

# Annual Report and Financial Statements

## Momondo Group Holdings Limited

For the year ended 31 December 2021



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Registered number: 09258528

**Momondo Group Holdings Limited**

## Company Information

<b>Directors</b>	Peer Bueller Daniel Stephen Hafner
<b>Company secretary</b>	Abogado Nominees Limited
<b>Registered number</b>	09258528
<b>Registered office</b>	100 New Bridge Street London United Kingdom EC4V 6JA
<b>Independent auditor</b>	Deloitte LLP Statutory Auditor St Albans United Kingdom

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# Strategic report

For the year ended 31 December 2021

## Introduction

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2021.

Momondo Group Holdings Limited ("the Company") is a limited company incorporated in the United Kingdom on 10 October 2014 under the Companies Act 2006 and is registered in England and Wales. It is domiciled at, and its registered office is 100 New Bridge Street, London, United Kingdom, EC4V 6JA. The Company has no branches outside of the UK.

## Principal activities and business review

The Company's principal activities during the year continued to be the holding company of companies operating travel meta-search engines providing a service which allows consumers to easily search and compare travel itineraries and prices, including airline tickets and hotels from hundreds of travel websites at once. The Company along with its subsidiaries was acquired on 24 July 2017 by Booking Holdings Inc. (formerly known as Priceline Group Inc.). Booking Holdings Inc. has had sole control over the Group since acquisition. Momondo is managed as part of the Kayak group within Booking Holdings Inc.

The Company results for the year ended in no income and no expenditure and therefore made neither a profit or loss (2020: £Nil).

The Company has a net asset position of £46,004,000 (2020: £46,004,000).

## Principal risks and uncertainties

The principal risk of the Company is the financial position of the subsidiary. The subsidiary companies are in a healthy financial position. The impact of the principal risks is assessed below.

### COVID-19

In response to COVID-19, the UK government implemented a variety of measures to reduce the spread of COVID-19, including travel restrictions and bans. These restrictions were in-place periodically across 2020 and 2021. These government mandates forced many of the partners on whom our business relies, including hotels and other accommodation providers, airlines and restaurants, to seek government support in order to continue operating, to curtail drastically their service offerings, to file for bankruptcy protection or to cease operations entirely. Further, these measures have materially adversely affected, and may further adversely affect, consumer sentiment and discretionary spending patterns, economies and financial markets, and our workforce, operations and customers spending.

Although travel has now opened up, we expect the COVID-19 pandemic and its effects to continue to have a significant adverse impact on our business, financial condition, results of operations and cash flows for the duration of the pandemic, during any resurgences of the pandemic and during the subsequent economic recovery, which could be an extended period of time.

Even though there have been some improvements in the economic and operating conditions for the Company's business since the outset of the COVID-19 pandemic, the Company cannot predict the long-term effects of the pandemic on its business or the industry as a whole. While the timing of the recovery of the travel industry remains uncertain, and although restrictions on travel in certain areas remain in place, we believe that demand for our services will continued to return as government restrictions are lifted and people are confident it is once again safe to travel.

On the basis of the above actions, we have assessed the risk of impairment in the Company and we deem the risk to be low.

## Strategic report (continued)

For the year ended 31 December 2021

### Principal risks and uncertainties (continued)

#### Economic uncertainty

The ongoing impact of the COVID-19 pandemic, disruption to global supply chains and the war in the Ukraine have led to a challenging global economic climate, with UK inflation at 10.1% in the 12 months to July 2022, the highest level since 1982. The Bank of England currently forecasts UK inflation to peak at 13.1% in the fourth quarter of 2022 and it is expected to remain high for the next two years. With inflation outstripping increase in nominal wages, incomes are falling in real terms creating a cost of living crisis and significant uncertainty in consumer behaviour and discretionary spending. The impact on the Company and the travel industry as a whole remains uncertain.

