction will be made within two months of the judgement under a penalty of EUR 500 per day of delay after this period:

- Ordered Ryanair to pay LMnext FR the sum of one Euro in damages;

- Held that the legislative and regulatory provisions of the Tourism Code for the registration of travel agencies in France were unenforceable against the reservation offers for the rental of hotel rooms and vehicles on the platforms of the company Ryanair, because they were contrary to the secondary legislation of the European Union;

- Ordered LMnext FR to pay Ryanair the sum of EUR 10,000 on the basis of Article 700 of the Code of Civil Procedure.

By a document dated 1 August 2022, LMnext FR appealed against the judgement of 21 May 2022 on the grounds that:

On 20 May 2022, the Paris Court of Appeal rendered a judgement (referred to as the "Judgment"), making the following determinations:

- The appeal by the company Voyages sur Mesures was deemed inadmissible due to its dissolution through an absorption merger.

- The Judgment confirmed all provisions of the original judgement, except for those nullifying the assessment of the protection of Ryanair's intellectual property and rejecting LMnext FR's damages claim related to Ryanair's data.

The Court ruled that Ryanair's opposition to LMnext FR's use of its property right based on the "sui generis" right of databases was illegal. The Court found Ryanair not to be the owner of such a right and deemed it an infringement on LMnext FR's competition. In addition to the original counts, the Court of Appeal:

- Instructed Ryanair DAC to rectify its current terms of use on its platforms within two months of the judgement under a penalty of EUR 500 per day of delay after this period.

The Court further decreed that all information, computer software, domain names, URLs, databases, and website content were protected by various intellectual property rights. Ryanair was ordered to pay LMnext FR one euro in damages and the legislative and regulatory provisions of the Tourism Code for the registration of travel agencies were deemed unenforceable against Ryanair's reservation offers.
LMnext FR appealed the 20 May 2022 judgement on 1 August 2022, arguing against clauses in the general terms and conditions of an internet site that restrict tourist agencies from offering tickets, and the legality of airlines proposing combined offers without a travel agency licence.

Subsequently, LMnext FR's bank accounts were seized by Ryanair on 1 July 2022, totaling EUR 91,582.98. Despite not receiving a demand for payment, LMnext FR agreed to the seizure for the amount of its debt, EUR 71,856.87.

On 17 November 2022, LMnext FR received a summons for non-compliance with the Court's judgement. Ryanair sought to declare LMnext FR's continued sale of its air tickets and use of Ryanair's flight database, requesting a provisional penalty of EUR 183 thousand and an additional penalty of EUR 100,000 per day of delay for three months.

At the hearing on 19 December 2022, LMnext FR asserted compliance with the 20 May 2022 judgement, requesting dismissal of Ryanair's claims or a reduction in the penalty amount. The enforcement judge adjourned the case to 16 February 2023, for further pleadings.

In April 2023, it was established that LMNext FR had ceased selling Ryanair's tickets since 3 August 2022. As a result, the court rejected Ryanair's claim for a new penalty. The enforcement judge determined a penalty of EUR 16,000 for the period before 3 August 2022, considering LMNext FR's good-faith compliance and technical difficulties. Additionally, LMNext FR was ordered to pay EUR 5,000 for the proceeding's fees.
In September 2023 the "Cour de Cassation" accepted our appeal going against Ryanair's request to dismiss it. As of the reporting date the outcome is not predictable, but there is no economic risk regardless of the Court's judgement.

NOTE 31 - RELATED PARTIES

The Group is controlled by Freesailors Coöperatief U.A (incorporated in the Netherlands), which is controlled, directly and indirectly by Mr Fabio Cannavale. Freesailors Coöperatief U.A owns 44.58% (2022: 44.58%) of the shares of the Company. The remaining 55.42% (2022: 55.42%) is divided as follows: free float for 46.15% (2022: 49.17%), Otus Management Capital Ltd for 3.02% (2022: no disclosure of significant ownership) and 6.25% of treasury shares (2022: 6.25%).

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making operating and financial decisions. Parties are also considered to be related if they are subject to common control or common significant influence. The Group has a related party relationship with its major shareholder, its subsidiaries, its associates, its post-employment benefit plans as well as with its key management personnel. The Group's operations involve operating activities between the parent company and its subsidiaries and between the subsidiaries due to the nature of business: these kinds of operations are "recurring" transactions eliminated at a consolidated level.

Receivables and payables from shareholders

At 31 December 2023 the Group had no receivables or payables with shareholders (EUR 15,324 thousand at 31 December 2022).

Key management personnel compensation

In 2023 the executive management consisted of three members, being Mr Luca Concone (Executive Director, Chief Executive Officer - CEO), Mrs Maria Teresa Rangheri (Executive director, Chief Executive Corporate Officer - CECO) and Mr Sergio Signoretti (Executive Manager, Chief Financial Officer - CFO).

The details of the approved remuneration for the above mentioned managers, excluding the post employment benefits, are the following:

Qualification	Office period	Fixed Remuneration	Bonus	Other	Total compensation	Variable on Total Compensation (%)	Fair value of SAR (Estimated Potential Value)	Fair value of SAR (Proportioned to vesting)	Long Term Investment Plan
Executive Director, CEO	Full year	240	338	96	674	49%	495	114	611
Executive Director, CECO	01/07/2023 - 31/12/2023	100	104	9	213	49%	165	38	-
Executive Manager, CFO	Full year	210	115	46	371	31%	140	89	-
Total		**550**	**557**	**151**	**1,258**		**800**	**241**	**611**

The key management personnel compensation accounted for in 2023 and 2022 is presented in the table below:

in '000 EUR	2023	2022
Short-term personnel benefits	1,115	1,128
Post employment benefits	151	37
Fair value of Equity Remuneration* (Estimated Potential Value)	800	379
Total	**2,065**	**1,544**

The total amount for 2023 is EUR 2,065 thousand (2022: EUR 1,544 thousand), which includes the fixed remuneration and the variable remuneration (bonus or other benefits). The bonuses are linked to the performance targets defined by the Board of Directors and according to that their payment is due if the target is reached. The remuneration includes as well any post-employment benefits and the fair value of the long-term incentive plans remuneration (LTIP and SAR plans, for which reference should be made to Note 16).

Transactions with associates

The tables below provide summarised financial information with reference to the trade transactions with associates:

in '000 EUR	31 Dec 2023		31 Dec 2022	
	Assets	Liabilities	Assets	Liabilities
URBANnext SA	23	-	23	-
Instago SAGL	180	78	-	107
Total	**203**	**78**	**23**	**107**

BravoStar is inactive at 31 December 2023, no assets or liabilities with StarNext

in '000 EUR	2023		2022	
	Costs	Revenues	Costs	Revenues
URBANnext SA	-	-	-	1
Instago SAGL	579	278	616	-
Total	**579**	**278**	**616**	**14**

BravoStar is inactive at 31 December 2023, no revenues or costs with StarNext

On top of the trade positions described above, the Group holds a short-term financial receivable (interest bearing loan) with the associated company StarNext; for further details, reference should be made to Note 21.

Other transactions with related parties

During the year the Group signed a consultancy agreement on demand with Fabio Cannavale, former Executive Director of the Company. The costs recognised in connection with this transaction amounted to EUR 132 thousand. As of 31 December 2023, the outstanding balance is EUR 132 thousand.

In addition, during the year the Group signed a consultancy agreement for a total amount of EUR 15 thousand with Massimo Pedrazzini, a Non-executive Board member of the Company. The agreement has been approved by the Company Board of Directors in March 2023.

The Company signed an employment agreement with Maria Teresa Rangheri, Executive Director and CECO. The agreement was approved by the Board of Directors in May 2023.

