

Registration number: 07307716

Travelport Finance Limited

Annual Report and Financial Statements

for the year ended 31 December 2022

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Travelport Finance Limited

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Travelport Finance Limited

Company information

Directors	C J Bingham K Freeman
Registered office	Axis One, Axis Park 10 Hurricane Way Langley Berkshire United Kingdom SL3 8AG
Bankers	Citi Bank 25 C CitiGroup Centre Canary Wharf London United Kingdom E14 5LB
Auditor	Deloitte LLP Abbots House Reading United Kingdom RG1 3BD

Travelport Finance Limited

Strategic report for the year ended 31 December 2022

The directors present their strategic report for Travelport Finance Limited (the "Company") for the year ended 31 December 2022.

The Company's immediate parent undertaking is (Travelport Group Investments Limited) a company registered in England and Wales.

The Company's ultimate parent undertaking and controlling party is Travelport Technology Limited, registered in Bermuda. Until 28 December 2023, the ultimate controlling party was Toro Private Investments, L.P., a Cayman Islands limited partnership.

As at 31 December 2022 the Company was part of the Travelport Technology Limited Group ("Travelport Group" or the "Group") which consolidates its results. The consolidated financial statements are available upon request from its registered address at Clarendon House, 2 Church Street, HM 11 Hamilton, Bermuda.

Principal activity

The principal activity of the Company is the management of an in-house treasury function for Travelport Group.

Fair review of the business

During the year ended 31 December 2022, the Company continued to undertake its principal activities as set out above and incurred a loss before tax of \$37,827,000 (2021: loss before tax of \$203,061,000) and as at 31 December 2022, the balance sheet had net liabilities of \$769,548,000 (2021: net liabilities of \$727,778,000).

The Company acts as in-house treasury function for Travelport Group. Therefore, there are no specific key performance indicators for the Company.

Consolidated Financial Statements and Management's Discussion and Analysis of financial condition and results of operations of Travelport Group includes further information on business performance of the Group.

Principal risks and uncertainties

The company's risks and uncertainties are aligned to those of the group. The details on risk management can be found in the Travelport Group consolidated financial statements. Certain risks related to the Company are set out below:

Travelport Finance Limited

Strategic report for the year ended 31 December 2022 (continued)

Financial risk management

The Company manages the foreign currency financial risks of the Travelport Group centrally. The Company's key financial risk is the exposure it has to fluctuations in exchange rates. The Company, which reports in US dollars, funds group companies operating in different currency jurisdictions. Therefore, it is exposed to foreign exchange movements on its foreign currency intercompany loans and deposits which are not denominated in US dollar.

The Company does not use derivatives for trading or speculative purposes. However, the Company enters into derivative transactions to manage currency risk associated with its foreign currency intercompany loans and deposits which are not denominated in US dollars. The Company has no external financing arrangements. Further details on risk management can be found in the Travelport Group's financial statements at www.travelport.com.

Strategy, objectives, business model and future developments

The directors have not presented a strategy, objective and separate analysis of the business model of the Company as this is disclosed as part of the consolidated financial statements of the Travelport Group. The Company expects that its activities will be consistent with those in 2022 in the following years.

Travelport Finance Limited

Strategic report for the year ended 31 December 2022 (continued)

Section 172 statement

The directors of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to factors (a) to (d):

- a. The likely consequences of any decision in the long term;
- b. The impact of the Company's operations on the community and the environment;
- c. The desirability of the Company maintaining a reputation for high standards of business conduct; and
- d. The need to act fairly as between members of the Company.

In discharging their duties under Section 172, the directors regarded the above factors. The key decisions approved by the Board of the Company during the year related to the approval of the annual report, changes in directors, and other corporate and compliance matters. As the Company is a subsidiary of the Travelport Group, many of the decisions related to the Company are taken by the executive management and board of Travelport Technology Limited.

