GBT UK TopCo Limited

Annual report and consolidated financial statements

Registered number 12341105

Year ended 31 December 2020

Contents

Directors and Officers

Directors

Paul Gordon Abbott
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Martine Gerow
Philippe Marie Charles Chereque (resigned on 3 March 2020)

Officer – Company Secretary

Eric John Bock

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Strategic Report

The directors present their Strategic Report on the consolidated results of GBT UK TopCo Limited (the "Company") and its subsidiaries (the Company and its subsidiaries referred to as the "Group") for the year ended 31 December 2020.

The Company is a private company with limited liability incorporated on 29 November 2019 under the laws of England and Wales. The Company's parent company is GBT JerseyCo Limited ("GBT"), a company incorporated in Jersey as a private company limited by shares under the Companies (Jersey) Law 1991 on 28 November 2019. GBT is a joint venture with 50% of its voting shares held by American Express Travel Holdings Netherlands Cooperatif U.A. ("Amex"), a resident of the Netherlands and the balance 50% of its voting shares held by Juweel Investors (SPC) Limited ('Juweel'), a resident of the Cayman Islands.

Corporate reorganization

On 9 December 2019, the Board of Directors of GBT III B.V., a private company with limited liability organised under the laws of Netherlands and then a joint venture with 50% of its voting shares held by Amex and balance 50% of its voting shares held by a predecessor of Juweel, implemented a holding company reorganisation in which GBT became the ultimate parent company of GBT III B.V. The shareholders of GBT III B.V. approved this reorganization whereby shareholders of GBT III B.V. ultimately became the shareholders of GBT, maintaining the same number of ordinary voting shares and ownership percentage as held in GBT III B.V. immediately prior to the reorganization. Please see note 1 to the consolidated financial statements for more discussion on this corporate reorganization.

For consolidated financial statements of the Company, the above reorganisation was accounted for as a merger and a transaction under common control. As a result, the Company recognised the assets and liabilities of GBT III B.V. at carryover basis, and consequently prepared the consolidated financial statements for the Group as though the group structure at 31 December 2019 had been in place throughout that year and comparative reporting periods.

Principal activities

The Group operates one of the world's largest travel management networks. The Group coordinates travel services for clients according to their specific travel policies and needs by developing and maintaining relationships with travel suppliers, including hotels, airlines and car/rail companies. This enables the Group's clients to optimize return on their investment in travel, meetings and events. The Group derives revenues through its global presence, strong sustained client relationships, extensive supplier network, supplier and client contracts, brand name, high quality of client service and technology, and globally shared infrastructure and business processes.

The Group operates its business across the globe, with concentrations in North America, Asia Pacific and Europe.

Financial Review

Results of operations

The Group's key financial performance indicators during the years ended 31 December 2020 and 2019 were as follows:

	2020	2019
Revenue ($ thousand)	783,637	2,107,365
Operating (loss) profit ($ thousands)	(706,456)	125,117
Profit (loss) after tax ($ thousands)	(610,040)	61,844
Adjusted EBITDA [1] ($ thousands)	(570,333)	349,761
Total equity ($ thousands)	328,046	998,133
Current assets as % of current liabilities ('quick ratio')	2.40x	1.95x
Average number of employees	17,293	19,352

(1) Adjusted EBITDA is defined as Profit (loss) for the financial year excluding tax charge (credit), interest receivable /payable and similar charges, loss on disposal of business, depreciation and amortisation, impairments and foreign currency impacts.

The Group was impacted during the year 2020 due to the ongoing Coronavirus (COVID-19) pandemic recording a loss in the year.

The revenue was $784 million in 2020 compared to $2,107 million in 2019. The decrease in revenue of $1,323 million is primarily due to ongoing Coronavirus (COVID-19) pandemic that has significantly impacted the results and operations of the company.

Total operating expenses were $1,592 million and $1,982 million in 2020 and 2019, respectively. The decrease in operating expenses of $390 million is primarily due to:

- Decrease in staff costs of $230 million due to actions initiated to optimize efficiency and reduce costs, which included pay reductions and reduction in workforce through voluntary and involuntary terminations of employees.
- Decrease in depreciation and amortisation of $63 million primarily resulting from lower amortisation of intangibles as they near expiry of their useful lives, partially offset by higher depreciation on the fixed assets.
- Decrease in other operating expenses of $241 million due to actions initiated to optimize efficiency and reduce costs, which included reduction in operating expenses and facility closures.
- Increase in restructuring cost of $128 million. Please see note 29 to the consolidated financial statements for more details.
- Favourable movement in foreign exchange resulting in gain of $12 million (2019: loss of $4 million).

EBITDA decreased by $920 million, which is primarily a result of decrease in revenue of $1,323 million offset decrease of $312 million in operating expenses (excluding depreciation and amortisation, interest and foreign currency impacts) as discussed above and offset by income from government subsidies of $101 million.

The Group generates revenue through a diverse customer and supplier base and there is no reliance on a single customer or supplier. The Group reports the business as one segment.

Cash flows

The cash position increased by $88 million during 2020 primarily as a result of $384 million of cash flow from financing activities mainly consisting of Proceeds from Term Loans of $388 million, offset by $250 million of cash used in operating activities. The Group used $52 million in investing activities in 2020 (2019: $89 million) mainly for tangible and software assets.

Impact of COVID-19

Since March 2020, the outbreak of the novel strain of the coronavirus, COVID-19 (the "COVID-19 pandemic"), severely restricted the level of economic activity around the world and continues to have an unprecedented effect on the global travel and hospitality industry. In response to the COVID-19 pandemic, many governments around the world implemented, and continue to implement, a variety of measures to reduce the spread of COVID-19 pandemic, including travel restrictions, practicing social distancing, quarantine advisories and closure of non-essential businesses. The various government measures to contain spread of Covid-19 pandemic significantly reduced business travel and hotel bookings and continue to have a material adverse impact on the number of new bookings.

While many countries have begun the process of vaccinating their residents, the rate and pace of vaccination in the broader population, the severity and duration of resurgence, as well as uncertainty over the efficacy of the vaccines against new variants of the virus, may contribute to delays in economic recovery. Overall, the ultimate impact and duration of COVID-19 pandemic remains uncertain and will depend upon future developments, which are difficult to predict.

As a result of the COVID-19 pandemic, the Group's results of operations and cash flows for the year ended December 31, 2020 were adversely impacted. The Group incurred a net loss during the year ended December 31, 2020. For the year ended December 31, 2020, the Group reported an operating loss of $706 million (2019: operating profit of $125 million) and operating cash outflows of $250 million (2019: operating cash inflows of $229 million). As of December 31, 2020, the Group has net current assets of $626 million (2019: $705 million).

In response to the impact of the COVID-19 pandemic, in 2020, the Group initiated mitigating actions to optimize efficiency and reduce costs, which included reduction in operating expenses and non-essential capital expenditure, employee pay reductions, reduction in workforce through voluntary and involuntary terminations of employees and facility closures. The Group continues to consider additional cost reduction measures as they become necessary (refer Note 29 for additional information). The Group also accessed government funding in its major operating territories (including furlough income). Additionally, to strengthen and maintain its liquidity the Group: (i) borrowed $400 million of principal amount of senior secured tranche B-1 term loans under an incremental facility that was established in September 2020 (see note 19 - Loans), (ii) borrowed $150 million of principal amount of tranche B-2 term loans under a $200 million delayed draw incremental facility that was established in January 2021 (see note 30 - Subsequent Events) and (iii) issued $150 million of ordinary shares to GBT for cash consideration in 2021.

Further, on December 2, 2021, the Group obtained commitments for $1,000 million principal amount of senior secured new tranche B-3 term loan facilities. Effective as of December 16, 2021, the Group amended its senior secured credit agreement to, among other things, establish the senior secured new tranche B-3 term loan facilities under its senior secured credit agreement, and $800 million principal amount of initial borrowings were funded on such date under the senior secured new tranche B-3 term loan facilities. The $200 million of commitments remaining under the senior secured new tranche B-3 term loan facilities are available on a delayed-draw basis for a six-month period after the date of such initial borrowings, subject to certain customary borrowing conditions ("New Tranche B-3 DDTL Facility"). Of the proceeds from the initial borrowings under the senior secured new tranche B-3 term loan facilities, $545 million was applied to refinance and repay in full the outstanding principal amount of senior secured tranche B-1 and tranche B-2 term loans. In connection therewith, the remaining unused commitments of principal amount of $50 million under the senior secured tranche B-2 term loan facility was terminated (see note 30 - Subsequent Events).

Furthermore, on December 2, 2021, GBT entered into a definitive business combination agreement with Apollo Strategic Growth Capital ("APSG"), a special purpose acquisition company, listed on the New York Stock Exchange. The closing of the business combination is subject to the satisfaction of customary closing conditions, including approval by APSG's shareholders and certain regulatory approvals. Upon closing, APSG will combine with GBT and the transaction is expected to provide a substantial amount of additional liquidity (see note 30 - Subsequent Events). As the transaction is not complete and the amount of additional liquidity uncertain, the Directors have not taken account of this liquidity in their assessment of the going concern basis of preparation.

As of December 31, 2021, the Group has a total liquidity of approximately $763 million (after giving effect of net proceeds from senior secured tranche B-3 term loans), which includes cash and cash equivalents of approximately $513 million, $200 million of undrawn commitments under the New Tranche B-3 DDTL Facility (subject to the satisfaction of applicable borrowing conditions) and $50 million of undrawn commitments under the senior secured revolving credit facility (subject to the satisfaction of applicable borrowing conditions and compliance with applicable covenants related to borrowings thereunder). As part of this total liquidity, the Group has obtained a letter of financial support from GBT JerseyCo Limited to provide further funding, if necessary, to meet its liabilities as they fall due. The Group believes this liquidity is important given its limited ability to predict its future financial performance due to the uncertainty associated with the COVID-19 pandemic and the measures implemented in response to the COVID-19 pandemic.

In assessing the ability of the Group to continue as a going concern, the directors have made certain assumptions and estimates for forecasted operations and such assumptions may not materialize. In addition, the magnitude, duration and speed of recovery for the world from the global pandemic is uncertain. As a consequence, the Group has considered multiple cash flow scenarios, including a base case forecast with key assumptions including growth in total transaction value to approximately 65% of pre-Covid levels by the end of 2022 and be maintained at approximately 80% through to June 2023, together with a severe but plausible downside scenario. The downside scenario includes a reduction of 9% to total transaction value for the full year of 2022 in response to expected impact on international travel from the Omicron variant, together with an assumption of no further growth in revenue in the first half of 2023 in reflection of one further variant to the virus and consequential impact on travel. In the downside scenario an assumption has been made that costs would decline more significantly, by a third, in light of the variable nature of the cost base, together with a reduction in controllable costs such as variable employment costs.

Additionally, the directors have considered the impact of the acquisition of Egencia on 1 November 2021, as discussed further in Note 29. The severe but plausible downside also includes a consistent assumption over the cashflows forecast for the Egencia business.

The downside scenario indicates that the Group's covenant requirement to maintain $200m cash will be breached in the first half of 2023. The directors have identified mitigating actions that would be taken in the event that revenues do not return to the levels forecast in the base case, which include reductions in capital spend, reductions in salary and benefits expenses through reductions in paid working time, reductions in temporary and contracted employees and reductions to compensation and rewards and other expenses through reductions in professional services and investments.

In the event of a breach, the Company's facilities would be repayable on demand, and additional financing would be needed. The directors are confident that additional funding would be available to the Group, including from the expected completion of the initial public offering currently in progress, as disclosed further in Note 30 (e). However, at the date of approval of these accounts, this is not committed, and the Directors consider this represents a material uncertainty over the going concern basis of preparation.

Based on the above, the directors believe it remains appropriate to prepare the financial statements on a going concern basis. However, these circumstances indicate the existence of a material uncertainty related to events or conditions that may cast significant doubt on the group's and the company's ability to continue as a going concern and, therefore, that the group and company may be unable to realise their assets and discharge their liabilities in the normal course of business. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

Please see directors' report – Post balance sheet events for further discussions on above.

Corporate Governance

Section 172 Statement

Section 172 of the Companies Act 2006 requires the Board of directors (the "Board") to promote the success of the Company for the benefit of its members as a whole and, in doing so, to have regard to the interests of stakeholders. The Company is a holding company and does not have operations of its own. In forming this statement, the Company has therefore adopted a Group approach.

The Group relies on / has a number of key stakeholder groups, including employees, clients and travellers, suppliers and business partners, and the communities in which the Group operates.

The Board strives to take decisions for the long term, with the aim of understanding and respecting the views and needs of the Company's stakeholders and its ultimate shareholders to whom the Company is accountable.

The Company operates within the global GBT framework and the application of s.172 considerations is demonstrated through a number of activities, both at Group and Company level, including but not limited to the following:

- The Group champions travel as a force for good, connecting society and generating prosperity. The Board recognises the environmental responsibility that comes with being the world's leading business partner for managed travel and meetings. As a result, the Group invests in the technology, innovation and best practise to help clients achieve their sustainability goals. The Group also invests in environmental schemes that mitigate greenhouse gas emissions. More information can be found in the Group's Environmental, Social and Governance Report 2020 that can be downloaded from the Group's website (see also pages 13-14 in the Directors' report).

- The Group is a signatory to the United Nations Global Compact and is committed to its ten principles on human rights, labour standards, the environment, and anti-corruption. As a result, the Group has embedded ESG into its ethos with three focus areas: (1) Environmental Sustainability; (2) Social, Diversity & Inclusion; (3) Governance, Risk & Compliance. By way of example, through its flagship cause, Back to School in Times of Crisis, the Group helps children continue their education when learning is disrupted by natural disaster, conflict or catastrophe. The

Group pledged half a million dollars to UNICEF USA in support of their global efforts to provide quality education to the world's most vulnerable children. The Group believes in the power of education to drive global prosperity in furtherance of the United Nations Sustainable Development Goals.

- The Group is committed to responsible procurement and supports the engagement of diverse suppliers on an equal basis with other suppliers.

- Pursuant to section 54(1) of the Modern Slavery Act 2015 (the "MSA"), the Group annually attests to the MSA by publishing a statement outlining how the Group mitigates the risk of slavery and human trafficking within all parts of its global operations. This is embedded in the Group's Code of Conduct which applies to all employees. In accordance with the Group's Supplier Responsible Business Shared Values, the Group expects all suppliers with whom it does business to uphold these shared values and to engage in the highest standards of ethical and transparent business practices and to comply with all applicable laws and regulations in the locations within which it operates.

- There is an established practice of communicating with all employees regularly through culture surveys, senior leadership business briefings, town halls, the employee intranet, and through regular meetings with established employee works councils and resource groups. In its continuous effort to understand the employee experience and cultivate an inclusive work environment, the Group regularly solicits feedback from employees.

- The Group is committed to diversity and inclusion and creating a workplace where employees have the opportunity to thrive.

- The Group interacts with clients and travellers through its dedicated client management teams, client satisfaction surveys and site visits, account reviews, and industry trade shows and conferences.

Principal risks and uncertainties

Business Risks

- In response to the COVID-19 pandemic, many governments around the world have implemented, and continue to implement, a variety of measures to reduce the spread of COVID-19, including travel restrictions and bans, instructions to residents to practice social distancing, quarantine advisories etc. These government mandates have had a significant negative impact on the travel industry and many of the travel suppliers on which our business relies, as well as on the Group's workforce, operations and clients. While many existing restrictions have begun to be lifted, there remains uncertainty around the impact of the new variants of COVID-19. Due to COVID-19 and the resulting economic conditions and government orders, the Group's financials for the year ended 31 December 2020 and the results for the year ended 2021 were, and will be, significantly and negatively impacted. However, recent trends in the second half of 2021 have shown that the widespread distribution and adoption of effective vaccines, as well as treatments, help encourage a return to business travel, but the timing and further extent of those developments remains uncertain. .See note 2 to the consolidated financial statements in relation to going concern.
- The Group's revenue is derived from the global travel industry and would be significantly impacted by declines in, or disruptions to, travel activity, particularly air travel. Global factors over which the Group has no control but which could impact its clients' willingness to travel and, depending on the scope and duration, cause a significant decline in travel volumes include, among other things widespread health concerns, global security concerns, cyber-terrorism, political unrest etc.
- The Group's business and growth strategies rely in part upon its clients' continued need for in-person meetings and conferences. Due to the COVID-19 pandemic, teleconference and virtual meeting technologies have become significantly more popular and many businesses have substituted these technologies for part or all of their in-person meetings and conferences. Should businesses choose to continue to substitute these technologies for part or all of their in-person meetings and conferences and the preferences of the Group's clients shift away from in-

person meetings and conferences, it would adversely affect its business, financial condition and results of operations.

- The travel industry in which the Group operates is dynamic due to the increasing competition from current and emerging competitors, the introduction of new technologies and the continued expansion of existing technologies such as search engine technologies. Increase in competition could adversely impact the Group's revenue and profit.
- An important component of the Group's business success depends on its ability to maintain and expand relationships with travel suppliers and clients. The Group's revenue is derived from compensation negotiated with travel suppliers and clients. Each year the Group typically negotiates or renegotiates numerous supplier and client contracts, and as a result its revenue and margin could be reduced if the Group is not able to maintain consistent terms with these travel suppliers and clients.
- The Group continues to adapt the business to remain competitive, including investing in emerging channels, developing products for new platforms such as mobile and increasing supplier inventory on its existing platforms through acquisitions and partnerships. Unable to properly utilise, build on or adapt to such newer channels could impact the Group's revenue and profit.