No other significant transactions with related parties have occurred during 2023.

NOTE 32 - BANK GUARANTEES

As of 31 December 2023, financial institutions had issued bank guarantees to third parties on behalf of the Group for a total amount equal to EUR 51,967 thousand (2022: EUR 40,243 thousand), of which EUR 24,876 thousand relate to a bank guarantee for the IATA, ABTA and ATOL and EUR 11,619 thousand for DRSF (German travel insurance fund).

NOTE 33 - GROUP COMPANIES

The table below shows the Group's structure from a consolidation perspective as of 31 December 2023 and 2022:

Name	Place of business	Consolidated for 2023	Ownership interest	
			2023	2022
lastminute.com N.V.	Amsterdam, Netherlands	-	Parent Company	Parent Company
Bravonext SA	Chiasso, Switzerland	Fully	100.00%	100.00%
Viaggiare S.r.l.	Milan, Italy	Fully	100.00%	100.00%
LMnext US INC	Wilmington, USA	Fully	100.00%	100.00%
LMnext DE Gmbh	Munich, Germany	Fully	100.00%	100.00%
LMnext Services Ltd	London, UK	Fully	100.00%	100.00%
LMnext UK Ltd	London, UK	Fully	100.00%	100.00%
Bravoventure India Private lmt	Bangalore, India	Fully	100.00%	100.00%
Sealine Investments LP**	Edinburgh, UK	Fully	0.01%	0.01%
Blue Sas - JetCost	Paris, France	Fully	98.40%	98.40%
Pigi Shipping & Consulting S.r.l.	Milan, Italy	Fully	100.00%	100.00%
Bravoventure Spain SLU	Madrid, Spain	Fully	100.00%	100.00%
Red Universal de Marketing y Bookings Online S.A.U.	Madrid, Spain	Fully	100.00%	100.00%
Webnext Limited	Valletta, Malta	Fully	100.00%	100.00%
LMnext CH SA	Chiasso, Switzerland	Fully	100.00%	100.00%
URBANnext SA	Chiasso, Switzerland	Equity	25.00%	25.00%
Cruiseland S.r.l.	Milan, Italy	Fully	100.00%	100.00%
LMnext FR SASU	Paris, France	Fully	100.00%	100.00%
Bravometa CH SA	Chiasso, Switzerland	Fully	98.40%	98.40%
Bravoventure Poland Spolka	Szczecin, Poland	Fully	100.00%	100.00%
Lmnext UK Ltd (incorporated in England and Wales) Branch	London, UK	Fully	100.00%	100.00%
Comvel Gmbh	Munich, Germany	Fully	100.00%	100.00%
Bravolivia Sl	Madrid, Spain	Fully	100.00%	100.00%
InstaGo SAGL	Chiasso, Switzerland	Equity	30.04%	30.04%
LM Forward Ltd	London, UK	Fully	100.00%	100.00%
QT Mobilitatsservice Gmbh	Munich, Germany	Fully	100.00%	100.00%
Madfish Srl	Milan, Italy	Fully	100.00%	100.00%
Smallfish Srl	Madrid, Spain	Fully	100.00%	100.00%
HolidayiQ Pte Ltd	Singapore	Fully	100.00%	100.00%
Leisure and Lifestyle Information Service Pvt Ltd	Bangalore, India	Fully	100.00%	100.00%
Sealine Investments 2 LP**	Edinburgh, UK	Fully	0.01%	0.01%
StarNext Israel Ltd	Tel Aviv, Israel	Equity	33.25%	33.25%
BravoStar Israel Ltd	Tel Aviv, Israel	Equity	33.25%	33.25%
StarTech Srl	Milan, Italy	Fully	100.00%	100.00%
Epico Viajes SL*	Barcelona, Spain	Equity	42.55%	42.55%

* In June 2023 the equity investment in Epico Viajes SL was impaired

** lastminute.com N.V. effectively controls the two Companies being the General Partner within the Limited partnership agreement

NOTE 34 - SUBSEQUENT EVENTS

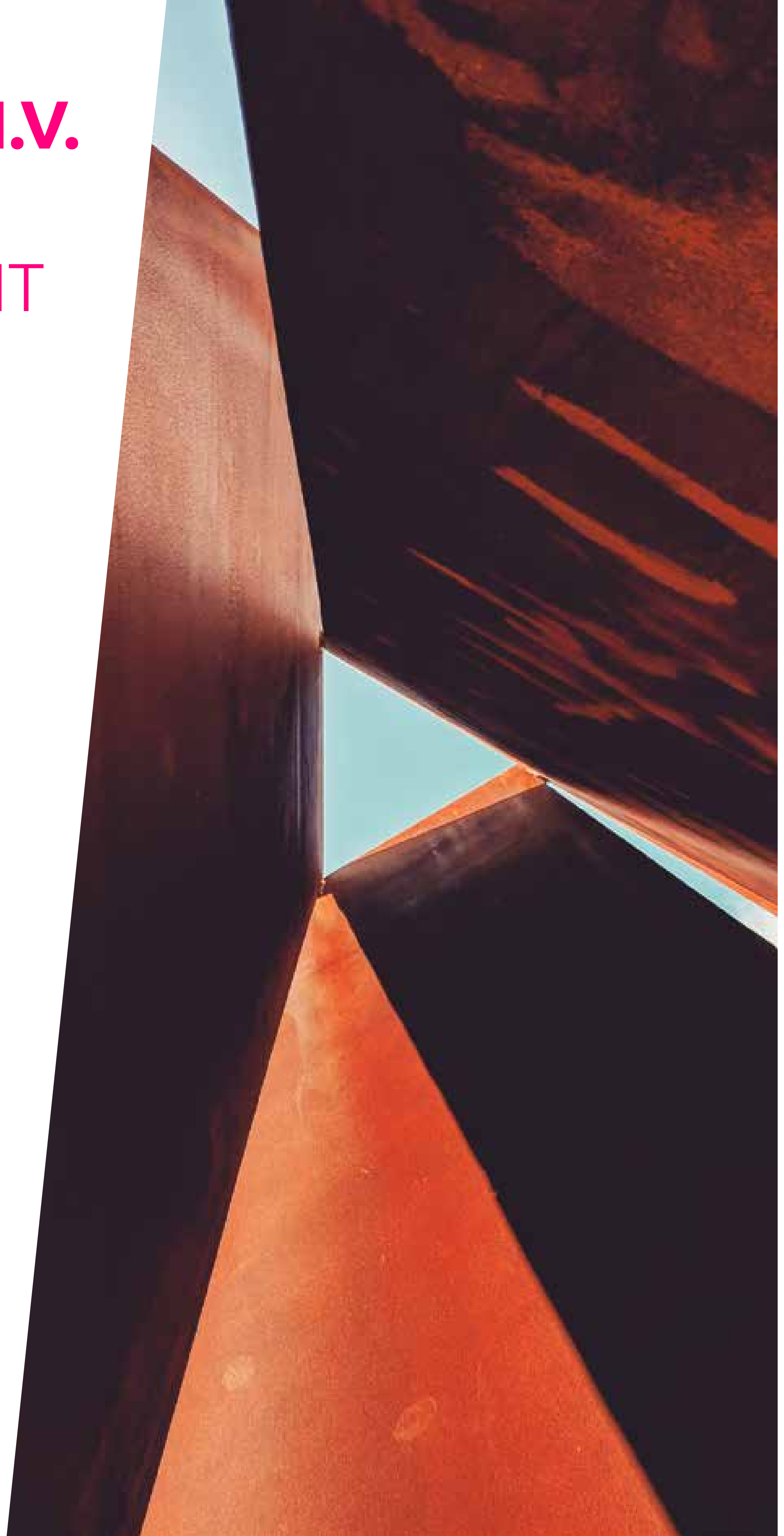
Step up in control on Bravometa CH SA and Blue Sas

In March 2024 the Company increased its percentage of control in both Bravometa CH SA and Blue Sas from 98.4% to 100%, through a share deal agreement aimed at acquiring the shares owned by certain minorities. The total consideration is EUR 800 thousand, paid by the Company in favour of the outgoing shareholders of each involved legal entity.