As a result of the Group governance structure, the Group's board of directors (which includes representation of key shareholders) set the Group's strategy, which is to grow the business through investing in travel platform innovation, increasing revenue from new wins, increasing business with existing travel agents, increasing our presence in international regions and supporting this growth through acquisitions, and doing this whilst maintaining and strengthening the Group's balance sheet and cash reserves so as to support business flexibility. This strategy influences the Directors' approach to capital allocation and dividend strategy, as well as their dealings with travel providers in the form of airlines, hotels and car rental services and travel agencies. By collaborating with travel providers, the Company can give travel agencies the services that meet their requirements and continue lasting relationships.

In September 2020, Travelport launched an initiative to allow travel agencies to search free of charge for over 3,500 sustainable hotels. Travelport accepts leading certifications recognized by third party certification bodies, which evaluate offers on socio-economic, cultural, and environmental aspects as well as sustainable management.

The Travelport Group strives to be a leader in business conduct in order to provide comfort and confidence to stakeholders. The internal compliance & ethics team assists employees and allows the Company to reduce the risk of compliance failure.

As a result of the group governance structure, the Group's board of directors (which includes representation of key shareholders) set the Group's strategy and take the lead in carrying out the duties of a board in respect of the company's other stakeholders. The Directors consider how best the Company can contribute towards the Group's strategy and in doing so, the Directors seek to act fairly and align between the interests of its parent entities whilst being mindful of legal and regulatory responsibilities and requirements of the Company.

All shares of the Company are held by one member.

Travelport Finance Limited

Strategic report for the year ended 31 December 2022 (continued)

Approved by the Board on the 9th February 2024 and signed on its behalf by:



.....
K Freeman
Director

Travelport Finance Limited

Directors' report for the year ended 31 December 2022

The directors present their annual report and the financial statements for the year ended 31 December 2022.

Directors of the Company

The directors who held office during the year and to the date of signing the financial statements were as follows:

M J Smith (resigned 21 October 2022)

C J Bingham

K Freeman (appointed 21 October 2022)

Principal activities

The principal activities of the Company are explained in the Strategic Report on page 2 of the annual report.

Dividends

The directors do not recommend the payment of a dividend for the financial year 2022. No dividend was recommended in 2021.

Going Concern

During the year ended 31 December 2022, the Company incurred a loss before tax of \$37,827,000 (2021: loss before tax of \$203,061,000) and as at 31 December 2022, the balance sheet had net liabilities of \$769,548,000 (2021: net liabilities of \$727,778,000).

The directors are required to evaluate whether there are conditions and events which, considered in aggregate, raise substantial doubt about the Company's ability to continue as a going concern. At the date of signing the financial statements for the years ended 31 December 2021 and 2020, the directors considered that substantial doubt did exist. However, the extent of the ongoing recovery in the Group's operating results and cashflows during 2022 and 2023, combined with the refinancing in December 2023, which gave additional funding and a significant reduction in the overall level of debt, mean that, having given consideration to the Group's latest forecasts, external recovery and interest rate curves, the directors believe that the circumstances that previously gave rise to uncertainty as to the Group's ability to continue as a going concern have been alleviated.

The Company is funded centrally by the Travelport Group treasury and therefore does not require external finance outside the Group. Day to day operating costs are funded by a Group. The directors therefore have a reasonable expectation that the Company will have access to adequate resources to continue in operational existence for the next 12 months from the date of approval of these financial statements. Accordingly, we continue to adopt the going concern basis in preparing the annual report and financial statements for the year ended 31 December 2022.

Financial risk management

The financial risk management policies of the Company are explained in the Strategic Report on page 3 of the annual report.

Strategy, objectives, business model and future developments

The strategy, objectives, business model and future developments relating to the Company are explained in the Strategic Report on page 3 of the annual report.

Travelport Finance Limited

Directors' report for the year ended 31 December 2022 (continued)

Guarantees and pledge

The Company is jointly and severally liable for borrowings of the affiliate entity Travelport Finance (Luxembourg) S.a.r.l., a Luxembourg limited liability company, under an amended and restated priority lien credit agreement, dated as of 28 December 2023 (referred to as the "Credit Agreement"). In connection with the Credit Agreement, all of Travelport's subsidiaries in the U.S., Bermuda and Luxembourg, and certain subsidiaries in the UK (including the Company), provide guarantees of the debt incurred under the Credit Agreement, as well as having the equity of these subsidiaries pledged as collateral for the secured debt under the Credit Agreement. Furthermore, there is a floating charge over all of the Company's present and future assets, undertakings and rights.