#### Cybersecurity

Cyberattacks and system vulnerabilities could lead to service outages, data loss, reduced revenue, increased costs, liability claims, or harm to our competitive position. As the travel industry begins to recover from the COVID-19 pandemic, if our systems cannot be expanded to cope with increased demand or fail to perform, we could experience unanticipated disruptions in service, slower response times, decreased customer service and customer satisfaction, and delays in the introduction of new services, any of which could impair our reputation, damage our brands, and materially and adversely affect our results of operations. Further, as an online business, we are dependent on the internet and maintaining connectivity between ourselves and consumers, sources of internet traffic, such as Google, and our travel service providers. As consumers increasingly turn to mobile and other smart devices, we also become dependent on consumers' access to the internet through mobile carriers and their systems. Disruptions in internet access, especially if widespread or prolonged, could materially adversely affect our business and results of operations. We have taken and continue to take steps to increase the reliability and redundancy of our systems. These steps are expensive, may reduce our margins, and may not be successful in reducing the frequency or duration of unscheduled downtime.

### Financial and other key performance indicators

For the financial performance of the Company in the year ended 31 December 2021, valuation of investment is considered as a key performance indicator. No impairment has been identified at year-end (2020: £Nil) in either the direct investment in Momondo Group Limited or the indirect investment in Momondo A/S.

Due to the nature of the Company and its activities, the directors do not consider that there are any other appropriate company specific KPIs to measure performance.

### Financial risk management

The directors have identified the following areas of risk:

#### *Credit risk*

The Company held receivables from other group companies as at 31 December 2021 and therefore must consider credit risk. Debtors are subject to impairment risk, which is an inherent risk for the Company. An impairment may occur when, based on current information and events, there is an objective evidence that the Company will be unable to collect all amounts due. The debtors represent unsecured and payable on demand amounts due from related parties. The directors' review, at each reporting date, the financial situation of those related parties to determine whether there is any indication that those assets have suffered impairment loss. The management considers the likelihood of the impairment to be low.

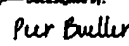
## Strategic report (continued)

For the year ended 31 December 2021

### Future developments

The Company's subsidiaries will continue to invest in new opportunities to facilitate growth across its range of websites and applications ("apps"). Booking Holdings Inc. will continue to have sole control over the Company and may opt to alter the strategic direction of the Company in the future.

This report was approved by the board

DocuSigned by:  
  
154737102F034025  
Peer Bueller  
Director

Date: 6 October 2022

## **Directors' report**

**For the year ended 31 December 2021**

The directors present their report and the audited financial statements for the year ended 31 December 2021.

### **Results and dividends**

The profit for the year, after taxation, amounted to £Nil (2020: £Nil).

There's no profit or loss after tax for the year (2020: Nil) and no dividend was paid during the year (2020: Nil). The board of directors do not intend to propose to the Annual General Meeting of the Company any dividend to be paid based on the balance sheet to be adopted for the financial year ending 31 December 2021.

### **Directors**

The directors who served during the year and up to the date of signing the financial statements are:

Peer Bueller  
Daniel Stephen Hafner

### **Qualifying third party indemnity provisions**

Qualifying third party indemnity provisions (as defined in section 234 of the Companies Act 2006) were in force for the benefit of the directors during the year as well as at the date of approval of the financial statements.

### **Matters covered in the strategic report**

The business review, key and other performance indicators, details of the Company's risks identified by directors, financial risk management and future developments are listed in the strategic report.

### **Going concern**

The financial statements have been prepared on a going concern basis as the Company has continued to be in a net asset position and the value of the investment remained consistent in 2021. After making appropriate enquiries, including those appropriate to assessing the impact of the COVID-19 pandemic on the business, the directors have a reasonable expectation that the Company has adequate resources in order to be able to continue in operational existence for the foreseeable future, being a period of not less than 12 months from the date of approval of the financial statements.

The Company is the holding company to one of the most important operating entities outside of the US for the Kayak group and therefore of strategic importance to the group. The directors consider the Company's going concern status to be closely linked to Momondo Group Limited (subsidiary of Momondo Group Holdings Limited). The subsidiary's existence is fundamental to support the continuous existence of Momondo Group Holding Limited. Hence, the Company has also secured a letter of support from Booking Holdings Inc., the ultimate parent company. The directors have assessed the cash flow forecasts of Booking Holdings Inc. and are satisfied that it has sufficient cash resources to support Momondo Group Holdings Limited for a period not less than 12 months from the date of approval of the financial statements.