LASTMINUTE.COM N.V.
STAND ALONE FINANCIAL STATEMENT

QUICK LINKS

lastminute.com Balance Sheet
lastminute.com Profit & Loss
Notes



lastminute.com N.V. (before appropriation of results)
Company balance sheet as at 31 December 2023

in '000 EUR	Notes	31 Dec 2023	31 Dec 2022
FIXED ASSETS	4		
Intangible fixed assets	4a	21,233	20,830
Participations	4b - I	102,707	89,572
Non current financial assets	4b - II	800	904
TOTAL FIXED ASSETS		**124,740**	**111,306**
RECEIVABLES	5		
Receivable from affiliated companies	5a	21,321	10,382
Other receivables	5b	413	478
CURRENT FINANCIAL ASSETS			
Current financial assets	5c	168	53
Investment at fair value	5c	1,846	2,286
Cash and cash equivalents	5 d	212	4,709
TOTAL CURRENT ASSETS		**23,960**	**17,908**
TOTAL ASSETS		**148,700**	**129,214**
CURRENT LIABILITIES	6		
Short term financial liabilities	6a	400	9,733
Creditors		874	739
Payable to affiliated companies	6b	88,053	98,730
Other payables	6c	2,441	2,690
Accrued expenses and deferred income	6d	1,387	1,017
TOTAL CURRENT LIABILITIES		**93,154**	**112,909**
WORKING CAPITAL (Current Assets Less Current Liabilties)		**(69,194)**	**(95,001)**
TOTAL ASSETS LESS CURRENT LIABILITIES		**55,546**	**16,305**
PROVISIONS			
Losses on Participations (associates)	4b - I	11,728	3,840
Other current provisions	6e	1,077	1,077
TOTAL PROVISIONS		**12,805**	**4,917**
CAPITAL AND RESERVES	7		
Share capital		117	117
Capital reserves		52,071	67,419
Legal Reserve - Participations		1,817	1,637
Legal Reserve - Translation reserve		1,907	1,567
Other reserves		(17,683)	(42,341)
Retained earnings		(2,445)	(1,844)
Result for the year		6,958	(15,167)
TOTAL EQUITY		**42,741**	**11,388**
TOTAL LIABILITIES AND EQUITY		**148,700**	**129,214**

* Comparative figures have been restated in accordance with the disclosure provided in Note 3 of the Company financial statements.

in '000 EUR	Notes	2023	2022
Revenues	10	704	982
General and administrative expenses	11	(2,905)	(2,417)
TOTAL OPERATING EXPENSES		**(2,905)**	**(2,417)**
OPERATING RESULT		**(2,201)**	**(1,435)**
Interest income on loans	12a	392	62
Exchange differences		44	167
Other finance income	12b	-	-
Other finance costs	12b	(596)	(529)
Bank and other interest	12c	(3,684)	(1,134)
Finance income /(costs)		**(3,844)**	**(1,435)**
RESULT BEFORE TAXATION		**(6,045)**	**(2,870)**
Income tax expense		-	-
Results of subsidiaries	4b - I	13,003	(12,297)
Results of associates and others	4b - I	-	-
Net result for the year		**6,958**	**(15,167)**

NOTE 1 - GENERAL

lastminute.com N.V. is the parent company of the lastminute.com Group, which operates in the Travel-Tech industry which is active in online travel. Refer to Note 1 of the consolidated financial statements for further details.

Basis of preparation

The company financial statements have been prepared in accordance with Title 9, Book 2 of the Netherlands Civil Code. The Company makes use of the option provided in section 2:362(8) of the Netherlands Civil Code. This means that the principles for the recognition and measurement of assets and liabilities and determination of the result (hereinafter referred to as principles for recognition and measurement) of the company financial statements of the Company are the same as those applied for the consolidated financial statements, which have been prepared in accordance with IFRS as adopted in the European Union. Refer to Note 2 of the Group Consolidated Financial Statements.

These principles also include the classification and presentation of financial instruments, being equity instruments or financial liabilities. In case no other principles are mentioned, refer to the accounting principles as described in the consolidated financial statements. For an appropriate interpretation of these statutory financial statements, the separate financial statements should be read in conjunction with the consolidated financial statements. Information on the use of financial instruments and on related risks for the Group is provided in the notes to the consolidated financial statements of the Group.

All amounts in the company financial statements are presented in EUR thousand, unless stated otherwise. These financial statements cover the year 2023, which ended at the balance sheet date of 31 December 2023.

NOTE 2 - PRINCIPLES OF VALUATION OF ASSETS AND LIABILITIES

(a) Intangible fixed assets - Goodwill

Goodwill relating to investments in consolidated participating interest in the Group companies is initially measured as the excess of the aggregate of the consideration transferred over the net fair value of the net identifiable assets acquired and liabilities and contingent liabilities assumed.

If this consideration is lower than the fair value of the net assets of the participation acquired, the difference is recognised in profit or loss.

Presentation of goodwill is dependent on the structuring of the acquisition. Goodwill is presented separately in the company financial statements if this relates to an acquisition performed by the company itself. Goodwill is subsumed in the carrying amount of the net asset value (Reference should be made to Note 20 of consolidated financial statements of the Group) if an investment in a participation is acquired through the company's intermediate participation.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

(b) Financial fixed assets

i. Participating interests in Group companies and associates

Group companies are all entities in which the Company has direct or indirect control. The Company controls an entity when it is exposed, or has rights, to variable returns from its involvement with the Group company and has the ability to affect those returns through its power over the Group company. Group companies are recognised from the date on which control is obtained by the Company and derecognised from the date that control by the Company over the Group company ceases. Participating interests in Group companies are accounted for in the separate financial statements according to the net equity value, with separate presentation of the goodwill component under intangible fixed assets, with the principles for the recognition and measurement of assets and liabilities and determination of results as set out in the notes to the consolidated financial statements.

Participating interests with a negative net asset value are valued at nil. This measurement also covers any receivables provided to the participating interests that are, in substance, an extension of the net investment. In particular, this relates to loans for which settlement is neither planned nor likely to occur in the foreseeable future. A share in the profits of the participating interest in subsequent years will only be recognised if and to the extent that the cumulative unrecognised share of loss has been absorbed. If the Company fully or partially guarantees the debts of the relevant participating interest, or if it has the constructive obligation to enable the participating interest to pay its debts (for its share therein), then a provision is recognised accordingly to the amount of the estimated payments by the Company on behalf of the participating interest.

Dividends are accounted for in the period in which they are declared. Interest income is recognised in the profit and loss account on an accrual basis, using the effective interest rate method. Any profit or loss is recognised under financial income or expenses.

The Company comprises interests in associates, which are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies (generally a 20% to 50% shareholding). Interests in associates are accounted for using the equity method. They are recognized initially at cost. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence ceases.

Result of participating interests

The share in the result of participating interests consists of the share of the Company in the result of these participating interests. Results on transactions involving the transfer of assets and liabilities between the Company and its participating interests and mutually between participating interests themselves are eliminated to the extent that they can be considered as not realised.

ii. Loans

Loans are stated initially at fair value and subsequently at amortised cost. Amortised costs are determined using the effective interest rate method.

(c) Receivables from affiliated companies

Receivables from affiliated companies are stated at amortised cost, which generally corresponds to their book value that approximates the fair value. Expected credit losses, if any, are taken into account.

