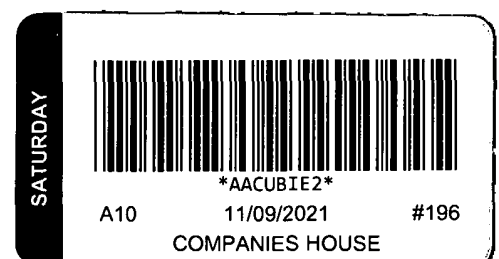


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**TRAVIX TRAVEL UK LIMITED**

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**FINANCIAL STATEMENTS**  
**INFORMATION FOR FILING WITH THE REGISTRAR**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**



**TRAVIX TRAVEL UK LIMITED**  
**REGISTERED NUMBER: 07349865**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	4	51,730	98,674
		<u>51,730</u>	<u>98,674</u>
<b>Current assets</b>			
Debtors	5	12,678,503	9,915,999
Cash at bank and in hand	6	8,935	832,163
		<u>12,687,438</u>	<u>10,748,162</u>
Creditors: amounts falling due within one year	7	(12,290,387)	(10,508,026)
<b>Net current assets</b>		<u>397,051</u>	<u>240,136</u>
<b>Total assets less current liabilities</b>		<u>448,781</u>	<u>338,810</u>
<b>Net assets</b>		<u><u>448,781</u></u>	<u><u>338,810</u></u>

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TRAVIX TRAVEL UK LIMITED  
REGISTERED NUMBER: 07349865

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BALANCE SHEET (CONTINUED)  
AS AT 31 DECEMBER 2020

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Note	2020 £	2019 £
<b>Capital and reserves</b>		
Called up share capital	40,000	40,000
Profit and loss account	408,781	298,810
	<u>448,781</u>	<u>338,810</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

 Valid Signed by Barry McGonagle  
on 09-07-2021

.....  
**B McGonagle**  
Director

Date: **09-07-2021**

The notes on pages 3 to 9 form part of these financial statements.

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## **TRAVIX TRAVEL UK LIMITED**

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### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**

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#### **1. General information**

Travix Travel UK Limited is a private company limited by shares, incorporated in the United Kingdom under the Companies Act. The Company is registered in England and Wales. The registered office is Highlands House, Basingstoke Road, Spencers Wood, Reading, Berkshire RG7 1NT. The principle place of business is The Third & Fourth Floor, The Poppy Building, Brewhouse Yard, London.

The principal activity of the Company in the year under review was that of providing sales and marketing support for Travix International, a fellow group company.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

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## TRAVIX TRAVEL UK LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 2. Accounting policies (continued)

##### 2.2 Going concern

The emergence and spread of the COVID-19 virus from early 2020 has affected business and economic activity in the whole world. The COVID-19 pandemic had profound consequences for the travel sector during 2020, with unpresented volumes of cancellations and a significant reduction in people's ability to travel by flight.

Compared to 2019 our 2020, the parent company Travix International B.V. (known hereafter as "Travix") volume in total dropped 62%. The impact to Travix became apparent as of March 2020. The volume drop from March to December 2020 compared to the same period in 2019 amounted 76%.

The strong reduction of the booking volume had a direct impact on the Travix's cash flow and liquidity position, of which Travix Travel UK Limited is a part of. The company's liquidity position during 2020 was funded through facilities with BCD, intercompany loans from Trip.com and a credit facility with JP Morgan.

To safeguard the financial position of Travix after the sale of the shares to Trip.com on 21 April 2020, the former shareholder BCD and Trip agreed a number of agreements:

1. BCD Travel will provide Travix with a bank guarantee facility (both to cover existing outstanding bank guarantees and to provide additional bank guarantees if required) up to a maximum total amount of EUR 35 million for a maximum period of 12 months after closing;
2. In the period between the date after the closing and the termination date of the BCD Travel cash pool facility the outstanding amount can be increased by Travix up to an amount of EUR 55 million under the condition that the amount available under the bank guarantee facility provided by BCD Travel will be lowered with the same amount. The total aggregate amount under the BCD Travel cash pool facility and the bank guarantee facilities cannot exceed EUR 55 million.
3. The BCD Travel cash pool facility and bank guarantee facility will terminate and any outstanding amounts under the facility will be repaid at the earlier of (a) one year after closing and (b) the entering into by Travix of an external credit facility.