Subsequent events

In December 2023, Travelport Technology Ltd, the ultimate parent undertaking and certain of its subsidiaries completed a series of restructuring and recapitalization transactions (the "Restructuring Transactions") with the consent of 100% of the lenders under the Priority Lien Credit Agreement and the Junior Priority Lien Credit Agreement and certain of the Company's indirect equity holders. Following the Restructuring Transactions, Toro Private Investments, L.P., a Cayman Islands limited partnership, will no longer be a controlling party of the Company as their equity holdings were diluted. From 28 December 2023, Travelport Technology Limited will be ultimate parent undertaking and controlling party of the Company.

There were no other subsequent events after 31 December 2022 until the date of signing the financial statements that require consideration as adjustments to, or disclosures in the financial statements.

Directors' liabilities

The Company has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

Streamlined Energy and Carbon Reporting

As the company consumed less than 40,000kWh of energy during the period, the carbon and energy information has not been disclosed.

Travelport Finance Limited

Directors' report for the year ended 31 December 2022 (continued)

Disclosure of information to the auditors


Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

The confirmation is given and should be interpreted in accordance with the provisions of Section 418(2) of the Companies Act 2006.

Reappointment of auditors

Pursuant to section 487 of the Companies Act 2006 the auditor will be deemed reappointed and Deloitte LLP will therefore continue in office.

Approved by the Board on the 9th February 2024 and signed on its behalf by:



.....
K Freeman
Director

Travelport Finance Limited

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), 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 Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent auditor's report to the members of Travelport Finance Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Travelport Finance Limited (the 'company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 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.

We have audited the financial statements which comprise:

- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 19.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Independent auditor's report to the members of Travelport Finance Limited (continued)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of directors

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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 the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report to the members of Travelport Finance Limited (continued)

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory framework that the company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included Companies Act 2006 and UK tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team including relevant internal specialists such as impairment specialists, regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Independent auditor's report to the members of Travelport Finance Limited (continued)

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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 respect of these matters.

Use of our report

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.



.....
Jason Heywood, FCA (Senior statutory auditor)
For and on behalf of Deloitte LLP, Statutory Auditor

Abbots House
Reading
United Kingdom
RG1 3BD

Date: 9th February 2024

Travelport Finance Limited

Statement of comprehensive income for the year ended 31 December 2022

	Note	2022 \$ 000	2021 \$ 000
Administrative income		1,961	1,815
Other operating (expense)	3	(58,430)	(207,847)
Other (losses)	4	<u>-</u>	<u>(1,371)</u>
Operating loss	5	<u>(56,469)</u>	<u>(207,403)</u>
Other interest receivable and similar income	6	30,837	5,521
Interest payable and similar expenses	7	<u>(12,195)</u>	<u>(1,179)</u>
		<u>18,642</u>	<u>4,342</u>
Loss before tax		(37,827)	(203,061)
Tax charge	11	<u>(3,943)</u>	<u>(1,453)</u>
Loss for the year attributable to equity shareholders of the Company		(41,770)	(204,514)

The above results were derived from continuing operations.

The notes on pages 17 to 30 form an integral part of these financial statements.

Travelport Finance Limited

Balance sheet as at 31 December 2022

	Note	2022 \$ 000	2021 \$ 000
Current assets			
Debtors	12	16,748	18,310
Cash at bank and in hand		<u>6,396</u>	<u>27,442</u>
		23,144	45,752
Creditors: Amounts falling due within one year	13	<u>(755,018)</u>	<u>(733,503)</u>
Total assets less current liabilities		(731,874)	(687,751)
Creditors: Amounts falling due after more than one year	13	<u>(37,674)</u>	<u>(40,027)</u>
Net liabilities		<u>(769,548)</u>	<u>(727,778)</u>
Capital and reserves			
Called up share capital	14	10,317	10,317
Share premium reserve		212,281	212,281
Profit and loss account		<u>(992,146)</u>	<u>(950,376)</u>
Total equity		<u>(769,548)</u>	<u>(727,778)</u>