Risk management is an important business attribute. The key objective of risk management is to make sure that critical risks are managed. The Group maintains a risk assessment program, in which critical risks are identified, rated and for which action plans for mitigating such risks are monitored. Understanding of the critical risks, exposure to them and the effectiveness of the controls for mitigating those risks are important for the Group's success.

Financial Risks

- Liquidity risk is the risk that the Group would not have sufficient funds to meet its financial obligations as they fall due. The Group produces short-term and long-term cash forecasts to identify liquidity requirements. Surplus cash is actively managed across Group bank accounts to cover local shortfalls or invested in bank deposits or other short-term liquid investments such as money market funds. The Group has entered into several debt transactions during 2020 and 2021 (see notes 19 - Loans and 30 Subsequent Events) and issued share capital for cash consideration in 2021 to meet the liquidity requirements of the Group. Further, GBT has indicated its intention to continue to provide such funds as are needed by the Group for the period covered by the forecasts and at the date of approval of these financial statements, the directors have no reason to believe that it will not do so.
- The Group is exposed to interest rate risk on its external debt. The term loans bear interest at LIBOR plus a margin, and in respect of Tranche B-3 term loans, there is a LIBOR floor. If LIBOR increases, the Group's interest expense will also increase. The Group's functional and presentational currency is U.S. dollars and as a result, its consolidated financial statements are reported in U.S. dollars. The Group has acquired, and may in the future acquire, businesses that denominate their financial information in a currency other than the U.S. dollar and/or conduct operations or make sales in currencies other than U.S. dollars. The changes in exchange rates between U.S. dollars and other currencies could lead to significant changes in the Group's reported financial results from period to period.
- Credit risk is the risk of financial loss to the Group if a travel supplier or a client or counterparty to the financial instruments fails to meet its contractual obligations. Credit risk is limited to the carrying value of the Group's monetary assets. There are credit policies in place with regard to its trade receivables with credit evaluations performed on customers. The Group manages credit exposures in connection with financing and treasury activities including exposures arising from bank deposits, cash held at banks and derivative transactions, if any, by appraisal, formal approval and ongoing monitoring of the credit position of counterparties. Counterparty exposures are periodically reviewed against the counterparty's credit position. Trade receivable primarily includes trade accounts receivable from clients and suppliers less allowances for doubtful accounts. The Group evaluates the collectability of accounts receivable based on a combination of factors. In circumstances where the Group is aware of a specific client's inability to meet its financial obligations (e.g. bankruptcy filings, failure to pay amounts due to the Group, or other known client liquidity issues), the Group records a specific reserve for bad debts in order to reduce the receivable to the amount reasonably believed to be collectable. Historically, the allowance for doubtful debts has not been significant.

Competitive Risks

The travel industry is a competitive environment in which the Group aims to keep its cutting edge to remain a leader in the industry. The directors do not believe there is any significant threat or uncertainty which could affect the Group's standing in the market.

Legislative Risks

The Group must comply with laws and regulations specifically related to the travel industry. Additionally, regulations related to consumer protection, privacy and consumer data, labour, economic and trade sanctions, tax and anti-trust and competition laws and regulations around the world that are not specific to the travel industry must be followed and are incorporated in the Group's policies, if applicable. Failure to properly comply with such laws and regulations, could impact the Group's business.

By order of the board

Martine Gerow
Director

31 January 2022

Directors' report

The directors present their annual report and audited consolidated financial statements for the year ended 31 December 2020.

Directors
The directors who held office during the period and up to the date of signing this report are as follows:

- Paul Gordon Abbott
- Eric John Bock
- Martine Gerow
- Philippe Marie Charles Chereque (Resigned on 3 March 2020)

Proposed dividend

The directors do not recommend the payment of a dividend.

Post balance sheet events

- On January 20, 2021, the senior secured credit agreement was further amended to, among other things, (i) establish a new $200 million senior secured tranche B-2 delayed-draw incremental term loan facility, (ii) modify certain terms applicable to the senior secured tranche B-1 term loans, and (iii) amend certain covenants and certain other terms of the senior secured credit agreement. Except as described below, the senior secured tranche B-2 delayed-draw incremental term loan facility has substantially the same terms, in all material respects, as the tranche B-1 senior secured term loans (after giving effect to the modification of certain terms pursuant to such amendment, including as described below) (see note 19 – Loans). Senior secured tranche B-2 incremental term loans of $50 million may be borrowed in each quarter in 2021, subject to certain conditions, including a requirement that, no later than substantially concurrently with each such borrowing, equity investments in an amount equal to the amount of such borrowing shall have been funded by GBT's shareholders. In the event there is no borrowing under the senior secured tranche B-2 incremental term loan facility in any quarter in 2021, the remaining available commitments thereunder shall be automatically and permanently reduced by $50 million at the end of such quarter. The Group paid 3% of the aggregate principal amount of the commitments under the senior secured tranche B-2 incremental term loan facility, or $6 million, upfront as closing fees to the lenders. The Group is also required to pay 0.75% per annum on the unused commitments under the senior secured tranche B-2 incremental term loans facility.

  During each of the first three quarters of 2021, (i) $50 million of loans ($150 million in aggregate) were drawn under the senior secured tranche B-2 incremental term loan facility, and (ii) the Group received $50 million in cash proceeds ($150 million in aggregate) from issuance of its shares to GBT JerseyCo Limited.

- On January 21, 2021, the Group, through its wholly owned subsidiary, GBT US LLC, acquired all of the outstanding shares of Ovation Travel, LLC, (along with its subsidiaries, the "Ovation Group") for a total cash purchase consideration of approximately $60 million (including approximately $7 million as deferred and/or contingent consideration), prior to any working capital, cash, debt and transaction cost adjustments. Ovation Group is a U.S.-based travel management company providing business travel services and meeting and special events planning across several sectors, particularly legal, financial, professional services, entertainment and media.

- On November 1, 2021, GBT completed the acquisition of Egencia, a business-to-business digital travel management company serving corporate clients, from Expedia Group, Inc. ("Expedia") and in consideration of the transaction Expedia obtained an 18.9% equity interest in GBT. Immediately following GBT's acquisition of Egencia, GBT contributed the investment in Egencia to the Company in exchange for issuance of $754m of share capital by the Company. The acquisition of Egencia will complement the Company's existing business and further accelerate its growth strategy in the small-to-medium-sized enterprise segment

- On December 2, 2021, the Group obtained commitments for $1,000 million principal amount of senior secured new tranche B-3 term loan facilities. Effective as of December 16, 2021, the Company amended its senior secured credit agreement to, among other things, (i) establish the senior secured new tranche B-3 term loan facilities under its senior secured credit agreement and (ii) amend certain covenants and certain other terms of the senior secured credit agreement. Principal amount of initial borrowings amounting to $800 million were funded on such date under the senior secured new tranche B-3 term loan facilities. The $200 million of commitments remaining under the senior secured new tranche B-3 term loan facilities are available on a delayed-draw basis for a six-month period after the date of such initial borrowings, subject to certain customary borrowing conditions ("New Tranche B-3 DDTL Facility").

  The senior secured new tranche B-3 term loan facilities (i) mature on December 16, 2026 and (ii) require no quarterly instalment repayments (however, certain mandatory prepayments are required, subject to certain conditions, under the credit facility). Loans outstanding under the senior secured new tranche B-3 term loan facilities accrue interest at a variable interest rate based on either LIBOR or the "base rate" (as defined in the senior secured credit agreement), plus an applicable margin (subject to a 1.00% LIBOR floor). For any period for which accrued interest is paid in cash, the applicable margin for loans under the senior secured new tranche B-3 term loan facilities is initially 6.50% per annum for LIBOR loans and 5.50% per annum for base rate loans and, commencing with the test period ending December 31, 2022, will vary with the total leverage ratio (calculated in a manner set forth in the senior secured credit agreement), ranging from 5.00% to 6.50% per annum for LIBOR loans and 4.00% to 5.50% per annum for base rate loans. Until December 16, 2023, the Group will have the option to pay accrued interest on loans under the senior secured new tranche B-3 term loan facilities at a rate equal to (i) LIBOR (with a 1.00% LIBOR floor) plus 4.00% per annum with respect to the portion required to be paid in cash plus (ii) 4.00% per annum with respect to the portion paid in kind by adding such interest to the principal amount of the loans. The Group paid $15 million of upfront fees for the commitments of the lenders under the senior secured new tranche B-3 term loan facilities. The Group is required to pay a fee of 3.00% per annum on the actual daily unused commitments under the New Tranche B-3 DDTL Facility, payable quarterly in arrears. Voluntary prepayments and debt incurrence-related mandatory prepayments of the senior secured tranche B-3 term loans are subject to the prepayment premiums as set forth in the senior secured credit agreement.

  Of the proceeds from the initial borrowings under the senior secured new tranche B-3 term loan facilities, a portion was applied to refinance and repay in full the outstanding principal amount of senior secured tranche B-1 and tranche B-2 term loans. In connection therewith, the remaining unused commitments under the senior secured tranche B-2 term loan facility were terminated. The balance of the proceeds from such initial borrowings and amounts available to be borrowed under New Tranche B-3 DDTL Facility may be used for transaction fees and costs and other general corporate purposes.

- On December 2, 2021, GBT entered into a definitive business combination agreement with APSG, a special purpose acquisition company, listed on the New York Stock Exchange. The closing of the business combination is subject to the satisfaction of customary closing conditions, including approval by APSG's shareholders and certain regulatory approvals. Upon closing, APSG will combine with the Company and the transaction is expected to provide a substantial amount of additional liquidity to the Group.

The provisions of s414C(11) have been applied in that information that is required to be in the directors' report has been included in the strategic report.

Employees

Employee engagement

The Group utilises a number of initiatives to engage with employees and more information can be found in the s.172 statement discussed earlier within the Strategic Report.

The Group seeks to engage with employees and ensure their commitment to its corporate objectives in a number of ways, taking in to account employee impacts and interests. Regular meetings are held between local management and employees to allow a free flow of information and ideas. A wide range of information is also communicated across the Group's intranet, including news publications, operational bulletins, and employee recognition. The financial and economic factors affecting the Group is shared with employees on a regular basis.

Employee Benefits

The Group offers a host of benefits to its employees. In addition to health and welfare benefits, the Group provides paid sick leave, vacation and holidays; paid leaves of absence for childcare; assistance with adoption or placement of a child with the family; tuition reimbursement; employee assistance counselling; and pension and 401(k) programs. In addition, the Group has a rewards and recognition program that is used by all employees globally.

Employee Diversity

The Group has made a specific commitment to its diversity and inclusion practices and supports three different Employee Resource Groups, BEN, the Black Engagement Network; LEAGUE, LGBTQA Employees at GBT United in Equality; and WOW, the Women of the World. In addition, the Group recently appointed a Vice President of Diversity and Inclusion, and will be introducing new training and other programs designed to further the interests of all employees, regardless of race, colour, ethnicity, gender, age, religion, sex or sexual orientation or identity, or other protected classification.

The Group has a strong commitment to the employment of disabled persons within the organisation, and will accommodate adjustments required to enable the employee with disabilities, including temporary disabilities due to pregnancy, childbirth or related medical conditions, to perform their job to the satisfaction of the Group. The Group's commitment to the employment of disabled persons is found in its Global Equal Employment Opportunity policy.

Political contributions

The Group made no political donations or incurred any political expenditure during the year.

Code of Conduct

For the year ended 31 December 2020, the Group has chosen to comply with the Wates Corporate Governance Principles for Large Private Companies (the "Wates Principles") published by the Financial Reporting Council in December 2018.

Purpose and Leadership

The Board develops and promotes the purpose of the Group and ensures that its values, strategy and culture align with that purpose. The Group has adopted a Code of Conduct which sets out the values and behaviours expected of everyone within the Group, regardless of job functions, location or seniority.

The Group has established a governance framework to ensure good conduct that is reflected in every aspect of the business. The Board recognises that its commercial priorities can only be achieved through a business model that promotes and maintains a culture of robust controls, appropriate judgement, good behaviours and responsibility for one's actions.

Board Composition

The Board of the Company is comprised of three directors, which is considered appropriate for the size and complexity of the Company's activity and operations. The Board is diverse and with an appropriate balance of skills, knowledge and experience.

The Board relies upon certain governance arrangements of the board and committees of GBT, the principal holding company of the Group. GBT has established an Audit & Finance Committee, Compensation Committee, Compliance Committee, Mergers & Acquisitions Committee and a Risk Management Committee. These committees consider matters on behalf of the Group as a whole.

The directors of the Company are GBT's Chief Executive Officer, Chief Financial Officer and Chief Legal Officer. The directors form part of the Executive Leadership Team reporting into the Board of GBT, and are involved in the decision making of the Group.

Directors' Responsibilities

The Board and individual directors have a clear understanding of their accountability and responsibilities. There are clear governance processes which support effective decision making. The Board meet on a regular basis and receive management information (MI) on key aspects of the business. The MI is constantly challenged and reviewed to ensure that the Board has access to material on financial performance, business strategy, operational matters, health & safety and & risk.

Opportunity and Risk

The Group's Risk Management Framework, which has been adopted by the Company, promotes consistency with the Group business objectives and strategy, monitors risk against Group's risk appetite and ensures that appropriate levels of governance and controls are in place across the business. The Risk Management Framework provides an effective platform for the Board to make informed and robust decisions.

As part of the its brand promise, the Group must always do the right thing to protect its clients. The Group understands that the services it provides are scrutinized by governmental authorities due to regulatory risk. As a joint venture of American Express, the Group is one of the most highly regulated travel management and meetings and events company in the world. The Group maintains a robust 360° Compliance Program as part of its overall risk mitigation plan and strategy designed to prevent, detect and respond. This ensures that the Group, its employees, and those acting on its behalf engage in the highest standards of ethical and transparent business practices and comply with all applicable laws.

The Group's Risk and Compliance Program is built upon a strong policy framework supported by communications and training, real-time monitoring, testing and reporting. The Board approves key management policies which govern its overall program, including its Compliance Risk Assessment Policy, Compliance Monitoring and Testing Policy, Compliance Issue Management Policy, and Regulatory Compliance Training Policy. The Group continually enhances its program to meet the evolving needs of its clients and strive to exceed industry standards. The Group conducts an annual Enterprise Risk Self-Assessment to identify and rate enterprise-wide risk at a strategic level for proper calibration and prioritization of resources.

The Risk and Compliance Program is tested through a "three lines of defence" approach. First, the Group's business is tasked with validating the efficacy of internal controls through business self-testing. Second, the Group's Risk and Compliance team conducts additional monitoring and testing. Third, the Group's Internal Audit team applies another layer of rigor. All identified issues are addressed through remediation plans designed to prevent future occurrences.

The Board receives quarterly reports of key risk indicators to proactively monitor and reasonably mitigate risk for the Group, its clients, and business partners.

Compensation

The Compensation Committee's philosophy and objective is to support efforts to recruit, retain, and motivate highly capable professionals that will drive execution against the prevailing investor model.

The Group's Compensation Core principles are:

- *Quality of personnel*: experienced professionals, capable of delivering against operating and financial performance expectations.
- *Competitiveness*: consider market forces, against relevant sectors, in context of the unique value proposition and risk factors.

- *Pay for Performance*: The Group follows a strong pay for performance philosophy in designing and executing its compensation programs. The Group's Annual Incentive Award (AIA) and Merit is funded and distributed based on the Group's and individual performance from the Executive Leadership Team to Associate level.
- *Inclusion and Equality*: The Group is committed to inclusion and diversity, which is a key part of its Mission for Responsible Business. The Group's commitment to become more diverse, in a way the Group's employees and customers expect, is found in the Group's UK Gender Pay Gap report.
- Flexible work arrangement: The Group offers flexible work arrangement for all employees. Nearly 50% of the Group's global employees worked virtually before COVID-19 pandemic and this percentage increased during 2020. This is part of the Group's value proposition.

Stakeholder Relationships and Engagement

Within the s.172 statement included in the Strategic Report, the Group has set out how it has engaged with its key stakeholders and how the Board has considered their interests during the year.

Environment and Sustainability

Climate change poses a significant challenge to the global economy and environment. Being a leader in the travel industry, the Group recognises that it has responsibility to be part of the solution. This is achieved by innovating and investing in data-driven technology and services that help clients achieve their sustainability goals. The Group also invests in environmental initiatives that mitigate greenhouse gas emissions and preserve biodiversity. The Group is committed to conduct its business in the most sustainable manner possible.
The Group has three targets on environmental sustainability:

1. *Establish the GBT Group as the marketplace for green business travel*

Through GBT's green marketplace, the Group aggregate demand from clients and drive volume to preferred suppliers. It also helps its stakeholders accelerate the transition to low-carbon future by utilising its expertise to catalyse climate solutions. GBT helps its clients set targets, track carbon, and report on emissions in annual disclosures and regulatory filings. The Group employs data analytics to further inform strategy and decision which enables clients to analyse, assess, monitor, and manage the carbon footprint associated with travel and beyond.