(d) Equity

The equity included in the Company's financial statements shows a legal reserve for participation. The legal reserve for participations and the legal reserve - translation reserve consists of amounts required by law in Spain and Switzerland.

NOTE 3 - ACCOUNTING POLICIES AND CHANGES IN ACCOUNTING POLICIES

There is no material impact on these company financial statements from the implementation of the new IFRSs as set out in Note 2 of the consolidated financial statements.

NOTE 4 - FIXED ASSETS

Intangible fixed assets comprise goodwill created on acquisition of Blue SAS in 2013 and on acquisition of HolidayIQ Ltd in 2020.

(a) Intangible fixed assets

During 2023 some projects have been capitalised for an amount of EUR 403 thousand, as shown in the table below:

Cost	Goodwill	Other intangible assets	Total
Balance as at 1 January	20,830	-	20,830
Additions		403	403
Balance as at December 31	**20,830**	**403**	**21,233**

(b) Financial fixed assets

I - Participations

The company's direct investments comprise the following subsidiaries and associates:

Name	Place of business	Ownership	Book Value
Bravonext S.A.	Chiasso, Switzerland	100.00%	50,282
Blue SAS	Paris, France	98.40%	22,196
Bravoventure India Private Ltd.	Bangalore, India	99.00%	2,196
Sealine Investments LP*	Edinburgh, U.K.	0.01%	-
Sealine 2*	Edinburgh, U.K.	0.01%	-
Bravometa CH S.A.	Chiasso, Switzerland	98.40%	20,068
LM Forward Ltd	London,UK	100.00%	-
InstaGo SAGL	Chiasso, Switzerland	30.04%	1,365
URBANnext SA	Chiasso, Switzerland	25.00%	256
HolidayIQ	Singapore	100.00%	1,021
Pigi Shipping & Consulting Srl	Milan, Italy	10.00%	5,322
Epico Viajes SL	Barcelona, Spain	42.55%	-
Total (s)			**102,707**

* Sealine Investments LP and Sealine 2 are Scottish partnerships on which lastminute.com N.V. exercises control as being the general partner.

Where a subsidiary has a negative net assets value, the Company has a constructive obligation to enable the participating interest to pay its debts. Therefore a provision has been recognised accordingly.
See the following Note.

I. Financial fixed assets, continued

The movements in the financial fixed assets (participations) are as follows:

	Subsidiaries							Associates			Other		
Participations	**Bravonext S.A.**	**Blue Sas**	**LM Forward Ltd**	**Bravoventure India Private Ltd.**	**Bravometa CH S.A.**	**Pigi Shipping & Consulting**	**HolidayIQ**	**Epico Viajes S.L.**	**InstaGo SAGL**	**URBANnext SA**	**Sealine Investments LP**	**Sealine 2**	**Total**
Balance Net as at 31 December 2022	**38,331**	**23,270**	**-**	**1,781**	**18,227**	**5,394**	**1,028**	**156**	**1,024**	**362**	**-**	**-**	**89,572**
To provision participations	-	-	3,645	-	-	-	-	-	-	-	-	194	3,840
To provision receivables	-	-	30	-	-	-	-	-	-	-	1,576	5,732	7,338
Balance Gross as at 31 December 2022	**38,331**	**23,270**	**(3,675)**	**1,781**	**18,227**	**5,394**	**1,028**	**156**	**1,024**	**362**	**(1,576)**	**(5,926)**	**78,394**
Balance Net as at 1 January 2023	**38,331**	**23,270**	**(3,675)**	**1,781**	**18,227**	**5,394**	**1,028**	**156**	**1,024**	**362**	**(1,576)**	**(5,926)**	**78,394**
To provision participations	-	-	-	-	-	-	-	-	-	-	-	-	-
To provision receivables	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance Gross as at 1 January 2023	**38,331**	**23,270**	**(3,675)**	**1,781**	**18,227**	**5,394**	**1,028**	**156**	**1,024**	**362**	**(1,576)**	**(5,926)**	**78,394**
Change during the financial year:													
- Capital increase	-	-	-	-	-	-	-	-	-	-	-	-	-
- Acquisition of the year	-	-	-	-	-	-	-	-	-	-	-	-	-
- Direct equity movement participation	(46)	-	(95)	(81)	(32)	-	(7)	-	-	-	-		(260)
- Trasaction with NCI	-	-	-	-	-	-	-	-	-	-	-	-	-
- Results on participations	11,997	(1,073)	(86)	496	1,873	(73)	1	(156)	341	(106)	(150)	(218)	12,846
Balance Gross as at 31 December 2023	**50,282**	**22,196**	**(3,857)**	**2,196**	**20,068**	**5,322**	**1,021**	**-**	**1,365**	**256**	**(1,727)**	**(6,144)**	**90,979**
To provision participations			3,827									183	4,010
To provision receivables			30								1,727	5,962	7,718
Balance Net as at 31 December 2023	**50,282**	**22,196**	**-**	**2,196**	**20,068**	**5,322**	**1,021**	**-**	**1,365**	**256**	**-**	**-**	**102,707**

In case of participating interests in subsidiaries with a negative net asset value, the company has a constructive obligation to pay the debts. Accordingly, a receivable is written off and a provision would be added.

II - Non current financial assets

in '000 EUR	31 Dec 2023	31 Dec 2022
Loans granted to other companies	800	904
Total (s)	**800**	**904**

Loans granted to other companies decreased by EUR 104 thousand, from EUR 904 thousand in 2022 to EUR 800 thousand in 2023 due to a reclassification from non-current financial assets to current financial assets for EUR 104 thousand.

NOTE 5 - RECEIVABLES

(a) Receivable from affiliated companies

This amount can be specified as follows:

Name	Ownership	Book Value
Loan		
LM Forward Ltd - loan	30	30
Sealine 2	5,263	5,132
Sealine Investments LP	12,107	11,859
Trade		
Bravonext SA - trade receivables	1,031	32
LMNext FR - trade receivables	17	10
Sealine 1 - trade receivables	2,055	18
Rumbo - trade receivables	58	30
Viaggiare - trade receivables	45	9
Sealine 2 - trade receivables	698	601
Pigi - trade receivables	2	-
Blue - trade receivables	4	-
LM Forward Ltd - trade	2	-
LMNext DE- trade receivables	1	-
Comvel - trade receivables	5	-
Bravometa - trade receivables	2	-
Bravoventure - trade receivables	1	-
Total (s)	**21,321**	**17,721**

The fair value of the receivables approximates the book value.

The financial receivables are mainly related to loans granted to subsidiaries with an interest rate in line with market conditions. The receivables from affiliated companies are due within one year. The fair value of the receivables approximates the book value, due to their short-term character. The loans are unsecured and are subordinated to all other obligations of the borrower.

Financial risk management

Please refer to the information included in the Note 4 to the consolidated financial statements.

(b) Other receivables

This amount can be specified as follows:

in '000 EUR	31 Dec 2023	31 Dec 2022
Prepayments	315	356
Other receivables	63	123
VAT receivable	35	-
Total (s)	**413**	**478**

The other receivables are due within one year. The fair value of the receivables approximates the book value.

The prepayment amount is related to a one shot bonus received in 2022 from an acquirer for an amount of EUR 400 thousand, deferred for the period 2022-2026.

(c) Current financial assets

in '000 EUR	31 Dec 2023	31 Dec 22
Current financial assets	168	53
Investments at fair value	1,846	2,286
Total (s)	**2,014**	**2,339**

The variation of the investments at fair value is mainly linked to the fair value remeasurement of the investment in Destination Italia leading to a cost of EUR 440 thousand due to the decrease in the share value during the year.