These financial statements of Travelport Finance Limited, with company registration number 07307716 were approved and authorised by the Board on the 9th February 2024 and signed on its behalf by:



.....
K Freeman
Director

Travelport Finance Limited

Statement of changes in equity for the year ended 31 December 2022

	Share capital \$ 000	Share premium \$ 000	Profit and loss account \$ 000	Total \$ 000
At 1 January 2022	10,317	212,281	(950,376)	(727,778)
Loss for the year	-	-	(41,770)	(41,770)
Total comprehensive expense	-	-	(41,770)	(41,770)
At 31 December 2022	10,317	212,281	(992,146)	(769,548)
	Share capital \$ 000	Share premium \$ 000	Profit and loss account \$ 000	Total \$ 000
At 1 January 2021	10,317	212,281	(745,862)	(523,264)
Loss for the year	-	-	(204,514)	(204,514)
Total comprehensive expense	-	-	(204,514)	(204,514)
At 31 December 2021	10,317	212,281	(950,376)	(727,778)

The notes on pages 17 to 30 form an integral part of these financial statements.

Travelport Finance Limited

Notes to the financial statements for the year ended 31 December 2022

1 Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted, which have been applied consistently throughout the current and prior financial years, are described below.

General information and basis of accounting

Travelport Finance Limited (the "Company") is a private company limited by shares incorporated in the UK under the Companies Act 2006 and is registered in England and Wales. The address of the registered office is given on page 1. The nature of the Company's operation and its principal activities are set out in the Strategic Report on page 2.

The financial statements have been prepared under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"), which has been assessed by the directors to be US dollar. The financial statements are presented in US dollars, which is the Company's functional and presentation currency.

Summary of disclosure exemptions

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Exemptions have been taken in these separate Company financial statements in relation to the entity's financial instruments, presentation of a cash flow statement and related parties.

Name of parent of group

These financial statements are consolidated in the financial statements of Travelport Technology Limited Group.

The consolidated financial statements are available upon request from its registered address at Clarendon House, 2 Church Street, HM 11 Hamilton, Bermuda.

Travelport Finance Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

1 Accounting policies (continued)

Going concern

During the year ended 31 December 2022, the Company made a loss before tax of \$37,827,000 (2021: loss before tax of \$203,061,000) and as at 31 December 2022, the balance sheet had net liabilities of \$769,548,000 (2021: net liabilities of \$727,778,000).

The directors are required to evaluate whether there are conditions and events which, considered in aggregate, raise substantial doubt about the Company's ability to continue as a going concern. At the date of signing the financial statements for the years ended 31 December 2021 and 2020, the directors considered that substantial doubt did exist. However, the extent of the ongoing recovery in the Group's operating results and cashflows during 2022 and 2023, combined with the refinancing in December 2023, which gave additional funding and a significant reduction in the overall level of debt, mean that, having given consideration to the Group's latest forecasts, external recovery and interest rate curves, the directors believe that the circumstances that previously gave rise to uncertainty as to the Group's ability to continue as a going concern have been alleviated.

The Company is funded centrally by the Travelport Group treasury and therefore does not require external finance outside the Group. Day to day operating costs are funded by a Group. The directors therefore have a reasonable expectation that the Company will have access to adequate resources to continue in operational existence for the next 12 months from the date of approval of these financial statements. Accordingly, we continue to adopt the going concern basis in preparing the annual report and financial statements for the year ended 31 December 2022.

Financial instruments

Recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

At the end of each reporting period, financial assets measured at amortised cost (including trade receivables) are assessed for objective evidence of impairment. If an asset is impaired, the loss recognised is the difference between the carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is recognised only to the extent that the revised carrying amount of the asset does not exceed what the carrying amount would have been had the impairment not been previously recognised.