Booking Holdings Inc. has assessed the significant impact of the pandemic on the wider group and has sufficient cash headroom available to support Momondo Group Holdings Limited.

Thus, the Company continues to adopt the going concern basis of accounting in preparing these financial statements.

## Directors' report (continued)

For the year ended 31 December 2021

### Disclosure of information to auditors

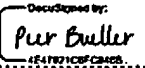
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

### Auditors

The auditors, Deloitte LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 6 October 2022 and signed on its behalf.

Dec/Signed by:  
  
.....  
**Peer Bueller**  
Director



## Directors' responsibilities statement

For the year ended 31 December 2021

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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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.

## **Independent auditor's report to the members of Momondo Group Holdings Limited**

### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion the financial statements of Momondo Group Holdings Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its result 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 total comprehensive income;
- the statement of financial position;
- the statement of changes in equity;
- the related notes 1 to 10.

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.

#### **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,

## **Momondo Group Holdings Limited**

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 directors' responsibilities statement, 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.

### **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](http://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 about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks 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, tax legislation etc; 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. These included the company's operating licence and General Data Protection Regulations.

We discussed among the audit engagement team 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;

## **Momondo Group Holdings Limited**

- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house 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 and reviewing correspondence with HMRC.

## **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.



Julian Rae (Senior statutory auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
St. Albans, United Kingdom  
6 October 2022

## **Statement of total comprehensive income**

**For the year ended 31 December 2021**

The Company received no income and incurred no expenditure and therefore made neither a profit or loss.

The notes on pages 13 to 17 form part of these financial statements.

Momondo Group Holdings Limited

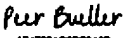
Registered number: 09258528

## Statement of financial position

As at 31 December 2021

		2021	2020
			Restated*
Fixed assets	Note	£000	£000
Investments	6	46,004	46,004
		<u>46,004</u>	<u>46,004</u>
<b>Total assets</b>		<u><b>46,004</b></u>	<u><b>46,004</b></u>
<b>Capital and reserves</b>			
Share capital	7	-	-
Share premium account	8	10,884	10,884
Profit and loss account	8	35,120	35,120
		<u><b>46,004</b></u>	<u><b>46,004</b></u>

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

DocuSigned by:  
  
AE470210BFC0465.....  
**Peer Bueller**  
Director

Date: 6 October 2022

The notes on pages 13 to 17 form part of these financial statements.

\* Fixed asset investments have been restated by the inclusion of a line for Loans to group undertakings that represent a receivable from Momondo Group Limited. This is a reclassification of an amount of £10,884,000 that was previously presented in Debtors (amount falling due within one year). This balance did not meet the definition of a current asset and so has been reclassified. Classification as Loans to group undertakings within investments is appropriate as the amount relates to loans that are long term in nature and are used to meet the capital requirements of the borrower.

## Statement of changes in equity

For the year ended 31 December 2021

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£000	£000	£000	£000
<b>At 1 January 2020</b>	-	10,884	35,120	46,004
<b>Total comprehensive income for the year</b>	-	-	-	-
<b>At 31 December 2020</b>	-	10,884	35,120	46,004
<b>Total comprehensive income for the year</b>	-	-	-	-
<b>At 31 December 2021</b>	-	10,884	35,120	46,004

The notes on pages 13 to 17 form part of these financial statements.

# Notes to the financial statements

For the year ended 31 December 2021

## 1. General information

Momondo Group Holdings Limited is a privately-owned limited company incorporated in the United Kingdom on 10 October 2014 under the Companies Act 2006 and is registered in England and Wales. It is a company limited by shares and is domiciled in the UK. Its registered office is 100 New Bridge Street, London, United Kingdom, EC4V 6JA. The Company has no branches outside of the UK.