(d) Cash and cash equivalents

The cash and cash equivalents are freely available to the Company.

NOTE 6 - CURRENT LIABILITIES

All the current liabilities are due within one year.

(b) Payable to affiliated companies

This amount can be specified as follows:

in '000 EUR	31 Dec 2023	31 Dec 2022
Trade		
Bravonext SA - trade payable	5,664	4,500
Comvel - trade payable	20	3
LM Next UK - trade payable	11,619	11,619
Rumbo - trade payable	10	10
Viaggiare - trade payable	-	24
Pigi - trade payable	198	163
Loan		
Bravometa CH - loan	14,156	13,445
LM next FR - loan	48,209	46,473
Comvel - loan	-	15,359
LM Next UK Services - Loan	4,663	4,382
Other		
Bravonext SA - cash pooling	1,329	56
Sealine 2	1,219	1,730
Sealine Investments LP	966	966
Total (s)	**88,053**	**98,730**

The payables are both interest and non interest bearing, including cash pooling balance on which an interest rate in line with market conditions is applied. The fair value of the liabilities approximates the book value.

The financial payables are mainly related to loans granted to subsidiaries with an interest rate in line with market conditions, increased from 2.5% to 5.5%. The agreements are stipulated for an indefinite period. Payments by the Borrower to the Lender shall be made on request in immediately available funds into the bank account indicated by the Lender.

The overall decrease of loan payables is mainly due to the repayment of EUR 15.358 thousand related to Comvel's loan, stipulated in 2022 in the context of Bravonext's recapitalization.

(c) Other payables

This amount can be specified as follows:

in '000 EUR	31 Dec 2023	31 Dec 2022
Directors remuneration	471	716
Withholding taxes	0	18
Employee benefit obligation	1,969	1,956
Total (s)	**2,441**	**2,690**

Employee benefit obligation, for the amount of EUR 1,969 thousand, is the net effect among the exit of some employees during the year, the remeasurement of the existing liability towards employees.

The Directors emoluments liability refers to the emoluments of the executive directors (excluding wage tax and social security premium) not yet paid as of 31 December 2023 and related also to previous years.

(d) Accrued expenses and deferred income

This amount can be specified as follows:

in '000 EUR	31 Dec 2023	31 Dec 2022
Audit fees	227	181
Consultancy fees	882	478
Acquiring costs	278	358
Total (s)	**1,387**	**1,017**

The increase of this caption is both due to the costs incurred for consultancy and legal services received during the year and to the deferred income calculated on the spot bonus received from an acquirer, related to the period 2022-2026.

As explained in Note 5b the deferred income has been recognised by the Company and then recharged to Bravonext, considering that the bonus has been received on its behalf.

(e) Other current provisions

in '000 EUR	31 Dec 2023	31 Dec 2022
Other provision	1,077	1,077

No variations compared to previous years with reference to the other provisions, related to the expected costs for legal expenses that will be incurred by the employees under investigation.

NOTE 7 - CAPITAL AND RESERVES

The authorised share capital of EUR 181 thousand is divided into 18,110,000 ordinary shares with a par value of EUR 0.01 each (same as 31 December 2022). The paid-up and called up share capital of EUR 117 thousand is divided into 11,664,219 million ordinary shares with a par value of EUR 0.01 each (same as 31 December 2022).

The movements in the year under review can be summarised as follows:

in '000 EUR	share Capital	Capital Reserves	Legal Reserve - Participations	Legal reserve - Translation Reserve	Other reserves	Retained Earnings	Result for the period	Total
Balance as at 1 January 2022	**117**	**72,277**	**4,132**	**2,396**	**(14,184)**	**(1,457)**	**(9,613)**	**53,668**
Profit/loss appropriation	-	(7,354)	-	-	-	(2,259)	9,613	-
Indirect acquisition of own shares	-	-	-	-	(559)	-	-	(559)
Share-buy back	-	-	-	-	(2,940)	-	-	(2,940)
Indirect purchase of treasury shares from minority investors	-	-	-	-	(24,658)	-	-	(24,658)
Actuarial result DB pension plan	-	-	-	-	-	1,872	-	1,872
Result for the year	-	-	-	-	-	-	(15,167)	(15,167)
CTA adjustment	-	-	-	(829)	-	-	-	(829)
Transfers to Legal Reserves	-	2,495	(2,495)	-	-	-	-	-
Balance as at 31 December 2022	**117**	**67,418**	**1,637**	**1,567**	**(42,341)**	**(1,844)**	**(15,167)**	**11,387**
Balance as at 1 January 2023	117	67,418	1,637	1,567	(42,341)	(1,844)	(15,167)	11,387
Profit/loss appropriation	**-**	**(15,167)**	**-**	**-**	**-**	**-**	**15,167**	**-**
Indirect acquisition of own shares	-	-	-	-		-	-	-
Share-buy back	-	-	-	-		-	-	-
Indirect purchase of treasury shares from minority investors	-	-	-	-		-	-	-
Subsequent annulment of freesailors transaction	-	-	-	-	24,658	-	-	24,658
Actuarial result DB pension plan	-	-	-	-	-	(602)	-	(602)
Result for the year	-	-	-	-	-	-	6,958	6,958
CTA adjustment	-	-	-	340	-	-	-	340
Transfers to Legal Reserves	-	(180)	180	-	-	-	-	(0)
Balance as at 31 December 2023	**117**	**52,071**	**1,817**	**1,907**	**(17,683)**	**(2,446)**	**6,958**	**42,741**

Capital reserves
As of 31 December 2023 capital reserves, including share premium reserves, amount to EUR 53,888 thousand (2022: EUR 69,055 thousand). An amount equal to EUR 180 thousand is reclassified within the legal reserve. The variation is linked to the attribution of previous year's losses to capital reserves for EUR 15,167 thousand.

Legal reserve - Participation
The legal reserve participation consists of amounts required by law in Spain, Switzerland, Italy and France of EUR 1,817 thousand (EUR 1,637 thousand as of 31 December 2022).

Legal reserve - Translation reserve
The reserve for translation differences concerns all exchange rate differences arising from the translation of the net investment in foreign entities. The translation reserve is also a legal reserve.

Other reserves
The other reserves accounted for at year end 2022 in connection with the Freesailors transaction (EUR 24,658 thousand) have been reversed in 2023 as a result of the annulment of the operation. Reference should be made to Note 2 of the consolidated financial statements for further information.

Retained Earnings
Retained earnings as of 31 December 2023 amounted to EUR -2,446 thousand (2022: EUR -1,844 thousand) and contain accumulated results obtained in previous years generated by the Company and not distributed to shareholders as well as amounts booked in relation to the re-measurement of the employee benefits liability.

NOTE 8 - APPROPRIATION OF RESULTS OF FINANCIAL YEAR 2022

The Annual Report 2022 was adopted in the General Meeting of shareholders held on 30 June 2023. The General Meeting of shareholders has determined the appropriation of the result for 2022 in accordance with the proposal made in the 2022 Annual Report.

NOTE 9 - PROPOSED APPROPRIATION OF RESULT FOR THE FINANCIAL YEAR 2023

The profits for the year 2023 will be allocated and/or reserved in a manner to be determined by the Board, in accordance with the provisions of Article 25 of the Company's Articles of Association, at a subsequent Board meeting to be held prior to the calling of the annual general shareholders meeting for the year 2024.
The Board may also propose additional distributions from reserves to shareholders.

This proposal allocation of results has not been incorporated in the annual accounts; it is subject to the approval of the annual general meeting of shareholders. The net result for the year is included in the capital and reserves as result for the year.

The Company can only make distributions to the shareholders and other parties entitled to the distributable profit in accordance with its dividend policy and the Articles of Association.