Travelport Finance Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

1 Accounting policies (continued)

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the conditions set out in paragraph 11.9 FRS 102 are subsequently measured at amortised cost using the effective interest method. Debt instruments that are classified as payable or receivable within one year on initial recognition are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Other debt instruments not meeting the conditions in FRS102 are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions in FRS 102 are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

The Company does not enter into any speculative derivatives or hedges.

(a) Derivative financial instruments

The Company uses derivative financial instruments to manage its exposure to foreign exchange risk. All derivatives are recorded at fair value either as assets or liabilities. As a matter of policy, the Company does not use derivative financial instruments for trading or speculative purposes and does not offset derivative assets and liabilities.

As of December 2022, the Company did not designate any derivative contract as an accounting hedge.

Derivatives are initially recognised at fair value at the date that the derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. Changes in the fair value of derivatives not designated as hedging instruments are recognised in profit or loss account.

(b) Fair Value Measurement

The financial assets and liabilities on the Company's balance sheets that are required to be recorded at fair value on a recurring basis are assets and liabilities related to derivative instruments. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In determining fair value, the Company uses various valuation approaches.

A hierarchy has been established for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability based on market rates obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company's estimates about the assumptions market participants would use in the pricing of the asset or liability based on the best information available. The hierarchy is broken down into three levels based on the reliability of inputs as follows:

Travelport Finance Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

1 Accounting policies (continued)

Level 1-Valuations based on quoted prices in active markets for identical assets or liabilities that the Company has the ability to access.

Level 2-Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3-Valuations based on inputs that are unobservable and significant to overall fair value measurement.

The Company determines the fair value of its derivative instruments using pricing models that use inputs from actively quoted markets for similar instruments that do not entail significant judgment. These amounts include fair value adjustments related to the Company's own credit risk and counterparty credit risk. When such adjustments constitute more than 15% of the unadjusted fair value of derivative instruments for two successive quarters, the entire instrument is classified within Level 3 of the fair value hierarchy.

Foreign currency transactions and balances

Transactions denominated in foreign currencies are translated into functional currency at the rates ruling at the dates of the transactions or, if hedged, at the forward contract rate. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date or, if appropriate, at the forward contract rate. These translation differences are recognised in the statement of comprehensive income.

Income recognition

Interest income is recognised using the effective interest rate method (provided that it is probable that the economic benefit will flow to the Company and the amount of revenue can be measured reliably).

Dividend income is recognised when the right to receive payment is established (provided that it is probable that the economic benefit will flow to the Company and the amount of revenue can be measured reliably).

Finance income and costs policy

The principal activity of the Company is the management of an in-house treasury function for the Toro Travelport Limited and its subsidiaries. Interest income and expense arising from intercompany financing related activities is therefore included within operating profit/loss.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Travelport Finance Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

1 Accounting policies (continued)

Deferred tax is recognised in respect of 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. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as probable that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of comprehensive income over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments.

Travelport Finance Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

2 Key sources of estimation uncertainty and judgements

In the application of the Company's accounting policies, which are described above, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key source of estimation uncertainty

Valuation of amounts owed by group undertakings

The Company performed impairment analysis to assess the recoverability of the amounts owed by group undertakings. The assessment required varying degrees of judgment to consider whether the intercompany receivables balances are supportable based on net assets and/or expected cash flows. Refer to note 12 Debtors for details.

Travelport Finance Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

3 Other operating expense

The analysis of the company's other operating expense for the year is as follows:

	2022	2021
	\$ 000	\$ 000
Impairment of amounts owed by Group undertakings	<u>58,430</u>	<u>207,847</u>

4 Other gains and losses

The analysis of the company's other gains and losses for the year is as follows:

	2022	2021
	\$ 000	\$ 000
Loss from movements on derivative financial instruments	<u>-</u>	<u>(1,371)</u>

Travelport Finance Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

5 Operating profit/loss

Arrived at after charging/(crediting)

	2022 \$ 000	2021 \$ 000
Foreign exchange gains	(1,966)	(2,020)
Loss from movements on derivative financial instruments	-	1,371
Gain on waiver of intercompany balances	<u>(242)</u>	<u>-</u>

6 Other interest receivable and similar income

	2022 \$ 000	2021 \$ 000
Other finance income	393	23
Interest receivable from Group undertakings	<u>30,444</u>	<u>5,498</u>
	<u>30,837</u>	<u>5,521</u>

7 Interest payable and similar expenses

	2022 \$ 000	2021 \$ 000
Interest on bank overdrafts and borrowings	-	55
Interest payable on loans from Group undertakings	<u>12,195</u>	<u>1,124</u>
	<u>12,195</u>	<u>1,179</u>

8 Staff costs

The Company had no employees (excluding directors) in the year ended 31 December 2022 (2021: nil).