In February 2021 the BCD Travel cash pool facility has been fully repaid by Travix. The cash pool facility has been replaced by an increase of the intercompany loans from Trip.com. The bank guarantee facility with BCD has been replaced with a bank guarantee facility with Deutsche Bank.

With the business slowly, but steadily picking up, Travix expects that the current financing arrangements will be sufficient to meet its cash requirements for the next 12 months. However, the ability of the Company to continue as a going concern remains dependent on the continued financing provided and supported by Trip.com. In a letter dated 6 May 2021, Trip.com has confirmed to not request repayment of its investment in Travix or financing provided to Travix for at least 12 months after signing the annual accounts.

Given the support letter provided by Trip.com, the Company's financial statements have been prepared assuming that it will continue as going concern, which contemplates continuity of operations, realization of assets, and liquidation of liabilities in the normal course of business.

The financial statements therefore do not include any adjustments related to the recoverability and classification of recorded assets amounts or the amounts and classification of liabilities that might be necessary should the Company be unable to continue as going concern.

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## TRAVIX TRAVEL UK LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 2. Accounting policies (continued)

##### 2.3 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Revenue represents amounts charged to the parent entity under a service agreement exclusive of value added tax. Turnover is recognised when chargeable expenses are incurred.

##### 2.4 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

##### 2.5 Pensions

###### Defined contribution pension plan

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

##### 2.6 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

##### 2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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## TRAVIX TRAVEL UK LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

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#### 2. Accounting policies (continued)

##### 2.7 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Leasehold improvements	- Over the life of the lease
Fixtures and fittings	- 20 % straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

##### 2.8 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### 2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

##### 2.10 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

##### 2.11 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

#### 3. Employees

The average monthly number of employees, including directors, during the year was 19 (2019 - 17).

**TRAVIX TRAVEL UK LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**4. Tangible fixed assets**

	Leasehold improvements £	Fixtures and fittings £	Total £
<b>Cost or valuation</b>			
At 1 January 2020	206,113	28,604	234,717
At 31 December 2020	206,113	28,604	234,717
<b>Depreciation</b>			
At 1 January 2020	119,382	16,661	136,043
Charge for the year on owned assets	41,224	5,720	46,944
At 31 December 2020	160,606	22,381	182,987
<b>Net book value</b>			
At 31 December 2020	45,507	6,223	51,730
At 31 December 2019	86,731	11,943	98,674

**5. Debtors**

	2020 £	2019 £
<b>Due after more than one year</b>		
Other debtors	134,301	134,301
	134,301	134,301
<b>Due within one year</b>		
Amounts owed by group undertakings	12,431,282	9,358,144
Other debtors	29,697	32,541
Prepayments and accrued income	83,223	391,013
	12,678,503	9,915,999



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TRAVIX TRAVEL UK LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

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6. Cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	8,935	832,163
	<u>8,935</u>	<u>832,163</u>

7. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	91,835	86,883
Amounts owed to group undertakings	11,875,798	9,698,537
Corporation tax	9,612	76,195
Other taxation and social security	89,964	59,786
Other creditors	160,444	557,158
Accruals and deferred income	62,734	29,467
	<u>12,290,387</u>	<u>10,508,026</u>

8. Secured debts

The International Air Transport Association (IATA) have a £950,000 guarantee facility in place over the Company's bank account funded by the group banking facility held by Travix International B.V.

9. Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £98,895 (2019 - £206,860) Contributions totalling £nil (2019 - £nil) were payable to the fund at the balance sheet date.

10. Controlling party

Travix Holding B.V., a company incorporated in The Netherlands, is the immediate parent company. Travix International B.V. was the parent company of the smallest group to consolidate these accounts. Trip.com Group Ltd whose headquarters are in Shanghai China is the ultimate controlling party. Trip.com Group Ltd is listed on Nasdaq.

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**TRAVIX TRAVEL UK LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

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**11. Auditor's information**

The auditor's report on the financial statements for the year ended 31 December 2020 was unqualified.

In their report, the auditor emphasised that following matter without qualifying their report:

Material uncertainty related to going concern

We draw attention to note 2.2 in the financial statements, which indicates that the impact of Covid 19 on the travel industry and in particular the group that Travix Travel UK is a member of. As stated in note 2.2, these events or conditions, along with the other matters as set forth in note 2.2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

The audit report was signed on 9 July 2021 by Anthony Campbell (Senior Statutory Auditor) on behalf of Nortons Assurance Limited.