2. *Reduce operational emissions 100% with renewable energy and achieve carbon neutrality by 2025*

Some steps have already been taken to achieve this goal. At year-end 2020, GBT began powering our largest office in the United States with renewable electricity from wind and solar energy sources, in partnership with the utility provider through its green choice program. This model is expected to be implemented across GBT's global footprint, procuring direct renewable energy where feasible and energy attribute certificates or renewable energy credits where appropriate.

3. *Drive aviation towards net-zero by 2050*

Decarbonizing aviation is arguably the greatest challenge facing the travel industry. Sustainable aviation fuel (SAF) is recognized as a critical component of the transformation of the aviation industry into the future low carbon economy. GBT supports an industry-wide transition to SAF as a key step on the roadmap to sustainable travel. The Group is actively engaged in advocacy efforts with industry players and non-governmental organizations, supporting the decarbonisation of aviation through the adoption of SAF.

Reporting Greenhouse Gas Emissions

GBT's most significant sources of GHG emissions are Scope 2 (purchased electricity) and Scope 3 (employee business travel). We are focusing on our most significant sources of GHG emissions because this prioritization approach will have the greatest impact on lowering our overall carbon footprint.

SCOPE 1 - direct emissions from owned or controlled sources
Not applicable

GBT Scope 1 emissions are insignificant because we don't own vehicles or real estate, and our leased offices do not conduct on-site fossil fuel combustion.

SCOPE 2 - sources (purchased electricity, steam, heat, and cooling)						
	2020		**2019**		**2018**	
Type	Energy Consumption (MWh)	Emissions Metric Ton (MT) CO2e	Energy Usage (MWh)	Emissions MT CO2e	Energy Usage (MWh)	Emissions MT CO2e
Electricity	4.670	1.771	21.220	7.610	16.643	10.782

GBT Scope 2 emissions are attributable to global real estate operations and associated purchased electricity. Our methodology follows the World Resources Institute (WRI) World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol Scope 2 Guidance. GBT partners with Measurabl, the most widely adopted ESG software for real estate, to facilitate data collection regarding our energy and emissions while helping to identify and mitigate ESG risk.

SCOPE 3 - all other indirect emissions that occur in the value chain, including both upstream and downstream emissions			
	2020	**2019**	**2018**
Air	5.455 MT CO2e	20.594 MT CO2e	12.669 MT CO2e
Hotel	2 MT CO2e	827 MT CO2e	756 MT CO2e
Train	131 MT CO2e	40 MT CO2e	44 MT CO2e
Car	3 MT CO2e	89 MT CO2e	165 MT CO2e
TOTAL	**5.591 MT CO2e**	**21.550 MT CO2e**	**13.634 MT CO2e**

GBT presently only measures Scope 3.6 (employee business travel) because remaining Scope 3 emissions are estimated to be insignificant. For 2020 and 2019, Scope 3.6 emissions were calculated applying UK DEFRA factors; previous years were calculated by Atmosfair applying a proprietary methodology.

Further details on the GBT Group's policies and procedures can be found in the ESG (Environment, Social, and Governance) 2020 report available on the GBT's website:
https://www.amexglobalbusinesstravel.com/corporate-social-responsibility/

Directors' indemnities and insurance

The Articles of Association of the Company permit it to indemnify the directors of the Company or any Group company against liabilities arising from or in connection with the execution of their duties or powers to the extent permitted by law. The Company has not given any specific indemnity in favour of the Directors during the year but the Company has purchased Directors' and Officers' Liability Insurance, which provides cover for liabilities incurred by Directors in the performance of their duties or powers. No amount was paid under any Director's indemnity or the Directors' and Officers' Liability Insurance during the year other than the applicable insurance premiums.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Group's auditor is unaware; and each director has taken all the steps that he / she ought to have taken as a director to make himself / herself aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

Auditor

The directors approved the appointment of KPMG LLP as auditors of the Company for the year ended 31 December 2020. KPMG LLP will not be reappointed to continue as auditors of the Company, and the Board will appoint new auditors in accordance with section 485 of the Companies Act 2006.

By order of the board

Martine Gerow
Director

31 January 2022

Statement of directors' responsibilities in respect of the Strategic Report, the Directors' Report and the *consolidated financial statements*

The directors are responsible for preparing the Strategic Report, the Directors' Report and the group and parent company financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare group and parent company financial statements for each financial year. Under that law they have elected to prepare both the group and the parent company financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland.*

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent company and of their profit or loss for that period. In preparing each of the group and parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the group and parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the group and parent company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GBT UK TOPCO LIMITED

Opinion

We have audited the financial statements of GBT UK TopCo Limited ("the Company") for the year ended 31 December 2020 which comprise the Consolidated Profit and Loss Account and Other Comprehensive (Loss)/Income, the Consolidated and Company Balance Sheet, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2020 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Material uncertainty related to going concern

We draw attention to note 1 to the financial statements which indicates that, under certain severe but plausible downside scenarios, the ability of the group and company to continue as a going concern is dependent on its ability to raise additional funding in the future to maintain liquidity. These events and conditions, along with the other matters explained in note 1, constitute a material uncertainty that may cast significant doubt on the group's and the parent company's ability to continue as a going concern.

Our opinion is not modified in respect of this matter.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group and the Company's financial position means that this is realistic. As stated above, they have also concluded that there is a material uncertainty related to going concern that may cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Group's business model and analysed how those risks might affect the Group and Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we concur with the directors' assessment that there is a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group or the Company's ability to continue as a going concern for the going concern period.

- we found the going concern disclosure in note 1 to be appropriate.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors, the audit committee, and inspection of policy documentation as to the Group's high-level policies and procedures to prevent and detect fraud, and the Group's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board, and audit committee minutes.
- Considering remuneration incentive schemes and performance targets for management, directors and sales staff.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit. This included communication from the Group audit team to full scope component audit teams of relevant fraud risks identified at the Group level and request to full scope component audit teams to report to the Group audit team any instances of fraud that could give rise to a material misstatement at the Group level.

As required by auditing standards, and taking into account possible pressures to meet profit targets/recent revisions to guidance/our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular:

- the risk that Group and component management may be in a position to make inappropriate accounting entries; and
- the risk that customer revenues may not appropriately reflect contract modifications or that accrued supplier revenue is overstated.

We did not identify any additional fraud risks.

In determining the audit procedures we took into account the results of our evaluation and testing of the operating effectiveness of some of the Group-wide fraud risk management controls.

We also performed procedures including:

- Identifying journal entries to test for all full scope components based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual account combinations, including unexpected pairings to both revenue and cash.
- Assessing accrued supplier revenue at period end to determine if these were valid and recognised in the correct accounting period.
- Assessing significant accounting estimates for bias, including managements' forecasts within their Intangible asset impairment assessments, and consideration of the recognition of deferred tax assets.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and from inspection of the Group's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. This included communication from the Group audit team to full-scope component audit teams of relevant laws and regulations identified at the Group level, and a request for full scope component auditors to report to the Group audit team any instances of non-compliance with laws and regulations that could give rise to a material misstatement at the Group level.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: data protection laws, anti-bribery, employment law and certain aspects of company legislation recognising the nature of the Group's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.
Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and

in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or

- the parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 16, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Natasha Jones

Natasha Jones (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Gateway House
Tollgate
Chandlers Ford
Eastleigh
Hampshire
SO53 3TG

31 January 2022

Consolidated Profit and Loss Account and Other Comprehensive (Loss) Income
for the year ended 31 December 2020

	Notes	2020 $000	2019 $000
Revenue	4	783,637	2,107,365
Other income	5	101,739	—
Operating costs		(1,591,832)	(1,982,248)
Operating (loss)/profit	6	**(706,456)**	**125,117**
Loss on disposal of businesses		—	(3,289)
(Loss)/Income from interests in associated undertakings	9	(5,193)	4,856
(Loss)/Profit before interest and taxation		**(711,649)**	**126,684**
Interest receivable and similar income	10	1,454	4,553
Interest payable and similar charges	11	(33,090)	(24,517)
(Loss)/profit before taxation		**(743,285)**	**106,720**
Tax credit/(charge)	12	133,245	(44,876)
(Loss)/profit for the financial year		**(610,040)**	**61,844**
(Loss)/profit attributable to:			
Owner of the Company		(609,166)	57,962
Non-controlling interest		(874)	3,882
		(610,040)	**61,844**
Other comprehensive loss			
Foreign exchange differences on translation of foreign operations		(2,373)	(4,500)
Movement in re-measurements on pension scheme		(57,498)	(48,481)
Total other comprehensive loss for the year, net of tax		**(59,871)**	**(52,981)**
Total comprehensive (loss) income for the year		**(669,911)**	**8,863**
Total comprehensive (loss) income attributable to:			
Owner of the Company		(669,037)	4,981
Non-controlling interest		(874)	3,882
		(669,911)	8,863

Revenue and operating (loss) profit all derive from continuing activities.

The notes on pages 26 to 61 form part of these consolidated financial statements.

Consolidated and Company Balance Sheet
at 31 December 2020

		Group		Company	
		As at December 31,		As at December 31,	
		2020	2019	2020	2019
	Notes	$000	$000	$000	$000
Fixed assets					
Intangible assets	13	778,377	865,522	—	—
Tangible assets	14	68,106	72,769	—	—
Subsidiary undertakings	15	—	—	1,754,000	1,754,000
Associated undertakings	9	23,269	29,617	—	—
		869,752	967,908	1,754,000	1,754,000
Current assets					
Debtors	16	571,300	947,138	—	—
Cash at bank and in hand		583,968	495,648	—	—
		1,155,268	1,442,786	—	—
Current liabilities					
Creditors: amounts falling due within one year	17	(480,639)	(738,075)	—	—
Net current assets		**674,629**	**704,711**	—	—
Total assets less current liabilities		**1,544,381**	**1,672,619**	**1,754,000**	**1,754,000**
Creditors: amounts falling due after one year	18/19	(663,467)	(241,094)	—	—
Post-employment benefits	20	(415,262)	(345,354)	—	—
Provision for other liabilities	21	(137,606)	(88,038)	—	—
		(1,216,335)	(674,486)	—	—
Net assets		**328,046**	**998,133**	**1,754,000**	**1,754,000**
Capital and reserves					
Share capital	23	—	—	—	—
Other reserves	23	(141,232)	(81,361)	—	—
Profit and loss		466,188	1,075,103	1,754,000	1,754,000
Equity attributable to the owner of the Company		324,956	993,742	1,754,000	1,754,000
Non-controlling interests		3,090	4,391	—	—
Total equity		**328,046**	**998,133**	**1,754,000**	**1,754,000**

The notes on pages 26 to 61 form part of these consolidated financial statements.

These financial statements were approved by the board of directors on 31 January 2022 and were signed on its behalf by:

Martine Gerow
Director

Company registered number: 12341105

Consolidated Statement of Changes in Equity

for the year ended 31 December 2020

	Share capital ($000)	Share premium ($000)	Other reserves ($000)	Profit and loss ($000)	Equity attributable to the owner of the Company ($000)	Non-controlling interests ($000)	Total equity ($000)
Balance at 1 January, 2019	**—**	**—**	**(28,380)**	**1,066,785**	**1,038,405**	**5,248**	**1,043,653**
Cumulative effect of accounting policy change for revenue recognition, (net of tax)	—	—	—	2,635	2,635	—	2,635
Profit for the financial year	—	—	—	57,962	57,962	3,882	61,844
Other comprehensive loss	—	—	(52,981)	—	(52,981)	—	(52,981)
Total comprehensive income for the year	—	—	(52,981)	57,962	4,981	3,882	8,863
Capital distributions (Note 23)	—	—	—	(57,753)	(57,753)	(4,739)	(62,492)
Equity compensation (Note 7)	—	—	—	5,474	5,474	—	5,474
Total transaction with owners, recognized directly in equity	—	—	—	(52,279)	(52,279)	(4,739)	(57,018)
Balance at 31 December 2019 and 1 January 2020	—	—	**(81,361)**	**1,075,103**	**993,742**	**4,391**	**998,133**
Loss for the financial year	—	—	—	(609,166)	(609,166)	(874)	(610,040)
Other comprehensive loss	—	—	(59,871)	—	(59,871)	—	(59,871)
Total comprehensive loss for the year	—	—	(59,871)	(609,166)	(669,037)	(874)	(669,811)
Capital distributions (Note 23)	—	—	—	(1,000)	(1,000)	(427)	(1,427)
Equity compensation (Note 7)	—	—	—	1,251	1,251	—	1,251
Total transaction with owners, recognized directly in equity	—	—	—	251	251	(427)	(176)
Balance at 31 December 2020	—	—	(141,232)	466,188	324,956	3,090	328,046

The notes on pages 26 to 61 form part of these consolidated financial statements.

Company Statement of Changes in Equity

for the year ended 31 December 2020

	Share capital ($000)	Other reserves ($000)	Profit and loss ($000)	Equity attributable to the owner of the Company ($000)	Non-controlling interests ($000)	Total equity ($000)
Shares issued on investments received as contribution from parent company	1,754,000	—		1,754,000	—	1,754,000
Share capital reduction	(1,754,000)	—	1,754,000	—	—	—
Balance at 31 December 2019	**—**	**—**	**1,754,000**	**1,754,000**	**—**	**1,754,000**
Balance at 1 January 2020 and 31 December 2020	**—**	**—**	**1,754,000**	**1,754,000**	**—**	**1,754,000**

The notes on pages 26 to 61 form part of these consolidated financial statements.

Consolidated Statement of Cash Flows
for the year ended 31 December 2020

	2020 **$000**	**2019** **$000**
Cash flow from operating activities:		
(Loss) profit for the financial year	(610,040)	61,844
Adjustments for:		
(Benefit from) tax on profit	(133,245)	44,876
Net interest expense	31,636	19,964
Loss/(income) from investments in associated undertakings	5,193	(4,856)
Loss on disposal of businesses	—	3,289
Operating (loss) profit	(706,456)	125,117
Depreciation and amortisation	153,709	216,227
Provision for doubtful debts	3,883	(286)
Provision for onerous leases	17,087	—
Non-cash equity compensation	1,251	5,474
Other non-cash impact	14,411	7,505
Dividend received from associated undertakings	2,409	8,681
Pension contribution	(24,529)	(36,345)
Income taxes refunds (payments)	13,682	(49,341)
Interest paid, net	(16,049)	(13,755)
Changes in working capital:		
Accounts receivables	527,273	(31,424)
Prepaid expenses and other assets	(26,113)	(30,896)
Due from related parties	1,151	479
Due to related parties	(19,844)	(5,126)
Accounts payable, accrued expenses and other liabilities	(192,543)	31,758
Net cash (used in) generated from operating activities	(250,678)	228,068
Cash flow from investing activities:		
Purchase of subsidiary, net of cash acquired	(443)	(27,742)
Purchase of tangible and software assets	(51,912)	(61,650)
Net cash used in investing activities	(52,355)	(89,392)
Cash flows from financing activities:		
Capital distributions to shareholders	—	(57,753)
Return of escrow	—	1,055
Dividends paid to non-controlling interests	(427)	(4,739)
Proceeds from term loans	388,000	—
Repayment of term loans	(3,500)	(2,500)
Payment of debt issuance costs	(188)	(314)
Net cash provided by (used in) financing activities	383,885	(64,251)
Effect of changes in exchange rates on cash and cash equivalents	7,468	(238)
Net increase in cash and cash equivalents	88,320	74,187
Cash and cash equivalents at beginning of year	495,648	421,461
Cash and cash equivalents at end of year	583,968	495,648

The notes on pages 26 to 61 form part of these consolidated financial statements.

Notes to the Consolidated Financial Statements
(forming part of the financial statements)

1 General Information

GBT UK TopCo Limited (the "Company") is a private company with limited liability incorporated on 29 November, 2019 under the laws of England and Wales. The Company is domiciled and registered in England and Wales, with its registered office being at 5 Churchill Place, Canary Wharf, London E14 5HU. The Company's immediate and ultimate parent undertaking is GBT JerseyCo Limited ("GBT"), a private company limited by shares incorporated and registered on 28 November, 2019 under the Companies (Jersey) Law 1991. GBT is a joint venture with , 50% of its voting shares held by American Express Travel Holdings Netherlands Cooperatif U.A. ("Amex"), a resident of the Netherlands and balance 50% of its voting shares held by Juweel Investors (SPC) Limited ("Juweel"), a resident of Cayman Islands.

Corporate Reorganisation
On December 9, 2019, the Board of Directors of GBT III B.V., a private company with limited liability organized under the laws of Netherlands and a joint venture with 50% of its voting shares held by Amex and balance 50% of its voting shares held by a predecessor of Juweel, implemented a holding company reorganization in which GBT became the ultimate parent company of GBT III B.V. The shareholders of GBT III B.V. approved this reorganization whereby shareholders of GBT III B.V. ultimately became the shareholders of GBT, maintaining the same number of ordinary voting shares and ownership percentage as held in GBT III B.V. immediately prior to the reorganization. As part of this reorganisation, the Company was established to hold the investments in GBT group. GBT subscribed to the entire share capital of the Company and contributed its investments in GBT III B.V. to the Company against its fully issued share capital. Through a series of steps, the Company became the immediate parent of GBT Travel Services U.K. Limited, a company limited by shares and incorporated under the laws of England and Wales. GBT Travel Services U.K. Limited is the only investment directly held by the Company as of December 31, 2020 and 2019.