9 Directors' remuneration

The directors were remunerated by other Group companies for their services to the Group as a whole. It is not practicable to allocate the directors remuneration between services as a director of the Company, and services as a director of other Group companies.

Travelport Finance Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

10 Auditors' remuneration

Fees payable to Deloitte LLP and their associates for the audit of the Company's annual financial statements were \$20,069 (2021: \$23,283).

No fees were paid to Deloitte LLP for non-audit services related to the Company during the year (2021: \$Nil).

Travelport Finance Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

11 Taxation

Tax charged in the income statement

	2022 \$ 000	2021 \$ 000
Current taxation		
UK corporation tax	3,952	1,071
UK corporation tax adjustment to prior periods	<u>(73)</u>	<u>380</u>
	<u>3,879</u>	<u>1,451</u>
Deferred taxation		
Arising from origination and reversal of timing differences	64	63
Arising from changes in tax rates and laws	<u>-</u>	<u>(61)</u>
Total deferred taxation	<u>64</u>	<u>2</u>
Tax expense in the income statement	<u><u>3,943</u></u>	<u><u>1,453</u></u>

The difference between the total current tax and the amount calculated by applying the standard rate of UK corporation tax to the profit on ordinary activities before tax is explained as follows:

	2022 \$ 000	2021 \$ 000
Loss before tax	<u>(37,827)</u>	<u>(203,061)</u>
Corporation tax at standard rate	(7,187)	(38,582)
Increase/(decrease) from effect of different UK tax rates on some earnings	7	(46)
Effect of expense not deductible in determining taxable profit (tax loss)	11,180	39,701
(Decrease)/increase in UK and foreign current tax from adjustment for prior periods	(73)	380
Other tax effects for reconciliation between accounting profit and tax expense (income)	<u>16</u>	<u>-</u>
Total tax charge	<u><u>3,943</u></u>	<u><u>1,453</u></u>

Finance (no 2) Act 2015, introduced a reduction to the main rate of corporation tax which is currently 19%, Finance Act 2021 increases the main rate of corporation tax to 25% from April 2023. Budget 2021 announced the main rate of corporation tax will increase to 25% from 1 April 2023.

Travelport Finance Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

11 Taxation (continued)

Deferred tax

Deferred tax assets and liabilities

	Asset \$ 000
2022	
Deferred tax	<u>127</u>
2021	
Deferred tax	<u>191</u>

12 Debtors

	Note	2022 \$ 000	2021 \$ 000
Amounts falling due within one year:			
Amounts owed by Group undertakings		16,129	17,522
Deferred tax assets	11	<u>127</u>	<u>191</u>
		16,256	17,713
Amounts falling due in more than one year:			
Other long term debtors		<u>492</u>	<u>597</u>
		<u>16,748</u>	<u>18,310</u>

Since 2020, due to the impact of COVID-19 on the expected future operating cash flows of Travelport Group, the Company performed impairment analysis to assess the recoverability of the amounts owed by group undertakings. We analysed the balance sheet position of group undertakings on individual basis and fully impaired the amounts owed by group undertakings which had net liabilities as at 31 December, after removing the value of investments in subsidiaries. The Company further impaired \$58,429,638 of the intercompany receivables due to changes in balances as at 31 December 2022.

Amount owed by group undertakings as at 31 December 2022 are stated after provisions of impairment of \$982,574,994 (2021: \$923,038,184).

Certain amounts owed by group undertakings are interest bearing at the US Federal Funds Target rate plus 0.5% (with a floor of 0.0%) to reflect the funding nature of the transaction.