The Company's principal activities during the year continued to be the holding company of companies operating travel meta-search engines providing a service which allows consumers to easily search and compare travel itineraries and prices, including airline tickets and hotels from hundreds of travel websites at once:

## 2. Accounting policies

### 2.1 Basis of preparation

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

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The presentation currency of these financial statements is sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

### 2.2 Financial reporting standard 102 - reduced disclosure exemptions

The Company's ultimate parent undertaking Booking Holdings Inc. (formerly known as The Priceline Group Inc.), includes the Company in its consolidated financial statements. The consolidated financial statements of Booking Holdings Inc. are prepared in accordance with Generally Accepted Accounting Principles in the United States of America and are available to the public. This is the smallest and largest group in which the results of the Company are consolidated.

The Company meets the criteria to be a qualifying entity under FRS 102 and has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Booking Holdings Inc. as at 31 December 2021 and these financial statements may be obtained from 800 Connecticut Avenue, Norwalk, Connecticut, 06854, United States.



## Notes to the financial statements (continued)

For the year ended 31 December 2021

### 2. Accounting policies (continued)

#### 2.3 Exemption from preparing consolidated financial statements

The Company is exempt by virtue of Section 401 of the Companies Act 2006 from the requirement to prepare group financial statements as the Company is included on the consolidated accounts of Booking Holdings Inc., which are drawn up according with Generally Accepted Accounting Principles in the United States of America. These financial statements present information about the Company as an individual undertaking and not about its group.

#### 2.4 Going concern

The financial statements have been prepared on a going concern basis as the Company has continued to be in a net asset position and the value of the investment remained consistent in 2021. After making appropriate enquiries, including those appropriate to assessing the impact of the COVID-19 pandemic on the business, the directors have a reasonable expectation that the Company has adequate resources in order to be able to continue in operational existence for the foreseeable future, being a period of not less than 12 months from the date of approval of the financial statements.

The Company is the holding company to one of the most important operating entities outside of the US for the Kayak group and therefore of strategic importance to the group. The directors consider the Company's going concern status to be closely linked to Momondo Group Limited (subsidiary of Momondo Group Holdings Limited). The subsidiary's existence is fundamental to support the continuous existence of Momondo Group Holding Limited. Hence, the Company has also secured a letter of support from Booking Holdings Inc., the ultimate parent company. The directors have assessed the cash flow forecasts of Booking Holdings Inc. and are satisfied that it has sufficient cash resources to support Momondo Group Holdings Limited for a period not less than 12 months from the date of approval of the financial statements.

Booking Holdings Inc. has assessed the significant impact of the pandemic on the wider group and has sufficient cash headroom available to support Momondo Group Holdings Limited.

Thus, the Company continues to adopt the going concern basis of accounting in preparing these financial statements.

#### 2.5 Investments in subsidiaries

Investments in subsidiaries are accounted for at the lower of cost and net realisable value. The directors have reassessed the value in use for the investment during the year and as a result of changing assumptions no impairment was recorded. In the application of the Company's accounting policies, the directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. Determining whether investments in subsidiaries are impaired requires an estimation of their fair value and represents the only significant judgment, estimate and assumption made in these financial statements. The fair value calculation requires the entity to estimate the future cash flows expected to arise from the investments and a suitable discount rate in order to calculate present value.

## Notes to the financial statements (continued)

For the year ended 31 December 2021

### 2. Accounting policies (continued)

#### 2.6 Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs) and are subsequently measured at amortised cost.

### 3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies under note 2, the directors are required to make judgments, 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 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 change takes place if that revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgments and estimates that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

#### 3.1 Critical accounting judgements

No critical accounting judgements are required in the preparation of this set of financial statements.

#### 3.2 Key sources of estimation uncertainty

##### *Impairment of investments*

Determining whether investments are impaired requires an estimation of the value in use of the underlying business. The value in use calculation requires the entity to estimate the future cash flows expected to arise of the entity and a suitable discount rate in order to calculate present value.