For consolidated financial statements of the Company, the above reorganisation was accounted for as a merger and a transaction under common control. The Company has recognized the assets and liabilities of GBT III B.V. at carryover basis, and consequently prepared the consolidated financial statements as though the group structure at 31 December 2019 had been in place throughout that year.

Business Description

The Company and its subsidiaries (the "Group") provide a business-to-business travel platform with a full suite of differentiated, technology-enabled solutions to business travelers and corporate clients, suppliers of travel content (such as airlines, hotels, ground transportation and aggregators) and third-party travel agencies. The Group manages end-to-end logistics of corporate travel and provides a link between businesses, their employees, travel suppliers and other industry participants.

2 Accounting Policies

The consolidated and separate financial statements of the Company were prepared in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland ("FRS 102") as issued in August 2014, updated in March 2018, and the Companies Act 2006. The presentation currency of these financial statements is United States dollars ($). All amounts in the tables in the consolidated financial statements have been rounded to the nearest thousands.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group and Company accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

The principal accounting policies applied in the preparation of these consolidated and separate financial statements of the Company are set out below. The accounting policies have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

The Company has taken advantage of the exemption in section 408 of the Companies Act 2006 from presenting its individual profit and loss account. The Company has also taken exemption under FRS 102 to not present the Company statement of cash flows.

2.1 Measurement convention

These financial statements are prepared on the historical cost basis.

2.2 Going concern

These consolidated and the Company only financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the reasons outlined below.

Since March 2020, the outbreak of the novel strain of the coronavirus, COVID-19 (the "COVID-19 pandemic"), severely restricted the level of economic activity around the world and continues to have an unprecedented effect on the global travel and hospitality industry. In response to the COVID-19 pandemic, many governments around the world implemented, and continue to implement, a variety of measures to reduce the spread of COVID-19 pandemic, including travel restrictions, practicing social distancing, quarantine advisories and closure of non-essential businesses. The various government measures to contain spread of Covid-19 pandemic significantly reduced business travel and hotel bookings and continue to have a material adverse impact on the number of new bookings.

While many countries have begun the process of vaccinating their residents, the rate and pace of vaccination in the broader population, the severity and duration of resurgence, as well as uncertainty over the efficacy of the vaccines against new variants of the virus, may contribute to delays in economic recovery. Overall, the ultimate impact and duration of COVID-19 pandemic remains uncertain and will depend upon future developments, which are difficult to predict.

As a result of the COVID-19 pandemic, the Group's results of operations and cash flows for the year ended December 31, 2020 were adversely impacted. The Group incurred a net loss during the year ended December 31, 2020. For the year ended December 31, 2020, the Group reported an operating loss of $706 million (2019: operating profit of $125 million) and operating cash outflows of $250 million (2019: operating cash inflows of $229 million). As of December 31, 2020, the Group has net current assets of $626 million (2019: $705 million).

In response to the impact of the COVID-19 pandemic, in 2020, the Group initiated mitigating actions to optimize efficiency and reduce costs, which included reduction in operating expenses and non-essential capital expenditure, employee pay reductions, reduction in workforce through voluntary and involuntary terminations of employees and facility closures. The Group continues to consider additional cost reduction measures as they become necessary (refer Note 29 for additional information). The Group also accessed government funding in its major operating territories (including furlough income). Additionally, to strengthen and maintain its liquidity the Group: (i) borrowed $400 million of principal amount of senior secured tranche B-1 term loans under an incremental facility that was established in September 2020 (see note 19 - Loans), (ii) borrowed $150 million of principal amount of tranche B-2 term loans under a $200 million delayed draw incremental facility that was established in January 2021 (see note 30 - Subsequent Events) and (iii) issued $150 million of ordinary shares to GBT for cash consideration in 2021.

Further, on December 2, 2021, the Group obtained commitments for $1,000 million principal amount of senior secured new tranche B-3 term loan facilities. Effective as of December 16, 2021, the Group amended its senior secured credit agreement to, among other things, establish the senior secured new tranche B-3 term loan facilities under its senior secured credit agreement, and $800 million principal amount of initial borrowings were funded on such date under the senior secured new tranche B-3 term loan facilities. The $200 million of commitments remaining under the senior secured new tranche B-3 term loan facilities are available on a delayed-draw basis for a six-month period after the date of such initial borrowings, subject to certain customary borrowing conditions ("New Tranche B-3 DDTL Facility"). Of the proceeds from the initial borrowings under the senior secured new tranche B-3 term loan facilities, $545 million was applied to refinance and repay in full the outstanding principal amount of senior secured tranche B-1 and tranche B-2 term loans. In connection therewith, the remaining unused commitments of principal amount of $50 million under the senior secured tranche B-2 term loan facility was terminated (see note 30 - Subsequent Events).

Furthermore, on December 2, 2021, GBT entered into a definitive business combination agreement with Apollo Strategic Growth Capital ("APSG"), a special purpose acquisition company, listed on the New York Stock Exchange. The closing of the business combination is subject to the satisfaction of customary closing conditions, including approval by APSG's shareholders and certain regulatory approvals. Upon closing, APSG will combine with GBT and the transaction is expected to provide a substantial amount of additional liquidity (see note 30 - Subsequent Events). As the transaction is not complete and the amount of additional liquidity uncertain, the Directors have not taken account of this liquidity in their assessment of the going concern basis of preparation.

As of December 31, 2021, the Group has a total liquidity of approximately $763 million (after giving effect of net proceeds from senior secured tranche B-3 term loans), which includes cash and cash equivalents of approximately $513 million, $200 million of undrawn commitments under the New Tranche B-3 DDTL Facility (subject to the satisfaction of applicable borrowing conditions) and $50 million of undrawn commitments under the senior secured revolving credit facility (subject to the satisfaction of applicable borrowing conditions and compliance with applicable covenants related to borrowings thereunder). As part of this total liquidity, the Group has obtained a letter of financial support from GBT JerseyCo Limited to provide further funding, if necessary, to meet its liabilities as they fall due. The Group believes this liquidity is important given its limited ability to predict its future financial performance due to the uncertainty associated with the COVID-19 pandemic and the measures implemented in response to the COVID-19 pandemic.

In assessing the ability of the Group to continue as a going concern, the directors have made certain assumptions and estimates for forecasted operations and such assumptions may not materialize. In addition, the magnitude, duration and speed of recovery for the world from the global pandemic is uncertain. As a consequence, the Group has considered multiple cash flow scenarios, including a base case forecast with key assumptions including growth in total transaction value to approximately 65% of pre-Covid levels by the end of 2022 and be maintained at approximately 80% through to June 2023, together with a severe but plausible downside scenario. The downside scenario includes a reduction of 9% to total transaction value for the full year of 2022 in response to expected impact on international travel from the Omicron variant, together with an assumption of no further growth in revenue in the first half of 2023 in reflection of one further variant to the virus and consequential impact on travel. In the downside scenario an assumption has been made that costs would decline more significantly, by a third, in light of the variable nature of the cost base, together with a reduction in controllable costs such as variable employment costs.

Additionally, the directors have considered the impact of the acquisition of Egencia on 1 November 2021, as discussed further in Note 29. The severe but plausible downside also includes a consistent assumption over the cashflows forecast for the Egencia business. The downside scenario indicates that the Group's covenant requirement to maintain $200m cash will be breached in the first half of 2023. The directors have identified mitigating actions that would be taken in the event that revenues do not return to the levels forecast in the base case, which include reductions in capital spend, reductions in salary and benefits expenses through reductions in paid working time, reductions in temporary and contracted employees and reductions to compensation and rewards and other expenses through reductions in professional services and investments.

In the event of a breach, the Company's facilities would be repayable on demand, and additional financing would be needed. The directors are confident that additional funding would be available to the Group, including from the expected completion of the initial public offering currently in progress, as disclosed further in Note 30 (e). However, at the date of approval of these accounts, this is not committed, and the Directors consider this represents a material uncertainty over the going concern basis of preparation.

Based on the above, the directors believe it remains appropriate to prepare the financial statements on a going concern basis. However, these circumstances indicate the existence of a material uncertainty related to events or conditions that may cast significant doubt on the group's and the company's ability to continue as a going concern and, therefore, that the group and company may be unable to realise their assets and discharge their liabilities in the normal course of business. The financial statements do not include any adjustments that would result from the basis of preparation being inappropriate.

2.3 Basis of Consolidation

The Group consolidated financial statements include the financial statements of the Company and all of its subsidiary undertakings together with the Group's share of the results of associates made up to 31 December 2020.

A subsidiary is an entity that is controlled by the parent. The results of subsidiary undertakings are included in the consolidated profit and loss account from the date that control commences until the date that control ceases. Control is established when the company has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the Group holds a long-term interest and where the group has significant influence. The Group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate. The results of associates are accounted for using the equity method of accounting.

All intra-group transactions, balances, income and expenses are eliminated on consolidation. Adjustments are made to eliminate the profit or loss arising on transactions with associates to the extent of the Group's interest in the entity.

In the Company financial statements, investments in subsidiaries are carried at cost less impairment in accordance with FRS 102.

2.4 Foreign currency

Transactions in foreign currencies are translated to the Group companies' functional currency (United States dollar) at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Foreign exchange differences arising on translation are recognised in the profit and loss account.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to the Group's presentational currency, United States dollar, at foreign exchange rates ruling at the balance sheet date. The revenues and expenses of foreign operations are translated at an average rate for the year where this rate approximates to the foreign exchange rates ruling at the dates of the transactions. Foreign exchange differences arising on retranslation are recognised in other comprehensive income (loss).

2.5 Revenue

Revenue is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Revenue includes net revenue earned from the rendering of travel services.

Revenue is recognized when control of the promised services in client or travel supplier arrangement is transferred to the customers in an amount that reflects the expected consideration in exchange for those services. The Group's customers are its clients to whom the Group provides consultancy and management services, travel service providers and providers of Global Distribution Systems (GDSs).

Client Transaction Revenue: The Group collects transaction and management fees by charging clients transaction or management fees for (i) selling and arranging travel and (ii) travel management services, including consulting and meeting and events services. Client transaction fee revenue is generally recognized at the time the client books the travel arrangements. Travel management services revenue, consulting, and meetings and events services revenue is recognized rateably over the contract period as the performance obligation is satisfied over time.

During the year ended 31 December 2019, the Company changed its accounting policy for revenues for event management activity, which was being recognized at the completion of the event under the previous revenue accounting policy, and was changed for revenue to be recognized rateably over the period of the services provided for the event. This change in accounting policy resulted in $2.6m credit to opening retained earnings of 2019, net of tax. The effect of this change on the Group's consolidated balance sheets and consolidated cash flows was not material.

In certain instances, as part of the arrangements with clients, the Group is contractually obligated to share with them the commissions collected from travel suppliers that are directly attributable to the Group's business with the clients. Additionally, in certain contractual agreements with its clients, the Group promises consideration to them in the form of credits or upfront payments. The Group recognizes such consideration payments to its clients as a reduction of revenue as the revenue is recognized unless the payment is in exchange for a distinct good or service that the clients transfers to the Group. Payments deferred on the balance sheet are assessed for impairment in the event that a customer contract is assessed to be loss-making.

Travel Supplier Revenue: Certain of the Group's travel suppliers (e.g., airlines, hotels, car rental companies, and rail carriers) and GDS providers pay commissions and/or fees on tickets issued, sales and other services provided by the Group based on contractual agreements. Commissions and fees from travel suppliers are generally recognized at the time a ticket is purchased for air travel reservations or upon fulfilment of the reservation for hotels, car rentals, and rail. The Group recognizes revenue using estimates for certain services provided under contractual agreements where the consideration is variable and determined by meeting volume targets. The Group recognizes variable consideration only to the extent that it is probable that a subsequent change in the estimate would not result in a significant revenue reversal.

Other Revenue: The Group recognizes other revenues through franchise fees collected from the Group's Travel Partner Network (TPN). TPN is a grouping of non-equity partners that provide services to the Group's clients in their respective local markets by utilising the Group's unique brand of service and expertise. Franchise fee revenue is recognized as sales occur over the contract period as the performance obligation is satisfied.

2.6 Expenses

Operating Expenses
Operating expenses include expenses associated with functions engaged in delivering the Group's services and functions engaged in business support, including expenses for sales support, finance, technology, legal and other Group activities. These costs include costs incurred for Global Distribution System (GDS), costs for servicing client transactions, data processing charges, customer incentives amortisation and product and meeting related expenses. Operating expenses are recognised as expenses are incurred and services are received.

Foreign currency gains and losses are reported on a net basis.

Operating lease
Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

Interest receivable and Interest payable
Interest receivable and similar income include interest receivable on cash at bank and bank deposits.

Interest payable and similar charges primarily include interest payable on term loans, net interest on post-employment benefits and amortisation of debt finance and debt discount.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method.

2.7 Employee benefits

Defined contribution plans
The Group operates a number of country-specific defined contribution plans for its employees. A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the profit and loss account in the periods during which services are rendered by employees and the payments become due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the group in independently administered funds.

Defined benefit pension plan
The Group operates defined benefit plans for certain employees in certain countries. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the reporting date less the fair value of the plan assets at the reporting date.

The defined benefit obligation is calculated using the projected unit credit method. Annually the Group engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds in currency of the liabilities and that have terms approximating the estimated period of the future payments ('discount rate').

The fair value of plan assets at the balance sheet date is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Group's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'remeasurement of net defined benefit liability'.

Amendments made to pension plans are accounted for in past service cost in the period that the amendment occurs, with the full impact of the amendment being recognised.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

(a) the increase in pension benefit liability arising from employee service during the period; and

(b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as a component of 'Interest payable and similar charges.

Past service costs, representing the increase in the present value of pension scheme liabilities relating to employee service in prior periods, but arising in the current period as a result of benefit improvements, are charged to the income statement immediately to the extent that the benefits have already vested, or otherwise recognised on a straight-line basis over the vesting period.

Short-term benefits
Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

Annual bonus plans
The Group operates a number of annual bonus plans for employees. An expense is recognised in the profit and loss account when the Group has a legal or constructive obligation to make payments under the plans as a result of past events and a reliable estimate of the obligation can be made.

Termination benefits
Termination benefits are recognised as an expense when the Group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before the normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised as an expense if the Group has made an offer of voluntary redundancy, it is probably that the offer will be accepted, and the number of acceptances can be estimated reliably.

Share-based payments
The Group provides share-based payment arrangements to certain employees.

Equity-settled arrangements are measured at fair value (excluding the effect of nonmarket based vesting conditions) at the date of the grant. The fair value is expensed on a straight-line basis over the vesting period. The amount recognised as an expense is adjusted to reflect the actual number of shares or options that will vest.

Where equity-settled arrangements are modified, and are of benefit to the employee, the incremental fair value is recognised over the period from the date of modification to date of vesting. Where a modification is not beneficial to the employee there is no change to the charge for share-based payment. Settlements and cancellations are treated as an acceleration of vesting and the unvested amount is recognised immediately in the income statement.

Cash-settled share options are measured at fair value at the balance sheet date. The Group recognises a liability at the balance sheet date based on these fair values, taking into account the estimated number of options that will actually vest and the current proportion of the vesting period. Changes in the value of this liability are recognised in the consolidated profit and loss account.

The Company has no employees and thus there is no charge in its profit and loss account for share-based payments.

2.8 Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

Current taxation

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred taxation
Deferred tax is provided, using the timing difference plus method, with deferred tax arising on timing differences as well as on the initial recognition of a business combination. Deferred taxes is recognized on all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

2.9 Business Combinations and Goodwill

Business combinations are accounted for by applying the purchase method.

The cost of a business combination is the fair value of the consideration given, liabilities incurred or assumed and of equity instruments issued plus the costs directly attributable to the business combination.

Contingent consideration is initially recognised at estimated amount where the consideration is probable and can be measured reliably. Where (i) the contingent consideration is not considered probable or cannot be reliably measured but subsequently becomes probable and measurable or (ii) contingent consideration previously measured is adjusted, the amounts are recognised as an adjustment to the cost of the business combination.

On acquisition of a business, fair values are attributed to the identifiable assets, liabilities and contingent liabilities unless the fair value cannot be measured reliably, in which case the value is incorporated in goodwill. Intangible assets are only recognised separately from goodwill where they are separable and arise from contractual or other legal rights. Where the fair value of contingent liabilities cannot be reliably measured they are disclosed on the same basis as other contingent liabilities.

Goodwill recognised represents the excess of the fair value and directly attributable costs of the purchase consideration over the fair values to the group's interest in the identifiable net assets, liabilities and contingent liabilities acquired. Further, upon acquisition, goodwill is allocated to cash-generating units ('CGU') that are expected to benefit from the combination. Goodwill is amortised over its expected useful life which is estimated to be five to fifteen years. Goodwill is assessed for impairment when there are indicators of impairment and any impairment is charged to the consolidated profit and loss account. No reversals of impairment are recognised.

2.10 Intangible assets

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

Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimated useful lives, as follows:

Goodwill	5 to 15 years
Software	2.5 to 7 years
Trademarks/Tradenames	1 to 5 years
Contractual relationships	up to 15 years

Amortisation is included in 'operating expenses' in the consolidated profit and loss account.

Costs associated with maintaining computer software are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the group are recognised as intangible assets when the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;

- there is an ability to use or sell the software;
- it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- the expenditure attributable to the software during its development can be reliably measured.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

2.11 Tangible assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use, dismantling and restoration costs.

Where parts of an item of tangible assets have different useful lives, they are accounted for as separate items of tangible assets, for example land is treated separately from buildings.