Travelport Finance Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

13 Creditors

	Note	2022 \$ 000	2021 \$ 000
Due within one year			
Amounts due to Group undertakings		754,831	733,427
Accruals and deferred income		26	42
Loans and borrowings	15	91	34
Withholding tax		70	-
		<u>755,018</u>	<u>733,503</u>
Due after one year			
Amounts due to Group undertakings		<u>37,674</u>	<u>40,027</u>

Interest on certain amounts owed to group undertakings, which are repayable on demand, is charged based on rates determined to represent arm's length transactions, whilst other trading-related amounts are non-interest bearing.

On long term inter-company loans, interest rates are based on the prevailing rates for one year euro interest rate SWAP.

14 Share capital

Allotted, called up and fully paid shares

	2022		2021	
	No.	\$	No.	\$
Ordinary of \$1 each	<u>3,615,117</u>	<u>3,615,117</u>	<u>3,615,117</u>	<u>3,615,117</u>

Allotted, called up and fully paid shares

	2022		2021	
	No.	\$	No.	\$
Ordinary of £1 each	<u>4,390,001</u>	<u>6,701,641</u>	<u>4,390,001</u>	<u>6,701,641</u>

The profit and loss reserve represents cumulative profits or losses, net of dividends paid and other adjustments.

The share premium reserve contains the premium arising on issue of equity shares, net of issue expenses.

The Company has two classes of ordinary shares that carry no right to fixed income.

Travelport Finance Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

15 Loans and borrowings

	2022 \$ 000	2021 \$ 000
Current loans and borrowings		
Bank overdrafts	<u>91</u>	<u>34</u>

16 Financial guarantee contracts

The Company is jointly and severally liable for borrowings of the affiliate entity Travelport Finance (Luxembourg) S.a.r.l., a Luxembourg limited liability company, under an amended and restated priority lien credit agreement, dated as of 28 December 2023 (referred to as the "Credit Agreement"). In connection with the Credit Agreement, all of Travelport's subsidiaries in the U.S., Bermuda and Luxembourg, and certain subsidiaries in the UK (including the Company), provide guarantees of the debt incurred under the Credit Agreement, as well as having the equity of these subsidiaries pledged as collateral for the secured debt under the Credit Agreement. Furthermore, there is a floating charge over all of the Company's present and future assets, undertakings and rights.

17 Related party transactions

FRS 102 paragraph 33.1A provides exemption for disclosure of transactions between two or more members of a group, provided that all subsidiaries which are party to the transaction are wholly-owned by the group. The Company has taken advantage of this exemption.

18 Parent and ultimate parent undertaking

The Company's immediate parent undertaking is Travelport Group Investments Limited, registered in England and Wales.

The Company's ultimate parent undertaking and controlling party is Travelport Technology Limited (formerly known as Toro Travelport Limited), registered in Bermuda. Until 28 December 2023, the ultimate controlling party was Toro Private Investments, L.P., a Cayman Islands limited partnership.

The parent of the largest and smallest group in which these financial statements are consolidated is Travelport Technology Limited Group, incorporated in Bermuda.

The address of Travelport Technology Limited Group is:
Clarendon House, 2 Church Street, HM 11 Hamilton, Bermuda

The consolidated financial statements are available upon request from its registered address.

Travelport Finance Limited

Notes to the financial statements for the year ended 31 December 2022 (continued)

19 Subsequent events

In December 2023, Travelport Technology Ltd, the ultimate parent undertaking and certain of its subsidiaries completed a series of restructuring and recapitalization transactions (the “Restructuring Transactions”) with the consent of 100% of the lenders under the Priority Lien Credit Agreement and the Junior Priority Lien Credit Agreement and certain of the Company’s indirect equity holders. Following the Restructuring Transactions, Toro Private Investments, L.P., a Cayman Islands limited partnership, will no longer be a controlling party of the Company as their equity holdings were diluted. From 28 December 2023, Travelport Technology Limited will be ultimate parent undertaking and controlling party of the Company.

There were no other subsequent events after 31 December 2022 until the date of signing the financial statements that require consideration as adjustments to, or disclosures in the financial statements.