NOTE 10 - REVENUES

The table below shows Revenues for 2023 and 2022:

in '000 EUR	2023	2022
Other Revenues	130	427
ICO recharges	574	556
Total (s)	**704**	**982**

Revenues mostly relate to acquiring costs rebate and to intercompany recharges for services provided by the Company to the Group.

NOTE 11 - GENERAL AND ADMINISTRATIVE EXPENSES

The table below shows general and administrative expenses for 2023 and 2022:

in '000 EUR	2023	2022
Consultancy and accountancy fees	1,586	3,033
Personnel costs	-	2
Directors fees	97	484
Share-based payments	3	(2,228)
Other	1,218	1,126
Total	**2,905**	**2,417**

Consultancy and accountancy fees decreased mostly due to legal costs incurred during the year. Directors fees mainly refer to the remuneration related to the executive directors of the Company.

Share-based payments for the amount of EUR 3 thousand are the net effects of the exit of some employees during the year and the remeasurement of the existing liability towards employees. Additional information is included in Note 16 of the consolidated financial statements.

Audit fees

The following fees were charged by KPMG Accountants N.V. and other minor audit firms for 2023 and 2022 to the company, its subsidiaries and other consolidated companies, as referred to in the Section 2:382a (1) and (2) of the Netherlands Civil Code.

Year 2023	KPMG Accountants N.V.	Other KPMG Network	Other minor audit firms	Total 2023
Audit of financial statements	201	608	141	951
Tax services	-	-	-	-
Other non-audit services	-	39	-	39
Total (s)	**201**	**647**	**141**	**990**

Year 2022	KPMG Accountants N.V.	Other KPMG Network	Other minor audit firms	Total 2022
Audit of financial statements	118	586	119	823
Tax services	-	3	-	3
Other non-audit services	-	29	-	29
Total (s)	**118**	**618**	**119**	**855**

The audit fees related to the subsidiaries in scope for the audit of the consolidated financial statements have been directly charged and invoiced to the respective subsidiaries. These fees relate to the audit of the 2023, and 2022 respectively, financial statements regardless of whether the work was performed during the financial year.

Number of employees and employment costs

During the year under review the Company had no employee (2022:0).

NOTE 12 - FINANCIAL INCOME / EXPENSE

(a) Interest income on loans

The table below shows the interest income for 2023 and 2022:

in '000 EUR	2023	2022
Interest income on loans to affiliated companies	369	32
Interest income on loans to others	23	30
Total (s)	**392**	**62**

The variance in income on loans is due to the increase of the interest rate applied to the intercompany loans, from 2.5% to 5.5%.

(b) Other finance income

in '000 EUR	2023	2022
Impairment of financial investment at fair value	440	529
Revaluation of Financial assets	156	-
Total (s)	**596**	**529**

The amount is related to the fair value evaluation as of 31 December 2023 of the investment held in Destination Italia SpA and to the impairment of one investment held as of 31 December 2023 (Epico Viajes SL).

(c) Bank and other interest

The table below shows the interest income for 2023 and 2022:

in '000 EUR	2023	2022
Interest on cash pooling	103	(7)
Bank interests	-	(0)
Interest on loans from Group companies	3,581	(1,127)
Interest on tax settlement	-	-
Total (s)	**3,684**	**(1,134)**

Interests from Group companies increased accordingly to the higher interest rate applied to the intercompany loans in place.

NOTE 13 - FISCAL POSITION - CORPORATE INCOME TAX

Corporate income tax

The Company generated taxable loss during the year under review for an amount of EUR 6,045 thousand. Therefore, no tax charge for the year is recorded. At year-end the losses carry forward amount to EUR 29,814 thousand (2022: EUR 23,218 thousand) which can be offset against future profits. Deferred tax is not included in this calculation because the Company does not expect to generate taxable income in the Netherlands in the coming years.

NOTE 14 - OFF-BALANCE SHEET ASSETS AND LIABILITIES

As of 31 December 2023 the Company does not have any off balance sheet commitments.

NOTE 15 - DIRECTORS

During the year under review, the Company had seven directors. The Board is a so-called one-tier Board and comprises both Executive Directors and Non-Executive Directors. The Company has no supervisory directors. During the year 2023 and 2022 the remuneration for the Board of Director's members was as follows:

in '000 Eur

Name	Qualification	Office period*	Fixed Remuneration	Bonus	Other	Total Compensation	Variable on Total Compensation (%)	Fair value of SAR (Estimated Potential Value)**	Fair value of SAR (Proportioned to vesting)***
Luca Concone	Executive Director, CEO	01/01/2023 - 31/12/2023	240	338	96	674	50%	495	114
Maria Teresa Rangheri	Executive director, CECO	01/07/2023 - 31/12/2023	100	104	9	213	49%	165	38
Maria Teresa Rangheri	Non-executive director	01/01/2023 - 30/06/2023	28	-	-	28	0%	-	-
Massimo Pedrazzini	Non-executive director	01/01/2023 - 31/12/2023	68	-	-	68	0%	-	-
Yann Rousset	Non-executive director	01/01/2023 - 31/12/2023	80	-	-	80	0%	-	-
Cyril Ranque	Non-executive director	01/01/2023 - 31/12/2023	70	-	-	70	0%	-	-
Valentin Pitarque	Non-executive director	01/01/2023 - 16/05/2023	31	-	-	31	0%	-	-
Marco Forasassi	Non-executive director	01/07/2023 - 31/12/2023	33	-	-	33	0%	140	24
TOTAL REMUNERATION TO BOARD OF DIRECTORS 2023			**649**	**442**	**105**	**1,196**	**-**	**799**	**177**
Fabio Cannavale	Executive Director, founder & CEO	01/01/2022 - 24/07/2022	162	-	-	162	0%	-	-
Andrea Bertoli	Executive Director, CEO & COO	01/01/2022 - 24/07/2022	290	-	-	290	0%	132	44
Roberto Italia	Non-executive director	01/01/2022 - 21/12/2022	48	-	-	48	0%	-	-
Massimo Pedrazzini	Non-executive director	01/01/2022 - 31/12/2022	40	-	-	40	0%	-	-
Paola Garzoni	Non-executive director	01/01/2022 - 21/12/2022	34	-	-	34	0%	-	-
Laurent Foata	Non-executive director	01/01/2022 - 21/12/2022	39	-	-	39	0%	-	-
Javier Perez Tenessa	Non-executive director	01/01/2022 - 21/12/2022	24	-	-	24	0%	-	-
Luca Concone	Executive Director, CEO	22/12/2022 - 31/12/2022	7	7	-	14	50%	-	-
Yann Rousset	Non-executive director	22/12/2022 - 31/12/2022	2	-	-	2	0%	-	-
Maria Teresa Rangheri	Non-executive director	22/12/2022 - 31/12/2022	2	-	-	2	0%	-	-
Valentin Pitarque	Non-executive director	22/12/2022 - 31/12/2022	2	-	-	2	0%	-	-
Cyril Ranque	Non-executive director	22/12/2022 - 31/12/2022	2	-	-	2	0%	-	-
TOTAL REMUNERATION TO BOARD OF DIRECTORS 2022			**652**	**7**	**-**	**659**	**-**	**132**	**44**

* The Extraordinary General Meeting held on 21 December 2022 approved the remuneration proposals of the Board of Directors for the first half year of 2023, while the 2023 Annual General Meeting held on 30 June 2023 approved the remuneration proposals for the second half of the year. The Annual General Meeting held on 18 May 2022 and the Extraordinary General Meeting held on 21 December 2022 approved the remuneration proposals for the board of director's members for 2022.

** Reported as the potential Fair Value of the total options granted valued as of 31 December 2023 regardless of the vesting period.