Leases in which the Group assumes substantially all the risks and rewards of ownership and the leased asset are classified as finance leases. All other leases are classified as operating leases.

The Group assesses at each reporting date whether tangible assets are impaired.

Depreciation for other tangible assets is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each part of an item of tangible assets. Assets in the course of construction are stated at cost. These assets are not depreciated until they are available for use. The estimated useful lives of tangible assets are as follows:

- Computer equipment — 3 to5 years
- Furniture and fixtures — up to 7 years
- Leasehold improvements — shorter of 5 to 10 years or lease term

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the Group expects to consume an asset's future economic benefits.

2.12 Impairment of financial and non-financial assets

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Group would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in consolidated profit or loss account. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through consolidated profit or loss account.

Non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated and compared to its carrying amount. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. 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. If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit and loss account, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in profit or loss. If an impairment loss is subsequently reversed, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the profit and loss account.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets i.e., cash-generating unit.

2.13 Investments in subsidiary undertakings - Company

Investment in a subsidiary company is held at cost less accumulated impairment losses.

2.14 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. Bank overdrafts, when applicable, are shown within borrowings in current liabilities.

2.15 Provisions and contingencies

Provisions

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event, that can be reliably measured, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date. In particular:

(a) restructuring provisions are recognised when the Group has a detailed, formal plan for the restructuring and has raised a valid expectation in those affected by either starting to implement the plan or announcing its main features to those affected and therefore has a legal or constructive obligation to carry out the restructuring;

(b) Onerous contract provisions are recognized when the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it, and

(c) provision is not made for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a finance cost.

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee.

Contingencies

Contingent liabilities are not recognised, except those acquired in a business combination. Contingent liabilities arise as a result of past events when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the Group's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

2.16 Financial instruments

The Group has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets and liabilities

Basic financial assets and liabilities, including trade and other receivables, trade and other payables, cash and bank balances and bank loans, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction.

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Bank loans are recognized at the principal amounts of loans, net of any unamortized discount and debt finance costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument. Financial assets and financial liabilities are classified as current assets or current liabilities if payment is to be received or is due within one year or less. If not, they are presented as non-current assets and non-current liabilities.

2.17 Classification of financial instruments

In accordance with FRS 102.22, financial instruments issued by the Group are treated as equity only to the extent that they meet the following two conditions:

(a) they include no contractual obligations upon the Group to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Group; and

(b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Group's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

2.18 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.19 Distributions to equity holders

Dividends and other distributions to the Group's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the shareholders. These amounts are recognised in the consolidated statement of changes in equity.

2.20 Related party transactions

The Group discloses transactions with related parties which are not wholly owned within the same group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the directors, separate disclosure is necessary to understand the effect of the transactions on the Group's consolidated financial statements.

2.21 Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to conditions. The Company has taken advantage of the following exemptions in its individual financial statements:

- from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in these financial statements, includes the Company's cash flows;
- from the financial instrument disclosures, required under FRS 102 paragraphs, 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A, as the information is provided in the consolidated financial statement disclosures.

3 Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Group makes estimates and assumptions concerning the future, based on the directors' best estimates of expected outcomes. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Impairment testing

Annually, the Group considers whether intangible assets and goodwill are impaired. Where an indication of impairment is identified the estimation of recoverable value requires estimation of the recoverable value of the CGUs. This requires estimation of the future cash flows from the CGUs and also selection of appropriate discount rates in order to calculate the net present value of those cash flows.

In the current year the directors considered there to be an indicator of impairment and an impairment assessment for goodwill was made, which included significant management judgment over certain assumptions, including various scenarios of cashflows, assumptions over discount rate and terminal growth rate and various sensitivity analyses. This assessment did not indicate any impairment of goodwill.

Defined benefit pension scheme

The Group has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors, including; life expectancy, asset valuations and the discount rate on corporate bonds. In selecting these assumptions, Management takes advise from an independent qualified actuary and estimates these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends.

In the current year certain restructuring of pension funds has occurred, and management have made judgments on whether such restructuring constitutes an amendment, as defined by FRS102. In making this judgment management have taken advise from an actuary, as above.

In addition to the above, the directors consider the following to represent other areas of estimate or judgment:

Provisions

Provision is made for restructuring, asset retirement obligations/dilapidations, onerous contracts and contingencies. These provisions require management's best estimate of the costs that will be incurred based on legislative and contractual requirements. In addition, the timing of the cash flows and the discount rates used to establish net present value of the obligations require management's judgement.

In the current year provision has been made for a significant restructuring in response to the impact on the business of Covid-19. In certain European territories where there are legal requirements to consult with Employment Councils, management judgment has been applied in determining whether a legal obligation exists at year-end based on the powers of the respective Councils, and on whether the details of the plans had been shared to a sufficient extent with employees to satisfy the conditions of FRS102. In making these judgments the directors have also considered whether, in the absence of making provision for such planned restructuring, they have a contingent obligation which requires disclosure.

Fair values on acquisition of businesses

The fair value of tangible and intangible assets acquired on the acquisition of businesses involved the use of valuation techniques and the estimation of future cash flows to be generated over a number of years. The estimation of the fair values requires the combination of assumptions including revenue and profitability measure growth, increases and customer attrition rates, number of years over which the benefit of intangibles will be realised, etc. In addition, the use of discount rates requires judgement.

Allowance for doubtful accounts

In its determination of the valuation of trade and receivables, including the allowance for doubtful accounts, management relies on current customer information, which include customer creditworthiness and past experiences, and its planned course of action as well as assumptions about business and economic conditions in the future period over which receivables are collectible. If future collections differ from estimates, future earnings would be affected.

Deferred tax assets

Deferred tax assets are recognised to the extent that their utilisation is probable. The utilisation of deferred tax assets will depend on whether it is possible to generate sufficient taxable income in the respective tax type and jurisdiction, taking into account any legal restrictions on the length of the loss-carry forward period. Various factors are used to assess the probability of the future utilisation of deferred tax assets, including past operating results, operational plans and future taxable profits, loss-carry forward periods, and tax planning strategies, each of which requires considerable management judgement.

Recognition of Supplier Revenue

In its determination of supplier revenue management uses estimates for certain services provided under contractual agreements where the fees earned are variable and are determined by meeting volume targets. When the Group is unable to reliably estimate, the fees earned, revenue is recognised when the cash is received. In making this assessment, management consider evidence, including supplier confirmations of transaction volumes, received post year-end which confirms the position as at the balance sheet date.

4 Revenue

	2020 $000	2019 $000
By activity		
Travel customer and supplier revenue	783,637	2,107,365
By geographical market		
Americas	416,680	955,298
Asia Pacific	77,219	199,839
Europe	289,738	952,228
	783,637	**2,107,365**

The geographical determination of revenue is based on the jurisdiction of the legal entity contracting with the customer.

5 Other income

	2020 $000	2019 $000
Other income	101,739	-

Other income in the year ended 31 December 2020 relates to income received from Government subsidies and grants made as assistance to business due to the COVID-19 pandemic.

6 Operating profit

Operating profit is stated after charging (crediting):

	2020 $000	2019 $000
Wages and salaries	802,229	1,041,114
Social security costs	92,212	99,979
Share-based payments	(509)	8,744
Other pension costs		
- Contribution to defined contribution plans	19,990	19,606
- Current service charge, prior service cost and plan curtailment for pension scheme	18,928	390
Total staff costs	932,850	1,169,833
Amount of staff costs capitalised	(4,910)	(11,530)
Staff costs charged to profit and loss account	927,940	1,158,303
Reorganisation expense (see note 29)	140,202	11,728
Provision for trade receivables	3,883	(286)
Depreciation and amortisation	153,709	216,227
Operating lease charges	35,251	41,791
Foreign exchange (gain) loss	(12,395)	3,561
Fees payable to the Company's auditor and its associates for the audit of the parent company and the Group's consolidated financial statements	2,280	3,384
Fees payable to the Company's auditor and its associates for other services:		
Audit of Group's subsidiaries	831	1,587
Audit-related assurance service	154	155
Corporate finance	616	857
Tax advisory	772	678
Tax compliance service	654	1,597
Total amount payable to the Group's auditors and associates	5,307	8,258

7 Employees and directors

Employees

Group

The average monthly number of persons (including executive directors) employed by the Group during the year, analysed by category, was as follows:

	2020 Number	2019 Number
Operations	15,733	17,103
Administration	918	1,261
Information technology	590	875
Management	52	113
	17,293	19,352

Company

The Company had no employees during 2020 or 2019.

Directors

The directors' emoluments were as follows:

	2020 $000	2019 $000
Directors' and chairperson's remuneration	5,288	5,420
Amounts receivable under share-based payment plans	1,480	427
Company contribution to pension plan	31	13

One director was paid by Amex for part of the year and the remuneration above includes only that paid by the GBT UK TopCo Group. The amount paid by Amex is not disclosed on account of their services to GBT TopCo Group being incidental to their role at Amex.

During the year ended 31 December 2020, no directors were granted share-based payment awards (2019: Nil).

During the year ended 31 December 2020, the aggregate of remuneration and amounts receivable under share-based payment plans of the highest paid director was $4 million and company no pension contributions were made to a pension scheme on that director's behalf.

For the year ended 31 December 2020, there were retirement benefits are accruing to 1 director (2019 – 1 director) under pension contribution scheme.

Key management compensation

The chairperson and directors of the business are the key management personnel and are responsible for the planning, directing and controlling of the activities of the entity. Their remuneration is disclosed above.

8 Share-based payments

The Company's parent, GBT, operates a share-based incentive plan under which approximately 3 million shares have been reserved under the GBT's Management Incentive Plan (MIP) that would be issued upon exercise of option awards (MIP Shares or MIP Awards). Upon exercise of the option award, these MIP Shares (i) are nonvoting; (ii) will entitle the holder thereof to proportionally share the Group's profits, both before and after the issuance of such MIP shares, in accordance with separate allocation and distribution provisions set forth in the ultimate shareholders agreement; and (iii) will entitle the holder thereof to receive dividends decided upon MIP Shares from time to time in accordance with allocation and distribution provisions set forth in the ultimate shareholders' agreement. Neither the options nor the MIP Shares will trade or be listed on any stock exchange. As a general matter, neither the options nor the MIP Shares will be entitled to share in any profits or capital of the Group until certain distribution thresholds have been satisfied.

The Group has taken exemption under FRS 102 related to transition provision of share-based payment, and awards granted prior to the date of transition have continued to be considered and accounted for as equity-classified. Awards granted post-date of transition have been considered as cash-settled.

Equity-settled arrangements are measured at fair value (excluding the effect on nonmarket based vesting conditions) at the date of the grant. The fair value is expensed on a straight-line basis over the vesting period. The amount recognised as an expense is adjusted to reflect the actual number of shares or options that will vest. Cash-settled share options are measured at fair value at the balance sheet date. The Group recognises a liability at the balance sheet date based on these fair values, taking into account the estimated number of options that will actually vest and the current proportion of the vesting period. Changes in the value of this liability are recognised in the consolidated profit and loss account.

During the year ended December 31, 2020 there were no options granted to the employees (2019: 0.3 million). The options granted vest in equal 20% instalments on each of the first five anniversaries of the grant date. The options have a contractual life of ten years from the grant date. There are no performance conditions associated with the vesting of the options.

The exercise price of any option granted under the Plan shall be 100% of the fair market value of the common stock subject to the award, determined as of the date of grant, or such higher amount as the Committee may determine in connection with the grant. The weighted average exercise price of the options granted during the years ended December 31, 2020 and 2019 was determined to be $0 and $83.07, respectively. A market and income approach were used to determine the enterprise fair value of the Company. The Black Scholes model was used to determine the weighted average fair value of the cash-settled options at December 31, 2020 and 2019 was $7.78 and $21.67, respectively.

For the years ended December 31, 2020 and 2019 the Company recorded compensation credit of $0.5 million and expense of $9 million, respectively, for the vesting of the options.

The key assumptions used in the valuation of the option as of December 31, 2020 and 2019 are presented in the table below:

	2020	2019
Annual risk-free rate	0.13%	1.75%
Discount for lack of marketability	35%	25%
Equity volatility	45%	25%
Expected average life of options	2 years	2 years

9 Associated Undertakings

Group

The share of loss from associated undertakings for the year ended 31 December 2020 is $5 million (31 December 2019 – share of profit of $5 million). The Group also received dividends of $2 million and $9 million for the years ended 31 December 2020 and 2019, respectively.

The Group's investments in companies that are accounted for on the equity method of accounting consist of the following: (1) 49% interest in each of three entities which together form China International Travel Service Limited. These three entities are CITS American Express Southern China Air Services Limited, CITS American Express Travel Services Limited and CITS American Express Air Services Limited; and, (2) 35% interest in Uvet American Express Corporation Travel S.p.A. (3) 51% in HRG Jin Jiang Travel (China); (4) 49% in Liga Travel GmbH, Germany; (5) 50% in OFB Reisen GmbH, Austria and (6) 25% in Bavaria Lloyd Reisebüro GmbH, Germany.

The carrying value of the Group's investment in associated undertakings was as follows:

	2020 $000	2019 $000
At 1 January	29,617	33,918
Share of profit	(5,193)	4,856
Dividend received	(2,409)	(8,681)
Foreign exchange translation	1,254	(476)
At 31 December	**23,269**	**29,617**

Company

The Company had no associates at 31 December 2020 (2019: none).

10 Interest receivable and similar income

	2020 $000	2019 $000
Interest received/receivable on cash at bank and bank deposits	1,454	4,553
	1,454	**4,553**

11 Interest payable and similar charges

	2020 $000	2019 $000
Interest paid/payable on term loans	17,959	12,300
Amortisation of debt finance cost and debt discount	2,625	1,676
Net interest expense on post-employment benefits	5,927	7,380
Other finance costs	6,579	3,161
	33,090	**24,517**

12 Income Tax

Income tax included in profit and loss:

	2020 $000	2019 $000
Current tax		
UK corporation tax on profits for the year	(17,508)	21,566
Foreign corporation tax on profits for the year	(18,519)	34,673
Adjustments in respect of prior years	(2,033)	(16,607)
Total current tax (benefit) charge	**(38,060)**	**39,632**
Deferred tax		
Origination and reversal of timing differences	(101,792)	(13,964)
Adjustments in respect of prior years	6,607	19,208
Total deferred taxes (benefit) charge	**(95,185)**	**5,244**
Tax (benefit) charge on (loss) profit	**(133,245)**	**44,876**

Deferred tax benefit included in other comprehensive loss:

	2020 $000	2019 $000
Deferred tax		
Origination and reversal of timing differences	(14,614)	(10,668)
Acquisition during the year	—	1,959
Exchange movement on consolidation	(2,347)	3,874
Total deferred tax benefit included in other comprehensive loss	**(16,961)**	**(4,835)**

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 19% (2019: 19%). The differences are explained below:

Factors affecting the tax charge of the year

	2020 $000	2019 $000
(Loss) profit before taxation	(743,285)	106,720
(Loss) profit before taxation multiplied by standard rate in the UK 19% (2019: 19%)	(141,224)	20,277
Effects of:		
Impact of permanent differences	8,049	29,146
Movement in unrecognised deferred tax assets	4,954	(18,119)
Impact of overseas tax rates	(7,580)	9,372
Adjustments in respect of prior years	4,573	2,601
Other	(2,017)	1,599
Tax (benefit) charge for the year	**(133,245)**	**44,876**

Deferred tax assets and liabilities are attributed to the following:

	Assets		Liabilities	
	2020 $000	**2019 $000**	**2020 $000**	**2019 $000**
Pension liability	65,776	57,145	—	—
Net operating loss carry forwards	110,537	14,503	—	—
Accrued employee benefits	2,878	2,941	—	—
Other accrued expenses and reserves	8,225	4,393	—	—
Tangible assets	—	—	(10,407)	(9,175)
Intangible assets	—	—	(56,653)	(54,934)
Goodwill	1,267	1,340	(2,221)	(1,947)
Allowance for doubtful debts	449	527	—	—
Unrealized foreign exchange results	—	—	—	(223)
Other	3,706	6,272	—	(9,432)
Total	**192,838**	**87,121**	**(69,281)**	**(75,711)**

The Group has gross losses carried forward related to global operations of approximately $1,056 million (2019: $507 million), on which deferred tax is both recognised and unrecognised. Of this amount $1,016 million (2019: $345 million) have an indefinite life. The remaining losses will expire between 2022 and 2040. The Group also holds gross capital losses of $14 million (2019: $18 million) and a credit in relation to UK Advanced Corporation Tax of approximately $1 million (2019: $1 million) which are not expected to be utilised in the foreseeable future.

As of December 31, 2020, and 2019, the Group recognised a tax liability of $9 million and $11 million respectively, associated with uncertain tax positions arising from differences between amounts recorded in the consolidated financial statements and amounts expected to be included in tax returns. The Group does not believe that the outcome of any other future examination will have a material impact on its consolidated financial statements.

Deferred income tax liabilities of $5 million (2019: $6 million) have not been recognised for the withholding tax and other taxes that would be payable on the unremitted earnings of certain subsidiaries.