The impairment assessment prepared by Momondo Group Holdings Limited for its investment in Momondo Group Limited (MGL) is most sensitive to the achievement of the budget for the next 4 years and the valuation of Momondo Group Limited's subsidiary, Momondo A/S (MMD DK). Budgets comprise forecasts of revenue, staff costs and overheads based on current and anticipated market conditions that have been considered by the directors. Whilst Momondo Group Limited is able to manage most of the costs, the revenue projections are inherently uncertain as they are influenced by a number of external factors such as changes in consumer spending and unstable market conditions. Revenue is most sensitive to changes in demand from customers. The budget has already been adjusted for the impact of COVID-19. An additional and continued 17% underperformance against budgeted sales for both MGL and MMD DK, in the absence of any further reduction of costs would lead to an impairment (£0.4m impairment).

The carrying amount of investments at the balance sheet date was £35,120,000 (2020: £35,120,000) after an impairment loss of £Nil (2020: £Nil) was recognised during 2021.

# Notes to the financial statements (continued)

For the year ended 31 December 2021

## 4. Auditors' remuneration

Auditor's remuneration fees in respect of the audit of current year and prior year financial statements of the Company are borne by Momondo Group Limited, the amount of which total £8,890 (2020: £8,400). There were no non-audit fees (2020: £nil).

## 5. Employees

The Company has no employees other than the directors (2020 - Nil). The directors' emoluments are borne by other group companies and none of their remuneration was specifically attributable to their services to the Company. Directors are considered to be the key management personnel.

## 6. Fixed asset investments

Cost or valuation	Investments in subsidiary companies £000	Loans to group undertakings £000	Total fixed asset investments £000
At 1 January 2021 (restated)*	35,120	10,884	46,004
Movement during the year	-	-	-
Balance as at 31 December 2021	<u>35,120</u>	<u>10,884</u>	<u>46,004</u>

\* Fixed asset investments have been restated by the inclusion of a line for Loans to group undertakings that represent a receivable from Momondo Group Limited. This is a reclassification of an amount of £10,884,000 that was previously presented in Debtors (amount falling due within one year). This balance did not meet the definition of a current asset and so has been reclassified. Classification as Loans to group undertakings within investments is appropriate as the amount relates to loans that are long term in nature and are used to meet the capital requirements of the borrower.

At 31 December 2021, the cost of the investment and its net book value amounts to £46,004,000 (2020 Restated: £46,004,000). Momondo Group Limited is a limited company with a registered office at 100 New Bridge Street, London, United Kingdom, EC4V 6JA.

### Subsidiary undertakings

The following are subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Momondo Group Limited	100, New Bridge Street, London, EC4V 6JA, United Kingdom	Online travel comparison website	Ordinary	100%
Momondo A/S*	Løvstræde 1, 1.1152 København K, Denmark	Internet business and web solutions for travel search and development	Ordinary	100%

\*This subsidiary is indirectly held.

## Notes to the financial statements (continued)

For the year ended 31 December 2021

### 7. Share capital

As at 31 December 2021, the Company has ordinary shareholders who are entitled to receive notice of, attend, speak at and vote at general meetings of the Company. The distribution is only available if the Board agrees to pay a dividend or on conversion to ordinary shares. All ordinary shares are held by Priceline.com International Limited. The directors consider this to be the immediate parent Company. The registered office and principal place of business is 100 New Bridge Street, London, United Kingdom, EC4V 6JA.

	2021 £000	2020 £000
Authorised, allotted, called up and fully paid		
152,063,017 ordinary shares of £0.000001 each shares	0.15	0.15

### 8. Reserves

#### Share premium account

This reserves consists of amounts paid in excess of the share capital nominal amount in respect of the acquisition of share capital.

#### Profit and loss account

Included in "Profit and loss account" is all current and prior year retained profits and losses.

### 9. Related party transactions

The Company has taken advantage of section 33, paragraph 33.1A, of FRS 102 whereby disclosure need not be given of transactions entered between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

### 10. Controlling party

The Company's immediate parent company is Priceline.com International Limited (registered office at 100 New Bridge Street, London, United Kingdom, EC4V 6JA) a company incorporated in the United Kingdom. The Company's ultimate parent undertaking and controlling party is Booking Holdings Inc. (formerly known as The Priceline Group Inc.) (registered office at 800 Connecticut Avenue, Norwalk, CT 06854, United States of America) a company incorporated in the United States of America. This is both the smallest and largest group in which the results of the Company are consolidated.