*** Reported as Fair Value of the total option recognised pro quota in 2023 consolidated statement of profit and loss, in accordance with IFRS principles even if different vesting conditions apply.

As regards the Variable on Total Compensation (%) calculation, it does not include neither the estimated potential fair value nor the proportioned to vesting fair value of the consideration resulting from the granted SAR.

See paragraph "Remuneration policy" of the Corporate governance section for further details about the compensation of the Directors of the Company.

NOTE 16 - ADJUSTING AND SUBSEQUENT EVENTS

In March 2024 the Company increased its percentage of control in both Bravometa CH SA and Blue Sas from 98.4% to 100%, through a share deal agreement aimed at acquiring the shares owned by certain minorities.

The total consideration is EUR 800 thousand, paid by the Company in favour of the outgoing shareholders of each involved legal entity.

OTHER INFORMATION

Appropriation of result according to the articles of association
According to article 25 of the Articles of Association the result of the year is at free disposal of the General Meeting of shareholders.

KPMG

Independent auditor's report

To: the General Meeting of Shareholders and the Board of Directors of lastminute.com N.V.

Report on the audit of the financial statements 2023 included in the Annual Report

Our opinion

In our opinion:

— the accompanying consolidated financial statements give a true and fair view of the financial position of lastminute.com N.V. as at 31 December 2023 and of its result and its cash flows for the year then ended, in accordance with IFRS Accounting Standards as endorsed by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code;

— the accompanying company financial statements give a true and fair view of the financial position of lastminute.com N.V. as at 31 December 2023 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the financial statements 2023 of lastminute.com N.V. (‘the Company’) based in Amsterdam. The financial statements include the consolidated financial statements and the company financial statements.

The consolidated financial statements comprise:

1. the consolidated balance sheet as at 31 December 2023;
2. the following consolidated statements for 2023: profit or loss and other comprehensive income, changes in equity and cash flows; and
3. the notes comprising material accounting policy information and other explanatory information.

The company financial statements comprise:

1. the company balance sheet as at 31 December 2023;
2. the company profit and loss account for 2023; and
3. the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of lastminute.com N.V. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, 'Code of Ethics for Professional Accountants, a regulation with respect to independence') and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, 'Dutch Code of Ethics').

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in respect of going concern, fraud and non-compliance with laws and regulations and the key audit matters was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information in support of our opinion

Summary

Materiality
— Materiality of EUR 3 million — 0.92% of revenues
Group audit
— Audit coverage of 89% of total assets — Audit coverage of 83% of revenue
Risk of material misstatements related to Fraud, NOCLAR and Going concern
— Fraud risks: presumed risk of management override of controls and presumed risk of revenue recognition identified and further described in the section 'Audit response to the risk of fraud and non-compliance with laws and regulations' — Non-compliance with laws and regulations ('NOCLAR') risks: no reportable risk of material misstatements related to NOCLAR risks identified — Going concern risks: no going concern risks identified and described in the section 'Audit response to going concern'
Key audit matters
— Fraud risk related to revenue recognition and risk of error regarding accuracy of revenues — Application of impairment requirements (Impairment test)

Materiality

Based on our professional judgement we determined the materiality for the financial statements as a whole at EUR 3 million (2022: EUR 2.5 million). The materiality is determined with reference to revenues (0.92%). We consider revenues as the most appropriate benchmark because lastminute.com N.V. was lossmaking in previous years (2022 and 2021) and the Company is focused on revenue growth. Revenue is one of the presumed key considerations for users of the financial statements. Materiality significantly changed compared to last year due to the increase in revenues We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the Board of Directors that misstatements identified during our audit in excess of EUR 120,000 would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the group audit

lastminute.com N.V. is at the head of a group of components. The financial information of this group is included in the financial statements of lastminute.com N.V.

Our group audit mainly focused on significant components, due to size or due to risk. In addition we performed several procedures with the assistance of KPMG Switzerland on group level to mitigate identified risks.

We have:

- performed audit procedures ourselves at several group components;
- made use of the work of another KPMG auditor for the audit of Bravonext SA and Viaggiare S.r.l.;
- sent audit instructions to the component auditor, covering significant areas including the relevant risks of material misstatement and set out the information required to be reported back to us; and
- performed onsite file reviews for the audit of Bravonext SA and Viaggiare S.r.l.

For the residual population not in scope we performed analytical procedures in order to corroborate that our scoping remained appropriate throughout the audit.

By performing the procedures mentioned above at group components, together with additional procedures at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion about the financial statements.

The audit coverage as stated in the section summary can be further specified as follows:

Total assets

45%	0%	54%
Audit of the complete reporting package	Audit of specific Items at group level	Specified audit procedures at group level

Revenue

71%	12%	0%
Audit of the complete reporting package	Audit of account balance	Specified audit procedures at group level

Audit response to the risk of fraud and non-compliance with laws and regulations

In chapter Risk management & Internal Control System of the management report and chapter Internal control and risk management system in the corporate governance report, the Board of Directors describes its procedures in respect of the risk of fraud and non-compliance with laws and regulations.

As part of our audit, we have gained insights into the Company and its business environment, and assessed the design and implementation of the Company's risk management in relation to fraud and non-compliance. Our procedures included, among other things, assessing the Company's code of conduct, whistleblowing rules, Modern slavery act policy, anti-Corruption, anti-bribery and anti-money laundering policy and its procedures to investigate indications of possible fraud and non-compliance. Furthermore, we performed relevant inquiries with the executive and non-executive members of the Board of Directors, management, and other relevant functions, such as Internal Audit, Legal Counsel and Compliance. In addition, we included correspondence with relevant supervisory authorities and regulators in our evaluation. We have also incorporated elements of unpredictability in our audit, such as varying our selection technique .

As a result from our risk assessment, we identified the following laws and regulations as those most likely to have a material effect on the financial statements in case of non-compliance:

— rules related to the work time reduction subsidy;

— rules related to travel industry;

— the laws and regulations governing online;

— employment law;

— data and privacy laws; and

— competition law.

Based on the above and on the auditing standards, we identified the following fraud risks that are relevant to our audit and responded as follows:

Management override of controls (a presumed risk)

Risk:

— The Board of Directors is in a unique position to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.

Responses:

— We evaluated the design and the implementation of internal controls that mitigate fraud risks, such as processes related to journal entries and estimates related to the impairment test of goodwill and other intangible fixed assets.

— We evaluated key estimates and judgments for bias by the Company's management, including retrospective reviews of prior years' estimates such as with respect to forecasts in the impairment testing of goodwill and other intangible assets.

— We evaluated the appropriateness of the accounting for significant transactions that are outside the Company's normal course of business, or are otherwise unusual, like the unusual transaction identified in 2022 with opposite effect in 2023 with minority shareholders in Freesailors Coöperatief U.A. as disclosed in note 2 material accounting policies paragraph subsequent annulment on Freesailors transaction and note 26 Shareholders' equity in the financial statements.

— We performed a data analysis of high-risk journal entries related to manual journal entries on revenue accounts with no corresponding entry on receivables and manual journal entries posted by users not involved in the accounting department. Where we identified instances of unexpected journal entries or other risks through our data analytics, we performed additional audit procedures to address each identified risk, including testing of transactions back to source information.

Revenue recognition (a presumed risk)

Risk:

— There is an inherent risk of fraudulent revenue recognition through overstatement of revenues as lastminute.com N.V. is a listed company with primary focus on growth of sales. For the Company this risk might materialize in the timing of revenue recognition (proper revenue cut-off) and on non-routine transactions (during the year).

Responses:

— We refer to key audit matter revenue recognition.

As mentioned above, our evaluation of procedures performed related to fraud did result in a key audit matter (revenue recognition).

We communicated our risk assessment, audit responses and results to management and the Board of Directors.