13 Intangible assets

Group	Goodwill $000	Trademarks/ Tradenames $000	Contractual relationships $000	Software $000	Total $000
Cost					
Balance at 31 December 2019	1,314,203	60,776	295,364	266,630	1,936,973
Additions	443	—	—	21,792	22,235
Disposals	—	—	—	(59,189)	(59,189)
Foreign exchange translation adjustment	5,321	—	1,449	14,124	20,894
Balance at 31 December 2020	**1,319,967**	**60,776**	**296,813**	**243,357**	**1,920,913**
Accumulated amortisation and impairment					
Balance at 31 December 2019	(821,025)	(55,956)	(82,570)	(111,900)	(1,071,451)
Amortisation charge for the year	(47,148)	(600)	(15,540)	(56,895)	(120,183)
Disposals	—	—	—	59,189	59,189
Foreign exchange translation adjustment	—	—	—	(10,091)	(10,091)
Balance at 31 December 2020	**(868,173)**	**(56,556)**	**(98,110)**	**(119,697)**	**(1,142,536)**
Net book value					
31 December 2020	**451,794**	**4,220**	**198,703**	**123,660**	**778,377**
31 December 2019	**493,178**	**4,820**	**212,794**	**154,730**	**865,522**

The directors performed an impairment assessment over the intangible assets at 31 December 2021 on account of there being impairment triggers from the downturn in transaction volumes relating to Covid-19. There were no goodwill impairment losses recorded as a result of this review (see Impairment testing in note 3 (2019: $nil). There are no accumulated goodwill impairment losses as of December 31, 2020 and 2019. Goodwill arising on the acquisitions are being amortised evenly over the directors' estimate of its useful life of 5-15 years. Software is amortized over a period of 2.5 to 7 years.

The amortisation charge is recognised in the "operating expense" line item in the consolidated profit and loss account.

Tradenames are amortised over 1 to 5 years depending upon the period over which the directors estimate the acquired tradenames will be utilised by the Group. Contractual relationships are amortised over the contractual period of time or over longer period where historically contracts have been renewed. The estimated useful lives of contractual relationships have been determined to be up to 15 years.

Company

The Company had no intangible assets at 31 December 2020 (2019: $nil).

14 Tangible assets

Group	Computer equipment	Leasehold improvements	Furniture and fixtures	Capitalized projects in development	Finance Lease Equipment	Other capitalized assets	Total
	$000	$000	$000	$000	$000	$000	$000
Cost							
Balance at 31 December 2019	91,101	48,772	16,519	6,376	—	7,648	170,416
Transfers	8,429	—	—	(6,376)	—	(2,053)	—
Additions	8,830	8,947	3,867	2,755	5,257	464	30,120
Disposals	(52,778)	(9,331)	(13,599)	—	—	(395)	(76,103)
Foreign exchange translation adjustment	2,058	(4,504)	4,679	—	—	128	2,361
Balance at 31 December 2020	**57,640**	**43,884**	**11,466**	**2,755**	**5,257**	**5,792**	**126,794**
Accumulated depreciation and impairment							
Balance at 31 December 2019	(60,285)	(26,708)	(6,699)	—	—	(3,955)	(97,647)
Depreciation charge for the year	(18,094)	(10,235)	(4,722)	—	(350)	(125)	(33,526)
Disposals	52,778	9,331	13,599	—	—	395	76,103
Foreign exchange translation adjustment	(2,112)	2,983	(5,232)	—	—	743	(3,618)
Balance at 31 December 2020	**(27,713)**	**(24,629)**	**(3,054)**	**—**	**(350)**	**(2,942)**	**(58,688)**
Net book value							
31 December 2020	**29,927**	**19,255**	**8,412**	**2,755**	**4,907**	**2,850**	**68,106**
31 December 2019	**30,816**	**22,064**	**9,820**	**6,376**	**—**	**3,693**	**72,769**

There were no impairment losses on tangible assets recorded for the years ended December 31, 2020 and 2019 and there are no accumulated impairment losses on tangible assets as of December 31, 2020 and 2019.

The depreciation charge is recognised in the "operating expense" line item in the profit and loss account:

Company

The Company had no tangible assets at 31 December 2020 (2019: $nil).

15 Subsidiaries undertakings

Pursuant to the re-organisation discussed in note 1, the Company acquired shares in GBT Travel Services UK Limited in 2019. The cost and net book value of this investment in the books of the Company is $1,754 million.

The list of subsidiaries and associate undertakings of the GBT group are as follows:

Name	Country of Incorporation	Nature of Business	Interest (%)
30 SecondsToFly (Thailand) Co., Ltd.	Thailand	Travel Related Services	100
Advanced Reservation Centre S.r.l.	Italy	Travel Related Services	100
ATLAS REISEN GmbH	Germany	Travel Related Services	100
ATLAS/ RVS Reiseburo Verwaltungs Service GmbH	Germany	Corporate Managing Office	100
B Sadler (Meetings and Events) Limited	Ireland	Meeting & Events	100
Banks and Sadler Inc.	United States - Delaware	Meeting & Events	100
Banks Sadler GmbH	Germany	Meeting & Events	100
Banks Sadler Group Limited	United Kingdom	Meeting & Events	100
Banks Sadler Limited	United Kingdom	Meeting & Events	100
Banks Sadler SARL	France	Meeting & Events	100
Bavaria-Lloyd Reisebuero GmbH	Germany	Travel Related Services	49
Business Travel International B.V.	Netherlands	Travel Related Services	100
Church Street (Belgium) CVBA	Belgium	Holding Company	50
CITS GBT Air Services Limited	China	Travel Related Services	49
CITS GBT Southern China Air Services Limited	China	Travel Related Services	49
CITS GBT Travel Services Limited	China	Travel Services Limited	49
Compagnie Dens Ocean NV	Belgium	Travel Related Services	100
Congress Lab S.r.l.	Italy	Meeting & Events	100
DER Business Travel GmbH	Germany	Travel Related Services	100
DFB-Reisebuero GmbH	Germany	Travel Related Services	51
Eurocentre (Travel) Limited	United Kingdom	Holding Company	100
eWings.com GmbH	Germany	Travel Related Services	100
Executive Travel Associates LLC	United States - New York	Travel Related Services	100
Farnborough Limited	United Kingdom	Holding Company	100
FC Bayern Tours GmbH	Germany	Travel Related Services	50
GB Travel Canada Inc.	Canada	Travel Related Services	100
GBT (Thailand) Co. Ltd.	Thailand	Travel Related Services	100
GBT 2 (Thailand) Co. Ltd.	Thailand	Holding Company	100
GBT Australia Pty Ltd	Australia - Victoria	Travel Related Services	100
GBT CR, s.r.o.	Czech Republic	Travel Related Services	100
GBT CR, s.r.o. - Branch - Slovakia	Slovakia	Travel Related Services	N/A
GBT Deutschland GmbH	Germany	Other Holding Company	100
GBT Euro Travel Holdings B.V.	Netherlands	Holding Company	100
GBT Finland Limited	Finland	Meeting & Events	100
GBT Global Business Travel S.A.	Greece	Travel Related Services	100
GBT Group Services B.V.	Netherlands	Holding Company	100
GBT II Argentina S.R.L.	Argentina	Travel Related Services	100
GBT II B.V.	Netherlands	Holding Company	100
GBT III B.V.	Netherlands	Travel Related Services	100
GBT III B.V. - Branch - Geneva	Switzerland	Travel Related Services	N/A
GBT III B.V. - Branch - Germany	Germany	Travel Related Services	N/A
GBT III B.V. - Branch - Ireland	Ireland	Travel Related Services	N/A
GBT III B.V. - Branch - Zurich	Switzerland	Travel Related Services	N/A
GBT India Private Limited	India	Travel Related Services	100
GBT Servicios Profesionales, S. de R.L. de C.V.	Mexico	Support services to affiliates	100
GBT Sweden AB	Sweden	Travel Related Services	100
GBT Travel Services Colombia S.A.S.	Colombia	Travel Related Services	100
GBT Travel Services Mexico S. de R.L. de C.V.	Mexico	Travel Related Services	100
GBT Travel Services UK Limited	United Kingdom	Travel Related Services	100
GBT US III LLC	United States - Delaware	Holding Company	100
GBT US LLC	United States - Delaware	Travel Related Services	100
Global Business Travel (Singapore) Pte. Ltd.	Singapore	Travel Related Services	100
Global Business Travel ApS	Denmark	Travel Related Services	100
Global Business Travel AS	Norway	Travel Related Services	100
Global Business Travel BVBA	Belgium	Travel Related Services	100
Global Business Travel France	France	Travel Related Services	100
Global Business Travel Holding (Japan) Ltd	Japan	Holding Company	100
Global Business Travel Holdings (Hong Kong) Limited	Hong Kong.	Holding Company	100
Global Business Travel Holdings Limited	United Kingdom	Holding Company	100
Global Business Travel Hong Kong Limited	Hong Kong	Travel Related Services	100
Global Business Travel Hungary Ltd.	Hungary	Travel Related Services	100

Name	Country of Incorporation	Nature of Business	Interest (%)
Global Business Travel Poland S.A.	Poland	Travel Related Services	100
Global Business Travel Spain, S.L.U.	Spain	Travel Related Services	100
Global Business Travel Switzerland Ltd.	Switzerland	Travel Related Services	100
H T General Agency Limited	United Kingdom	Holding Company	100
Hanseat Reiseburo GmbH	Germany	Travel Related Services	100
Hogg Robinson (1987) Pension Scheme Trustee Limited	United Kingdom	Trust, fiduciary and custody activities	100
Hogg Robinson (Transport and Financial Services) Dormants Limited	United Kingdom	Holding Company	100
Hogg Robinson (Travel) Limited	United Kingdom	Travel Related Services	100
Hogg Robinson Australia Holdings Pty Limited	Australia	Holding Company	100
Hogg Robinson Australia Pty Ltd	Australia - Victoria	Travel Related Services	100
Hogg Robinson Business Travel Hungary Limited Liability Company	Hungary	Travel Related Services	100
Hogg Robinson Canada Inc.	Canada - Ontario	Travel Related Services	100
Hogg Robinson Group Limited	United Kingdom	Holding Company	100
Hogg Robinson Holdings B.V.	Netherlands	Holding Company	100
Hogg Robinson Holdings Canada Inc.	Canada - Ontario	Holding Company	100
Hogg Robinson Hong Kong Limited	Hong Kong	Travel Related Services	100
Hogg Robinson Italia S.r.L.	Italy	Travel Related Services	100
Hogg Robinson Limited	United Kingdom	Travel Related Services	100
Hogg Robinson Money Matters Limited	United Kingdom	Inter-company loan activity	100
Hogg Robinson Nordic AB	Sweden	Travel Related Services	100
Hogg Robinson Nordic AB - Branch – Denmark	Denmark	Travel Related Services	N/A
Hogg Robinson Nordic AS	Norway	Travel Related Services	100
Hogg Robinson Nordic Holdings AS	Norway	Holding Company	100
Hogg Robinson Nordic Services AB	Sweden	Holding Company	100
Hogg Robinson Singapore Pte. Ltd.	Singapore	Travel Related Services	100
Hogg Robinson USA Holdings LLC	United States - Delaware	Holding Company	100
Hogg Robinson USA LLC	United States - New York	Travel Related Services	100
HRG Belgium NV	Belgium	Travel Related Services	100
HRG Debtco Limited	United Kingdom	Holding Company	100
HRG Jin Jiang Travel (China) Co., Ltd.	China	Travel related services	51
HRG Jin Jiang Travel (China) Co., Ltd. - Branch - Beijing	China	Travel Related Services	N/A
HRG Mobility Services GmbH	Germany	Travel Related Services	100
Kabushiki Kaisha Nihon Ryoko Global Business Travel	Japan	Travel Related Services	55
KDS Deutschland GmbH	Germany	Travel Related Services	100
KDS UK Limited	United Kingdom	Travel Related Services	100
Klee Data System SAS	France	Travel Related Services	100
Liga Travel GmbH	Germany	Travel Related Services	49
OFB Reisen GmBH	Austria	Travel Related Services	50
Medical Projects International Limited	United Kingdom	Meeting & Events	100
Rennie Hogg Ships Agents Limited	United Kingdom	Holding Company	100
Sepals Limited	Gibraltar	Holding Company	100
Taiwan Global Business Travel Agency Taiwan Limited	Taiwan	Travel Related Services	100
Uvet Global Business Travel S.p.A	Italy	Travel Related Services	35
Wilson Albany Limited	United Kingdom	Holding Company	100

All the above subsidiaries are included in the consolidation.

Certain wholly-owned subsidiaries were merged or were acquired by other wholly-owned subsidiaries during the year as part of rationalisation of the group structure. The Company's investment in GBT Travel Services UK Limited is direct ownership, all other investments are indirect ownership. The registered office of GBT Travel Services UK Limited is 5 Churchill Place, Canary Wharf, London E14 5HU.

The following wholly-owned entities were dissolved or liquidated during the year ended 31 December 2020 and are included in the consolidation until the date of dissolution/liquidation:

- BTI Executive Travel Centre Inc
- Farnborough Finance (2007) Limited
- Hogg Robinson Group Espana, S.A.U.
- KDS International USA Inc.
- Viking Reisebyrå AS

The following wholly-owned entities were merged in to other entities during the year ended 31 December 2020:

- Hogg Robinson Germany GmbH & Co.KG
- Hogg Robinson Nordic Oy
- Hogg Robinson Polska Sp. Z.o.o
- Hogg Robinson s.r.o - as a result
  Hogg Robinson s.r.o- Branch – Slovakia became a branch of GBT CR s.r.o.

The Company has guaranteed the liabilities of the following subsidiaries in order that they qualify for the exemption from audit under Section 479A of the Companies Act 2006 in respect of the year ended 31 December 2020:

- Banks Sadler Group Limited
- Banks Sadler Limited
- Euro centre (Travel) Limited
- Farnborough Limited
- Global Business Travel Holdings Limited
- H T General Agency Limited
- Hogg Robinson (1987) Pension Scheme Trustee Limited
- Hogg Robinson (Transport and Financial Services) Dormants Limited
- Hogg Robinson (Travel) Limited
- Hogg Robinson Group Limited
- Hogg Robinson Limited
- Hogg Robinson Money Matters Limited
- HRG Debtco Limited
- KDS UK Limited
- Medical Projects International Limited
- Rennie Hogg Ships Agents Limited
- Wilson Albany Limited

The following entities are dormant subsidiary companies that are exempt from audit under s408 of the Companies Act 2006 relating to (i) the preparation of their individual accounts and / or (ii) filing a copy of their individual accounts, in respect of their year ended 31 December 2020.

- Hogg Robinson (1987) Pension Scheme Trustee Limited
- Hogg Robinson (Transport and Financial Services) Dormants Limited
- Rennie Hogg Ships Agents Limited

16 Debtors

	2020 $000	2019 $000
Trade receivables	150,258	677,531
Deferred tax assets	192,838	87,121
Amounts owed by related parties	14,682	15,833
Corporate income tax receivable	20,757	—
Prepayments, accrued income and other current assets	192,765	166,653
	571,300	**947,138**

Amounts owed by related parties are of a general commercial trading nature and are unsecured, interest free and repayable on demand.

See note 12 for details of deferred tax assets.

17 Creditors: amounts due within one year

	2020 $000	2019 $000
Trade payables	96,489	278,277
Amounts owed to related parties	6,672	26,516
Corporate income tax payable	—	9,081
Taxation and social security	12,750	7,348
Accrued operating costs	151,700	167,891
Accrued payroll and related costs	110,811	110,862
Value-added-tax and other taxes	42,816	47,296
Client deposits	33,373	53,929
Deferred revenue	17,647	23,055
Accrued restructuring costs (note 21)	—	10,442
Current portion of long-term debt	6,500	2,500
Other creditors	1,881	878
	480,639	**738,075**

Amounts owed to related parties are of a general commercial trading nature and are also unsecured, interest free and repayable on demand.

18 Creditors: amounts due after one year

	2020 $000	2019 $000
Amounts falling due between one and five years:		
Term loans (note 19)	617,120	234,716
Other creditors	46,346	6,378
Total creditors falling due after one year	**663,467**	**241,094**

19 Loans

Group

The Groups loan consists of:

	2020 $000	2019 $000
Principal amount of term loans	643,375	246,875
Less: unamortised debt finance costs and debt discount	(19,755)	(9,659)
Total long-term debt	623,620	237,216
Less: long-term debt due within one year	(6,500)	(2,500)
Long-term debt due after one year	617,120	234,716

In August 2018, GBT Group Services B.V., a wholly-owned subsidiary within the Group (the "Borrower") entered into a senior secured credit agreement, dated as of August 13, 2018 (as amended from time to time, the "senior secured credit agreement"), which initially provided for (i) a principal amount of $250 million senior secured initial term loan facility maturing on August 13, 2025, issued at a discount of 0.25% and which requires quarterly installments payable of 0.25% of the principal amount, fully drawn on the closing date, and (ii) a $50 million senior secured revolving credit facility maturing on August 13, 2023. The interest rate per annum applicable to (a) the senior secured initial term loans is based on, at the election of the Borrower, LIBOR (as selected by the Borrower for designated interest periods) plus 2.50% or the base rate (as defined in the senior secured credit agreement) plus 1.50% and (b) the borrowings under the senior secured revolving credit facility is based on, at the election of the Borrower, LIBOR (as selected by the Borrower for designated interest periods) plus 2.25% or the base rate plus 1.25%.