Our audit procedures did not reveal indications and/or reasonable suspicion of fraud and non-compliance that are considered material for our audit.

Audit response to going concern

As explained in note 2 material accounting policies – basis of preparation of the financial statements, the Board of Directors has performed its going concern assessment and has not identified any going concern risks. Our main procedures to assess the Board of Directors assessment were:

— We considered whether the Board of Directors' assessment of the going concern risks includes all relevant information of which we are aware as a result of our audit.
— We analyzed the Company's financial position as at year-end and compared it to the previous financial year in terms of indicators that could identify going concern risks.
— We inspected the financing agreements in terms of conditions that could lead to going concern risks, including the term of the agreement and the covenants (including received waiver).

The outcome of our risk assessment procedures did not give reason to perform additional audit procedures on the Board of Directors' going concern assessment.

Our key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the Board of Directors. The key audit matters are not a comprehensive reflection of all matters discussed.

Compared to last year the key audit matter with respect to the investigation into the working hour reduction subsidies and the Freesailors transaction (purchase certain membership interest in Freesailors) are not included, as both are no longer considered a risk for the current year.

The investigation into the working hour reduction subsidies is not considered a risk since a settlement with the Swiss Secretariat for Economic Affairs is reached in 2023 and the subsidy is repaid. The Freesailors transaction is not considered a risk since the accounting treatment of the transaction in 2023 was determined as part of the prior year audit and recorded in both years in accordance with the determination in prior year.

Fraud risk related to revenue recognition and risk of error regarding accuracy of revenues

Description

The total revenue for the year 2023 amount to EUR 317.1 million and other income from expired refund vouchers EUR 10.7 million.

Risk of fraud:

There is an inherent risk of fraudulent revenue recognition through overstatement of revenues as lastminute.com N.V. is a listed company with primary focus on growth of sales. For the Company this risk might materialize in the timing of revenue recognition (proper revenue cut-off) and on non-routine transactions (during the year).

Risk of error:

The revenue comprises of commissions applied to service providers based on contractual agreements and rebates on realized target volumes from service providers also based on contractual agreements. The volume of the transactions and counterparties that characterizes the online travel business is significant and there is a high dependency on the IT systems.
As a result, an incorrect calculation of the rebates to suppliers or incorrect commission percentage could result in a material misstatement. In addition, we consider this a key audit matter because of the self-developed operating system.
As a result, an incorrect calculation of the relating liability, discount offered to future bookings and performance obligation could result in a material misstatement.

Our response

We performed the following:

— identified and tested relevant controls around revenue recognition, including anti-fraud controls and thereto related application controls, in particular application controls residing in the operating system (Backoffice) for both the booking accounting and order accounting processes, the accounting system (Navision) and application controls regarding cash inflows and outflows;
— reperformed the reconciliation between operating system and accounting system over cash inflows and outflows ensuring the correctness of the sales;
— verified on a sample basis whether revenue recognized corresponds to invoices and whether payments are received based on bank statements. We also verified that only margin is recognized as revenue based on a reconciliation of cash received from clients and cash paid to service providers;
— tested on a sample basis the revenues from commissions based on the underlying contractual agreement;
— performed centralized procedures on general IT controls that support the relevant application controls over operating and accounting systems, in particular those affecting data and program access as well as program changes and computer operations;
— involved IT specialists to support our procedures relating to relevant application controls and thereto related general IT controls;

— involved IT specialists to assess the development and implementation of the new order accounting process during the year; and
— assessed the adequacy of the disclosures, in particular note 7a Revenues and 7b Other income from expired refund vouchers.

Our observation

The overall results of our procedures were satisfactory. Furthermore, we consider note 7a revenues and 7b other income from expired vouchers adequate.

Application of impairment requirements (Impairment test)

Description

Significant amounts of goodwill (EUR 60.4 million) and trademarks (EUR 129.8 million) arising from past business combinations are recognized as intangible assets with an indefinite useful life. Under IFRS, an annual impairment test is required. The determination of the recoverable amount is based on the value in use ('ViU') by estimating future cash flows. The ViU is determined based on a Discounted Cash Flow ('DCF') calculation. Key assumptions used in the calculation of the recoverable amount are the long-term growth rate, discount rate (WACC) and the revenues growth rate. These key assumptions involve significant judgment as they represent management's assessment of the future market trends and economic conditions. Given the Group's continued development, the rapid technology change as well as the relevance of estimates used, there is an inherent risk of uncertainty in assessing the recoverable amount.

Our response

We have assessed the correct determination of the cash-generating units (CGUs).

As disclosed in note 6 segment information and note 20 goodwill, management decided in 2023 to adopt a new reporting view when it comes to the internal and external disclosure of main business KPIs. In particular, from a segment perspective, the old segregation between OTA, Metasearch and Other has been replaced by a view based on the sale channel Business to Business ('B2B') and Business to Consumer ('B2C'), the above mentioned new representation of the business KPIs does not change the way the Group identifies the Cash Generating Units.

We have evaluated the mathematical accuracy of the model used for the impairment test, the appropriateness of the assumptions used and the methodology used by management to prepare its cash-flow forecasts. We have involved a valuation specialist to support our procedures.

We have performed the following audit procedures for the two CGUs – Online Travel Agencies ('OTA') and Metasearch Engines ('META'):

— assessed the reasonableness of the plans and forecasts by back-testing historical forecasts to actual results;

— compared business plan data against the latest approved plans and forecasts;

— challenged the robustness of the key assumptions used to determine the recoverable amount, including revenue growth rate, long-term growth rates and the discount rates based on our understanding of the business and by comparing key assumptions with independent data and market expectation;

— challenged management sensitivity analysis, taking into account the historical forecasting accuracy;

— recalculated the difference between the carrying value and the recoverable amount to assess the headroom;

— assessed the adequacy of the disclosures in the financial report, in particular note 19 Intangible assets and note 20 Goodwill.

Our observation

The results of our procedures were satisfactory and we found note 19 Intangible assets and note 20 Goodwill adequate.

Report on the other information included in the Annual Report

In addition to the financial statements and our auditor's report thereon, the Annual Report contains other information.

Based on the following procedures performed, we conclude that the other information:

— is consistent with the financial statements and does not contain material misstatements; and

— contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the management report and other information.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is less than the scope of those performed in our audit of the financial statements.

The Board of Directors is responsible for the preparation of the other information, including the information as required by Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements

Engagement

We were initially appointed by the Annual General Meeting as auditor of lastminute.com N.V. on 31 July 2020, as of the audit for the year 2020 and have operated as statutory auditor ever since that financial year.

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Description of responsibilities regarding the financial statements

Responsibilities of the Board of Directors for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the Board of Directors is responsible for such internal control as the Board of Directors determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error. In that respect the executive Directors, under supervision of the non-executive Directors, are responsible for the prevention and detection of fraud and non-compliance with laws and regulations, including determining measures to resolve the consequences of it and to prevent recurrence.

As part of the preparation of the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the Board of Directors should prepare the financial statements using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The non-executive Directors are responsible for overseeing the Company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A further description of our responsibilities for the audit of the financial statements is located at the website of de 'Koninklijke Nederlandse Beroepsorganisatie van Accountants' (NBA, oyal Netherlands Institute of Chartered Accountants at eng_beursgenoteerd_01.pdf (nba.nl).
This description forms part of our auditor's report.

Arnhem, 3 April 2024

KPMG Accountants N.V.

Original has been signed by A.J. de Bruin RA

'In the event of any differences or inconsistencies between the text and quantitative information on this internet site and that in the original Integrated Annual Report, including the audited

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financial statements, as filed at the Trade Register of the Chamber of Commerce, the latter shall prevail'.

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