On September 4, 2020, a new senior secured incremental tranche B-1 term loan facility of principal amount of $400 million was obtained under the senior secured credit agreement, which was drawn in full on such date, and certain covenants and certain other terms of the senior secured credit agreement were amended. The senior secured tranche B-1 term loans (i) mature on August 13, 2025, the same date as the existing term loans, (ii) were issued at a discount of 3.00% and (iii) require quarterly installments payable of 0.25% of the principal amount that commenced on December 31, 2020. The senior secured tranche B-1 term loans bear interest at per annum rates equal to the applicable margin, plus, at the election of the Borrower, either (1) adjusted LIBOR (as selected by the Borrower for designated interest periods, subject to a 1.00% LIBOR "floor") or (2) the base rate (as defined in the credit agreement). The applicable margin for the senior secured tranche B-1 term loans initially was set at 6.50% per annum for LIBOR loans and 5.50% per annum for base rate loans, and such interest rate margin was modified in January 2021 to be based on a pricing grid that varies with the total net leverage ratio (calculated in a manner set forth in the senior secured credit agreement), ranging from 6.25% to 7.00% per annum for LIBOR loans and 5.25% to 6.00% per annum for base rate loans.

At the option of the Borrower (upon prior written notice), amounts borrowed under one or more of the senior secured credit facilities (as selected by the borrower) may be voluntarily prepaid, in whole or in part, at any time without premium or penalty, (other than (i) any applicable prepayment premium required to be paid pursuant to the senior secured credit agreement and (ii) customary breakage costs in connection with certain prepayments of loans bearing at a rate based on LIBOR). Subject to certain exceptions set forth in the senior secured credit agreement, the Borrower is required to prepay the senior secured term loans with (i) 50% (subject to leverage-based step-downs) of annual excess cash flow (as defined in the credit agreement) in excess of a threshold amount, (ii) 100% (subject to leverage-based step-downs) of the net cash proceeds from certain asset sales and casualty events, subject to customary reinvestment rights, and (iii) 100% of the net cash proceeds from the incurrence of certain indebtedness. Under the terms of the senior secured credit agreement, in connection with certain public offerings of capital stock by a parent company of the Borrower, the Borrower is also required to make an offer to prepay senior secured term loans in an aggregate amount equal to $375 million in total (calculated together with all accrued and unpaid interest and, if applicable, premium due and payable thereon). Voluntary and mandatory prepayments of the senior secured tranche B-1 term loans (other than an excess cash flow mandatory prepayment) are subject to the prepayment premiums described in the senior secured credit agreement, which premiums were amended in January 2021.

The senior secured revolving credit facility has (i) a $30 million sublimit for extensions of credit denominated in certain currencies other than U.S. dollars, (ii) a $10 million sublimit for letters of credit, and (iii) a $10 million sublimit for swingline borrowings. Extensions of credit under the senior secured revolving credit facility are subject to customary borrowing conditions. The Borrower is required to pay a fee of 0.375% per annum on the average daily unused commitments under the senior secured revolving credit facility, payable quarterly in arrears. As of December 31, 2020, and 2019, no borrowings or letters of credit were outstanding under the senior secured revolving credit facility.

Interest on the senior secured credit facilities is payable quarterly in arrears (or, if earlier in the case of LIBOR loans, at the end of the applicable interest period). The effective interest rate on the senior secured term loans for the year ended December 31, 2020 was approximately 6%.

During the year ended December 31, 2020 and 2019, the Group repaid approximately $4 million and $3 million, respectively, principal amount of its quarterly installments of senior secured term loans as required under the senior secured credit agreement.

Amortisation of Debt Issuance Costs and Debt Discount

The Group had unamortized debt issuance costs and debt discount of $20 million and $10 million as of December 31, 2020 and 2019, respectively, in relation to its term loans, which are presented as a deduction from the principal amount of term loans. The debt issuance costs, and debt discount are amortized over the term of the related debt into earnings as part of the interest expense in the consolidated statements of operations. The movement in total unamortized debt issuance costs and debt discount is summarized below:

	2020 $000	2019 $000
Balance at 1 January	9,659	11,115
Capitalisation of debt finance costs and discount	12,721	220
Amortisation	(2,625)	(1,676)
Balance at 31 December	19,755	9,659

During the years ended 31 December 2020 and 2019, the Company amortized $3 million and $2 million, respectively, of debt issuance costs and debt discount.

Security; Guarantees

The Company, and certain of its direct and indirect subsidiaries, as guarantors (such guarantors, collectively with the Borrower, the "Loan Parties"), provide an unconditional guarantee, on a joint and several basis, of all obligations under the senior secured credit facilities and under cash management agreements and swap contracts with the lenders or their affiliates (with certain limited exceptions). Subject to certain cure rights, as of the end of each fiscal quarter, at least 70% of the consolidated total assets of the Loan Parties and their subsidiaries must be attributable, in the aggregate, to the Loan Parties; provided that such coverage test shall instead be calculated based on 70% of Consolidated EBITDA (as defined in the senior secured credit agreement) of the Loan Parties and their subsidiaries for the four prior fiscal quarters, commencing with the first quarterly test date after January 2021 on which Consolidated EBITDA of the Loan Parties and their subsidiaries exceeds $100 million. Further, the lenders have a first priority security interest in substantially all of the assets of the Loan Parties.

Covenants

The senior secured credit agreement contains various affirmative and negative covenants, including certain financial covenants (see below) and limitations (subject to exceptions) on the ability of the Loan Parties and their subsidiaries to: (i) incur indebtedness or issue preferred stock; (ii) incur liens on their assets; (iii) consummate certain fundamental changes (such as acquisitions, mergers, liquidations or changes in the nature of the business); (iv) dispose of all or any part of their assets; (v) pay dividends or other distributions with respect to, or repurchase, any equity interests of any Loan Party or any equity interests of any direct or indirect parent company or subsidiary of any Loan Party; (vi) make investments, loans or advances (vii) enter into transactions with affiliates and certain other permitted holders; (viii) modify the terms of, or prepay, any of their subordinated or junior lien indebtedness; (ix) make certain changes to a Loan Party's entity classification for U.S. federal income tax purposes or certain intercompany transfers of a Loan Party's assets if, as a result thereof, an entity would cease to be a Loan Party due to adverse tax consequences; (x) enter into swap contracts; and (xi) enter into certain burdensome agreements.

The senior secured credit agreement also requires that an aggregate amount of Liquidity (as defined in the senior secured credit agreement), equal to at least $200 million be maintained, which, from and after the effectiveness of December 2021 amendments (see Note 30 – Subsequent Events) to the senior secured credit agreement will be tested on a monthly basis. Prior to the effectiveness of the December 2021 amendments, at least $150 million of such minimum Liquidity amount was required to consist of certain unrestricted cash and cash equivalents of the Loan Parties.

The senior secured credit agreement also contains a financial covenant applicable solely to the senior secured revolving credit facility. The covenant requires the first lien net leverage ratio (calculated in a manner set forth under the senior secured credit agreement) to be less than or equal to 3.25 : 1.00 as of the last day of any fiscal quarter, on which the aggregate principal amount of outstanding loans and letters of credit under the senior secured revolving credit facility exceeds 35% of the aggregate principal amount of the senior secured revolving credit facility. The senior secured credit agreement provides that such financial covenant is suspended for a limited period of time if an event that constitutes a "Travel MAC" (as defined in the senior secured credit agreement) has occurred and the Loan Parties are unable to comply with such covenant as a result of such event. This financial covenant did not apply for the year ended December 31, 2020.

As of December 31, 2020, the Group was in compliance with all applicable covenants under the senior secured credit agreement.

Events of Default

The senior secured credit agreement contains default events (subject to certain materiality thresholds and grace periods), which could require early prepayment, termination of the senior secured credit agreement or other enforcement actions customary for facilities of this type. As of December 31, 2020, no event of default existed under the senior secured credit agreement.

Analysis of Net Cash (Debt)

The following table sets out the movements in net cash (debt) for the year ended 31 December 2020:

	At 1 January 2020 $000	Cash flows $000	Non-cash changes $000	Foreign exchange movements $000	At 31 December 2020 $000
Cash and cash equivalents	495,648	80,852	—	7,468	583,968
Term loans	(237,216)	(384,312)	(2,092)	—	(623,620)
Net Cash (Debt)	**258,432**	**(303,460)**	**(2,092)**	**7,468**	**(39,652)**

20 Employee benefits

Group

Defined contribution plans

The Group operates a number of defined contribution pension plans. The total expense relating to these plans in the current year was $20 million (2019: $20 million).

Termination benefits

The Group has a $42 million (2019: $10 million) restructuring liability in respect of severance payments as at reporting date.

Defined benefit plans

The Group sponsors both contributory and non-contributory defined pension plans in U.K and non-U.K. subsidiaries. Under the plans, benefits are based on employees' years' of credited service and a percentage of final average compensation, or as otherwise described by the plan. The plans are administered by independent trustees, who are responsible for ensuring that the plans are sufficiently funded to meet current and future obligations. The Group's policy is to contribute amounts sufficient to meet minimum funding requirements as set forth in employee benefit plan and tax laws, plus such additional amounts as the Group determines to be appropriate. The Group also maintains other post-retirement health and welfare benefits for eligible employees of certain subsidiaries.

The most significant defined benefit pension plan relates to U.K. The UK plan is registered and subject to the statutory scheme-specific funding requirements outlined in UK legislation, including the payment of levies to the Pension Protection Fund as set out in the Pension Act 2004. The UK Scheme is established under trust and the responsibility for its governance lies jointly with the trustees and the Group. The UK plan was closed to new members in March 2003, with benefits based on final pensionable salary. The Group also operates defined benefit plans in Switzerland, Germany, Italy, France, Mexico and Taiwan.

The following amounts have been included in the consolidated profit and loss account in respect of the schemes:

	2020 $000	2019 $000
Current service charge	7,623	6,207
Prior service cost (benefit)	17,028	(3,736)
Plan curtailment and settlement	(5,723)	(2,081)
Charge to operating profit	18,928	390
Interest cost on pension scheme liabilities	15,431	19,235
Interest return on pension scheme assets	(9,504)	(11,855)
Charge to interest payable and similar expenses	5,927	7,380
Amount recognised in the profit and loss account	**24,855**	**7,770**

At 31 December 2020, comprehensive actuarial valuations of the group pension schemes, using the projected unit credit method was carried out by independent actuaries. The key assumptions, on a weighted average basis, used for the schemes were:

	2020	2019
Expected rate of increase in final pensionable salary	2.57%	2.63%
Expected pension increase rate	2.60%	2.80%
Discount rate	1.20%	1.80%

At 31 December 2020, the methodology for calculating the discount rate has changed. The impact of this change in methodology is to increase the discount rate by 11bps and reduce the balance sheet liabilities by c.$17.3m (2% of DBO) at 31 December 2020

The mortality assumptions shown below are used for the UK scheme, which is the largest scheme within the Group, and are based on SAPS S2 / CMI(2019) tables (2019: SAPS S2 / CMI(2018) tables) with a 1.25% long-term future improvement rate, core smoothing parameter of 7.0 and no addition to initial rates improvement. The mortality assumption used, with life expectancy at the age of 65 were as follows:

	2020	2019
Current pensioners		
Male	20.9	20.8
Female	23.2	23.0
Future retirements		
Male	22.2	22.1
Female	24.7	24.5

Mortality assumptions for each scheme are based on mortality tables relevant to that region.

The provision included in the consolidated balance sheet arising from obligations in respect of the pension schemes is as follows:

	2020 $000	2019 $000
Present value of defined benefit obligations	(1,049,684)	(890,777)
Fair value of scheme assets	634,422	549,461
	(415,262)	(341,316)

The reconciliation of defined benefit obligations and schemes assets for the year ended December 31, 2020 is as follows:

	Defined benefit obligation $000	Scheme assets $000	Net liability $000
At beginning of year	(890,777)	549,461	(341,316)
Benefits paid	36,554	(36,554)	—
Employer contribution	—	24,529	24,529
Employee contribution	(1,193)	1,193	—
Current service cost	(7,623)	—	(7,623)
Interest income (expense)	(15,431)	9,504	(5,927)
Remeasurement gains (losses) Actuarial (losses) / gains			
- Actuarial loss	(116,827)	—	(116,827)
- Return on plan assets excluding income	—	58,688	58,688
Expenses paid from assets	2,057	(2,057)	—
Plan curtailment	5,723	—	5,723
Plan amendments	(17,028)	—	(17,028)
Foreign exchange translation adjustment	(41,938)	29,658	(12,280)
Net liability of minor schemes	(3,201)	—	(3,201)
At end of year	**(1,049,684)**	**634,422**	**(415,262)**

The assets held in the schemes were as follows:

	2020 $000	2019 $000
Equity instruments	21,923	19,129
Debt instruments	114,423	98,421
Other	305,571	249,598
Investments measured at net book value	192,505	182,313
Total assets held	634,422	549,461

The weighted average duration of the defined benefit obligation is 19 years.

The Group expects $21 million in ongoing contributions to be paid to its defined benefit schemes in 2021.

Company

The Company had no post-employment benefits at 31 December 2020 (2019: $ nil).

21 Provision for other liabilities

Group

The Group had following provisions during the year

	Restructuring provision $000	Asset retirement obligation $000	Onerous leases $000	Deferred tax $000	Others $000	Total $000
At 1 January 2020	-	7,472	-	75,711	4,855	88,038
Transferred from creditors	10,442	-	-	-	-	10,442
Additions in profit and loss account/unwind of discount	123,115	-	17,087	(6,430)	(2,303)	131,469
Amounts utilised	(91,854)	(489)	-	-	-	(92,343)
At 31 December 2020	**41,703**	**6,983**	**17,087**	**69,281**	**2,552**	**137,606**

Restructuring provision

The amount of accrued restructuring costs of $10 million at 31 December 2019 has been transferred from creditors: amounts due within one year, as this more accurately reflects the nature of this balance (see note 17).

See note 29 for further details regarding restructuring charges.

Asset retirement obligation

As part of its property leasing arrangements, the Group has an obligation to return some properties to their original conditions. Where the Group has conducted significant leasehold improvements, such as installing mezzanine floors or partition walls, it has an obligation to remove these improvements. The present value of the expected cost is capitalised as a part of the leasehold improvement asset. The provision is expected to be utilised at the end of the respective leases.

Onerous leases

Onerous leases relate to property leasing arrangements where the unavoidable costs as lessee of an operating lease exceed the economic benefit expected to be received from it.

Onerous lease provisions will unwind over the next 6 years.

Deferred tax liabilities

See note 12 for details of deferred tax liabilities.

22 Financial Instruments

Group

The Group does not have any financial assets or financial liabilities that are measured at fair value through profit or loss. The following table presents the Group's financial instruments measured at amortized cost:

	2020 $000	2019 $000
Financial assets		
Trade receivables	150,258	677,531
Amounts owed by related parties	14,682	15,833
Investments in associate undertakings	23,269	29,617
Other assets	14,125	152,372
Total financial assets	202,334	875,353
Financial liabilities		
Term loans	623,620	237,216
Trade payables	96,489	278,277
Amounts owed to affiliates	6,672	26,516
Other creditors	35,253	407,727
Other payables – long term	9,254	6,378
Total financial liabilities	771,288	956,114

Company

The Company does not have any financial assets or financial liabilities.

23 Share capital and other reserves

	2020 $000	2019 $000
Allotted, called up and fully paid		
1 ordinary shares of $1 each	—	—
	—	—

As mentioned in note 1, on 9 December 2019, the GBT group initiated a corporate company reorganisation, pursuant to which GBT contributed its investments in GBT III B.V. to the Company against the Company issuing 1,754 million shares of $1 each. Following this, the company also carried out a capital reduction, reducing its entire share capital and crediting retained earnings.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. Distribution of dividends and the repayment of capital is subject to the terms under the credit agreement.

Other reserves of the Group consist of the following amounts:

Group	Total $000	Foreign currency translation Adjustments $000	Unrealized loss on defined benefit pension plans and unamortized prior service costs $000	Unrealized gain on hedge of investment in foreign operations $000
Balance, 31 December 2019	(81,361)	(21,959)	(63,608)	4,206
Activity during period, net of tax benefit of $16,961,000[(1)]	(59,871)	(2,373)	(57,498)	—
Balance, 31 December 2020	(141,232)	(24,332)	(121,106)	4,206

(1) The tax credit relates to unrealized actuarial loss on defined benefit pension plans.

For the years ended 31 December 2020 and 2019, the Group made capital distributions of $nil and $56 million, respectively, to its ultimate shareholders for the anticipated taxes due on the allocable share of the Group's profits. Further, for the years ended 31 December 2020 and 2019, the Group made capital distributions of $1 million and $1 million, respectively, to cover certain administrative costs of its ultimate shareholders.

Company

The Company does not have any other reserves.

24 Contingent liabilities, capital commitments and lease commitments

Group

The Group has provided a Corporate Guarantee to Lloyds Bank Plc, on 7th October 2014, for facilities of (i) overdraft (or similar) facilities, (ii) corporate card lines of credit and other cash management services, and (iii) the issuance of bank guarantees, bonds, indemnities and/or similar instruments provided to GBT Travel Services UK Limited, a subsidiary within the Group, for the value of $50 million.

The total capital commitments as of 31 December 2020 were $1 million (2019: $8 million).

The Group had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	2020 $000	2019 $000
Less than one year	25,977	40,830
Between one and five years	53,955	99,651
Greater than five years	5,910	9,634
	85,842	**150,115**

Included within the total future commitments at 31 December 2020, $18 million (2019: $nil) relates to future lease payments on leases which are within the onerous lease provision (see note 21).

During the year $35 million (2019: $42 million) was recognised as an expense in the profit and loss account in respect of operating leases.

The Group had no other off-balance sheet arrangements.

Company

As disclosed in note 15, some of the Company's subsidiaries have taken advantage of the exemption available under Section 479A of the Companies Act 2006 in respect of the requirement for audit. As a condition of the exemption, the Company has guaranteed the year-end liabilities at 31 December 2020 of the relevant subsidiaries until they are settled in full.

The Company had no capital or other commitments at 31 December 2020 (2019: $ nil).

25 Business Combinations

Acquisition of DER Business Travel

On 3 September 2019, the Group completed the acquisition of DER Business Travel (DER), a company incorporated in Germany. from DER Touristik Group, a travel management company in Europe, in an all-cash acquisition of the entire ordinary share capital. The results of DER's operations have been included in the consolidated financial statements of the Group since the date of its acquisition.

This acquisition is part of the Group's broader strategy to expand footprints into the small and mid-sized client segment in Germany and accelerate growth in Europe. The Group expects to take benefit from local servicing expertise whereas DER's access to the Group's global reach, scale and end-to-end travel and expense eco-system is expected to bring further opportunities. The Group incurred $2 million in acquisition related costs. The acquisition of DER was accounted for using the purchase method of accounting, recognizing assets acquired and liabilities assumed based on their fair values at the date of acquisition, in accordance with guidance provided by FRS 102. Accounting for business combinations require significant assumptions and estimates to measure fair value and may include the use of appraisals, market quotes for similar transactions, discounted cash flow techniques or other methodologies management believes to be relevant. Any excess of the fair value of the consideration paid and costs directly attributable to business combination over the fair values of the assets acquired and liabilities assumed is recorded as goodwill. The purchase price allocation is summarized as follows:

	Amount $000
Cash purchase price	38,619
Directly attributable costs	2,331
Total consideration	40,950
Less: historical value of excess of assets over liabilities acquired	(4,987)
Less: fair value adjustments to historical value of assets and liabilities upon purchase price allocation (see below)	(7,843)
Goodwill	28,120

Fair value of definite-lived intangible assets	11,130
Deferred tax liabilities	(3,287)
Fair value adjustments to historical value of assets and liabilities upon purchase price allocation	7,843

The following table summarizes the fair values of the assets acquired and liabilities assumed in connection with the acquisition:

	Book value $000	Adjustments $000	Fair value $000
Cash	14,064	—	14,064
Accounts receivable	6,455	—	6,455
Other current assets	2,917	—	2,917
Property and equipment	1,114	—	1,114
Intangible assets:			
Customer relationships	—	11,130	11,130
Goodwill	—	28,120	28,120
Deferred tax assets	1,556	—	1,556
Total assets	26,106	39,250	65,356
Accounts payable	1,696	—	1,696
Accrued expenses and other current liabilities	8,300	—	8,300
Deferred tax liabilities	137	3,287	3,424
Pension	10,986	—	10,986
Total liabilities	21,119	3,287	24,406
Net assets acquired	4,987	35,963	40,950

The amount of revenue and profit of DER since the acquisition date included in the consolidated statement of comprehensive income for the period ended 31 December 2019 was $14 million and $1 million, respectively.

26 Non-controlling interests

The Group holds (i) a 55% controlling interest in Kabushiki Kaisha Nihon Ryoko Global Business Travel, with 45% of non-controlling interests (NCI) held by the non-controlling shareholders (ii) a 51% controlling interest in DFB Reiseburo GmbH, with 49% of NCI held by non-controlling shareholder and (iii) a 50% controlling interest in FC Bayern Tours GmbH, with 50% of NCI held by the non-controlling shareholder.

27 Related parties

Group

The Group has taken advantage of the exemption allowed under Section 33.1A Related Party Disclosures of FRS 102 not to disclose related party transactions with wholly owned subsidiaries within the Group. These have been eliminated on consolidation in the Group's financial statements. Other related party transactions are as follows:

Included in operating costs are costs of approximately $2 million and $2 million in charges from Amex for the year ended 31 December 2020 and 2019, respectively.

Revenue also includes income from related parties of approximately $21 million and $23 million for each for the years ended 31 December 2020 and 2019.

The following summaries relate to certain related party transactions entered into by the Group with certain of its ultimate shareholders, its ultimate shareholders affiliates and the Group's affiliates in connection with a series of transactions providing for the separation of certain assets and liabilities of Amex's global business travel operations into a dedicated holding structure.

Management Services Agreement

The Group's ultimate parent's Chairman of the Board of Directors is an affiliate of an indirect equity owner of the Group. The Group and this indirect equity owner have entered into management services agreements pursuant to which the indirect equity owner has agreed to provide certain advisory services to the Group for which fees of approximately $2 million and $2 million were incurred in 2020 and 2019, respectively.

Share Purchase Agreement and Master Reorganization Agreement

On 14 March 2014, GBT III B.V entered into the Share Purchase Agreement and Master Reorganization Agreement, in which the Joint Venture Transaction was completed. As part of these agreements, affiliates of Amex agreed to indemnify the Group for certain costs related to the Joint Venture Transaction, including costs to be incurred related to restructuring, certain equity compensation arrangements and other costs. Master Reorganization Agreement has since been terminated. At 31 December 2020 and 2019, the Group has a payable balance due to affiliates of Amex of approximately $2 million and $2 million, respectively, related to the agreements.

Shareholders' Agreement and Transition Services Agreement

In connection with the corporate reorganisation completed in December 2019, GBT, Amex and predecessor of Juweel entered into a new shareholder agreement dated 10 December 2019 governing transfer of shares of GBT and governance of GBT. This new shareholders' agreement superseded earlier agreement entered on 30 June 2014 upon the creation of the joint venture.

On 30 June 2014 GBT III B.V. and affiliates of Amex entered into the Transition Services Agreement (TSA), pursuant to which the GBT III B.V. and affiliates of Amex agreed to provide each other certain specified services on a transitional basis in exchange for mutually agreed upon fees based on the costs of providing these services. The TSA was extended for non-voice services to 30 June 2017 and for voice-related services to 31 August 2018. This agreement has now been terminated. Amounts payable to affiliates of Amex as of 31 December 2020 and 2019 were $0.7 million and $0.3 million, respectively. Amounts receivable from affiliates of Amex was $0.2 million as of both 31 December 2020 and 2019.

Compliance Services Agreement

On 30 June 2014, GBT III B.V and Amex entered into the Compliance Services Agreement (CSA) pursuant to which affiliates of Amex agreed to provide certain compliance related services to the Group and oversee its compliance programs. *Trademark License Agreement*

On 30 June 2014, GBT III B.V and affiliates of Amex entered into a Trademark License Agreement (TLA), as amended, pursuant to which affiliates of Amex granted GBT III B.V. an exclusive, non-assignable, non-sublicensable (other than as set forth in the TLA, including the right to sublicense to the GBT III B.V.'s affiliates), worldwide, royalty-free license to use the mark "AMERICAN EXPRESS GLOBAL BUSINESS TRAVEL," either as a word mark or in a lock up with the Amex blue box logo, for the GBT's business travel business, and the mark "AMERICAN EXPRESS MEETINGS & EVENTS" for the GBT's meetings and events business. The TLA was assigned to GBT on 9 December 2019.

Business Travel Services Agreement and Meetings and Events Agreement

On 30 June 2014, GBT III B.V and affiliates of Amex entered into the Business Travel Services Agreement (BTSA) and the Meetings and Events Agreement, as amended, pursuant to which the Group agreed to provide business travel and meeting and events services to affiliates of Amex, its affiliates and its travellers. Both agreements were terminated, and a Second Business Travel Services Agreement and Second Meetings and Events Agreement were entered into on substantially similar terms effective 1 January 2016. The Second Business Travel Services Agreement was replaced by the Third Business Travel Services Agreement, which is also based on substantially similar terms as the BTSA. The Third Business Travel Services Agreement became effective on October 1, 2020, and its initial term runs through September 30, 2025. The Second Meetings and Event Services Agreement, as amended, expires on December 31, 2023.

Both the Second Meetings and Events Services Agreement and the Third Business Travel Services Agreement includc the option that allows affiliates of Amex to extend the agreements for up to two additional one-year terms. If affiliates of Amex elect to extend the new agreements for the second one-year renewal term, the new agreements will continue to renew automatically for additional one-year terms unless either party gives 90 days' notice prior to the expiration of the term.

(f) Operating Agreements

In addition to the foregoing agreements affiliates of Amex and certain Group entities are parties to certain arms-length agreements, including with respect to American Express card acceptance by the Group as an Amex card merchant, American Express Membership Rewards Program bonus points awarded to the Group's clients, services in support of Amex's consumer services and consumer travel businesses, the strategic relationship between the Group and Amex's corporate payments business, and the provision of corporate payments services by affiliates of Amex to the Group. Amounts payable to affiliates of Amex under these agreements as of 31 December 2020 and 2019, were $4 million and $25 million, respectively, while the receivable balance due from affiliates of Amex was $15 million and $16 million, respectively.

(g) Transactions with key management personnel

See note 7 for disclosure of the directors' remuneration and key management compensation.

Company

The Company's related party transactions were with its wholly owned subsidiaries and GBT.

28 Immediate and ultimate parent company

The Company's immediate and ultimate parent company is GBT JerseyCo Limited, incorporated in Jersey and is the smallest and largest group to consolidate these financial statements.

29 Restructuring Charges

In response to Covid-19 business impact and in order to simplify the Company's business process and improve its operational efficiencies Company initiated cost savings measures which included voluntary and involuntary terminations of employee services and facility closures. Such measures are expected to provide efficiencies and realign resources within the Company.

Except for in certain jurisdiction, these restructuring activities are substantially complete, and the Company does not expect additional restructuring charges associated with these activities to be significant. However, the Company continues to actively evaluate additional cost reduction efforts and should the Company make decisions in future periods to take further actions, it may incur additional restructuring charges.

As a result of this, the Company incurred $140 million in restructuring charges which included restructuring costs related to voluntary and involuntary employee terminations, facility closures and other exit activities.

A summary of the accrued restructuring cost, included in provisions for other liabilities is as follows:

		Employee Related	Facility	Onerous leases	Total Restructuring
Balance, December 31, 2018	$	8,026	-	-	8,026
Restructuring charges		11,728	-	-	11,728
Utilized		(9,312)	-	-	(9,312)
Balance, December 31, 2019		10,442	-	-	10,442
Restructuring charges		115,947	7,168	17,087	140,202
Utilized		(87,907)	(3,947)	-	(91,854)
Balance, December 31, 2020	$	38,482	3,221	17,087	58,790

The Group expects to pay the accrued restructuring cost, at December 31, 2020, in the next twelve months.

Additional anticipated restructuring costs of $55 million were not provided for at December 31, 2020, as these had not been communicated to employees or fully committed. These amounts were incurred in 2021.

30 Subsequent Events

Management evaluated events from 1 January 2021 through to 31 January 2022, the date the consolidated financial statements were signed by the directors, and concluded that the following subsequent events have occurred that require recognition or disclosure of such event in the consolidated financial statements of the Group as of and for the year ended 31 December 2020:

a) Amendment to Credit Agreement

On January 20, 2021, the senior secured credit agreement was further amended to, among other things, (i) establish a new $200 million senior secured tranche B-2 delayed-draw incremental term loan facility, (ii) modify certain terms applicable to the senior secured tranche B-1 term loans, and (iii) amend certain covenants and certain other terms of the senior secured credit agreement. Except as described below, the senior secured tranche B-2 delayed-draw incremental term loan facility has substantially the same terms, in all material respects, as the tranche B-1 senior secured term loans (after giving effect to the modification of certain terms pursuant to such amendment, including as described below) (see note 19 – Loans). Senior secured tranche B-2 incremental term loans of $50 million may be borrowed in each quarter in 2021, subject to certain conditions, including a requirement that, no later than substantially concurrently with each such borrowing, equity investments in an amount equal to the amount of such borrowing shall have been funded by GBT's shareholders. In the event there is no borrowing under the senior secured tranche B-2 incremental term loan facility in any quarter in 2021, the remaining available commitments thereunder shall be automatically and permanently reduced by $50 million at the end of such quarter. The Borrower paid 3% of the aggregate principal amount of the commitments under the senior secured tranche B-2 incremental term loan facility, or $6 million, upfront as closing fees to the lenders. The Borrower is also required to pay 0.75% per annum on the unused commitments under the senior secured tranche B-2 incremental term loans facility.

During each of the first three quarters of 2021, (i) $50 million of loans ($150 million in aggregate) were drawn under the senior secured tranche B-2 incremental term loan facility, and (ii) the Group received $50 million in cash proceeds ($150 million in aggregate) from issuance of its shares to GBT.

b) Acquisition of the Ovation Group

On January 21, 2021, the Group, through its wholly owned subsidiary, GBT US LLC, acquired all of the outstanding shares of Ovation Travel, LLC, (along with its subsidiaries, the "Ovation Group") for a total cash purchase consideration of approximately $60 million (including approximately $7 million as deferred and/or contingent consideration), prior to any working capital, cash, debt and transaction cost adjustments. Ovation Group is a U.S.-based travel management company providing business travel services and meeting and special events planning across several sectors, particularly legal, financial, professional services, entertainment and media.

c) Acquisition of Egencia

On November 1, 2021, GBT completed the acquisition of Egencia, a business-to-business digital travel management company serving corporate clients, from Expedia Group, Inc. ("Expedia") and in consideration of the transaction Expedia obtained an 18.9% equity interest in GBT. Immediately following GBT's acquisition of Egencia, GBT contributed the investment in Egencia to the Company in exchange for issuance of $754m of share capital by the Company. The acquisition of Egencia will complement the Company's existing business and further accelerate its growth strategy in the small-to-medium-sized enterprise segment

d) Senior Secured Tranche B-3 Term Loan Facilities

On December 2, 2021, the Borrower obtained commitments for $1,000 million principal amount of senior secured new tranche B-3 term loan facilities. Effective as of December 16, 2021, the Company amended its senior secured credit agreement to, among other things, (i) establish the senior secured new tranche B-3 term loan facilities under its senior secured credit agreement and (ii) amend certain covenants and certain other terms of the senior secured credit agreement. Principal amount of initial borrowings amounting to $800 million were funded on such date under the senior secured new tranche B-3 term loan facilities. The $200 million of commitments remaining under the senior secured new tranche B-3 term loan facilities are available on a delayed-draw basis for a six-month period after the date of such initial borrowings, subject to certain customary borrowing conditions ("New Tranche B-3 DDTL Facility").

The senior secured new tranche B-3 term loan facilities (i) mature on December 16, 2026 and (ii) require no quarterly instalment repayments (however, certain mandatory prepayments are required, subject to certain conditions, under the credit facility). Loans outstanding under the senior secured new tranche B-3 term loan facilities accrue interest at a variable interest rate based on either LIBOR or the "base rate" (as defined in the senior secured credit agreement), plus an applicable margin (subject to a 1.00% LIBOR floor). For any period for which accrued interest is paid in cash, the applicable margin for loans under the senior secured new tranche B-3 term loan facilities is initially 6.50% per annum for LIBOR loans and 5.50% per annum for base rate loans and, commencing with the test period ending December 31, 2022, will vary with the total leverage ratio (calculated in a manner set forth in the senior secured credit agreement), ranging from 5.00% to 6.50% per annum for LIBOR loans and 4.00% to 5.50% per annum for base rate loans. Until December 16, 2023, the Borrower will have the option to pay accrued interest on loans under the senior secured new tranche B-3 term loan facilities at a rate equal to (i) LIBOR (with a 1.00% LIBOR floor) plus 4.00% per annum with respect to the portion required to be paid in cash plus (ii) 4.00% per annum with respect to the portion paid in kind by adding such interest to the principal amount of the loans. The Borrower paid $15 million of upfront fees for the commitments of the lenders under the senior secured new tranche B-3 term loan facilities. The Borrower is required to pay a fee of 3.00% per annum on the actual daily unused commitments under the New Tranche B-3 DDTL Facility, payable quarterly in arrears. Voluntary prepayments and debt incurrence-related mandatory prepayments of the senior secured tranche B-3 term loans are subject to the prepayment premiums as set forth in the senior secured credit agreement.

Of the proceeds from the initial borrowings under the senior secured new tranche B-3 term loan facilities, a portion was applied to refinance and repay in full the outstanding principal amount of senior secured tranche B-1 and tranche B-2 term loans. In connection therewith, the remaining unused commitments under the senior secured tranche B-2 term loan facility were terminated. The balance of the proceeds from such initial borrowings and amounts available to be borrowed under New Tranche B-3 DDTL Facility may be used for transaction fees and costs and other general corporate purposes.

e) Business Combination Agreement

On December 2, 2021, GBT entered into a definitive business combination agreement with APSG, a special purpose acquisition company, listed on the New York Stock Exchange. The closing of the business combination is subject to the satisfaction of customary closing conditions, including approval by APSG's shareholders and certain regulatory approvals. Upon closing, APSG will combine with the Company and the transaction is expected to provide a substantial amount of additional liquidity to the Group.