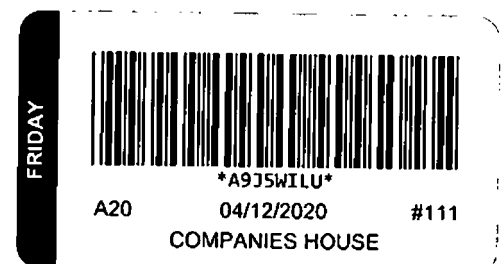


Annual Report and Financial Statements

TopTable Holdings Limited

For the year ended 31 December 2019



Registered number: 06365176

Company information

Directors	Andrea Johnston Peer Dartagnan Bueller Daniel Stephen Hafner
Registered number	06365176
Registered office	100 New Bridge Street London EC4V 6JA United Kingdom
Independent Auditor	Deloitte LLP Statutory Auditor St. Albans United Kingdom
Company Secretary	Abogado Nominees Limited (appointed on 4 March 2020) Taylor Wessing Secretaries Limited (resigned on 20 February 2020)

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Strategic report

For the year ended 31 December 2019

The directors present their strategic report for the Company for the year ended 31 December 2019.

TopTable Holdings Limited (the "Company") is a private Company limited by shares incorporated in the United Kingdom under Companies Act 2006 and is registered in England.

Principal activities and review of the business

The principal activity of the Company is to act as a holding company for OpenTable International Limited and OpenTable Australia Restaurants Pty Ltd. based in the United Kingdom and Australia. The principal activity of the subsidiary company is the provision of an internet based restaurant reservation service providing solutions that form an online network connecting reservation-taking restaurants and people who dine at those restaurants.

The OpenTable group, referred as the "Group", reviews the subsidiary's key performance indicators to measure overall performance of the business. This includes new restaurants additions by platform (i.e. ERB, GuestCenter and OpenTable Connect) and by country, restaurant terminations, change in the overall installed base of restaurants, average turnover per restaurant, the volume of covers generated by channel (i.e. via OpenTable's websites, the restaurant website, and affiliates website, etc.), the average yield from covers, covers generated by country and covers generated by program (i.e. Offers).

Principal risks and uncertainties

The principal risk of the Company is in the financial position of the subsidiary. The subsidiary is in an adequate financial position, and the transfer pricing arrangements of the subsidiary ensure that the risks to stakeholders are minimised.

Brexit

In 2016, the UK held a referendum where the majority of the British public voted to exit the European Union (EU). On 31 January 2020, the UK formally exited the EU. A transition period up to 31 December 2020 was enacted. As a result of this, there remains uncertainty in the UK market including but not limited to; foreign exchange volatility, movement of people impacting staff availability, and asset volatility in the financial markets. Management do not consider there to be an immediate impact to the business relating to this, however will continue to monitor the situation.

COVID-19

The recent coronavirus outbreak has had a significant and negative impact on the business during 2020. The Company has seen a significant reduction in restaurant bookings and other related services. Decreased restaurant demand resulting from the outbreak has had a negative impact, and is likely to have a negative and material impact, on our business, growth and results of operations.

The COVID-19 pandemic, the resulting economic conditions and government orders have resulted in an unprecedented decline in restaurant activities and consumer demand for related services. The Company's financial results and prospects are almost entirely dependent on the financial position of its subsidiaries. As this is a holding company, the pandemic primarily impacts the operations of the companies it owns. The results of these companies have been significantly and negatively impacted as compared to the corresponding period in 2019 and consequently there is a risk of impairment of investments. In response to the pandemic, the Company has implemented a number of initiatives to reduce cost where possible, such as reducing discretionary spending.

While the full impact and duration of the COVID-19 outbreak is unknown at this time, we have been through disruptions in the past and expect that this disruption will ultimately be temporary. The directors remain confident in the long-term prospects and strategy, and will continue to manage the Company in a measured way to build value for the long term. Based on the solid balance sheet and strong liquidity of the Booking Holdings Inc., the ultimate parent company, the Company expects its subsidiaries to emerge from this crisis in a strong position.

Financial key performance indicators

For the financial performance of the Company in the year ended 31 December 2019, investments remained consistent at £7.9M (2018: £7.9M). The Company is a holding company for the OpenTable group of companies based in UK and Australia, thus value of investment is a good indicator of the Company's performance.

Strategic report (continued)

For the year ended 31 December 2019

Future developments

The Company's subsidiaries will continue to focus on growing the business by acquiring additional restaurant customers as well as attracting additional diners.

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.

Section 172

In accordance with section 172(1) of Companies Act 2006 "A director of a company must act in the way he considers, 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:

- (a) the likely consequences of any decision in the long term,
- (b) the interests of the company's employees,
- (c) the need to foster the company's business relationships with suppliers, customers and others,
- (d) the impact of the company's operations on the community and the environment,
- (e) the desirability of the company maintaining a reputation for high standards of business conduct, and
- (f) the need to act fairly as between members of the company.

The subsidiaries of the Company have been focusing on ensuring that the governance structures in place allow them to discharge these duties. The board of directors of the subsidiaries consider, both individually and together, that they have acted in the way that 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, having regard to the stakeholders and matters set out in section 172(1) (a) to (f) of the Companies Act 2006 in the decisions taken during the year.

The subsidiaries of the Company have placed particular focus on:

Restaurants

The OpenTable group's technology has always enabled restaurants to connect with diners to manage reservations, prepare for shifts, and maximize table availability, but enhancements to the platform will provide added support for restaurants so they can adhere to social distancing guidelines while providing updated health and safety information to diners for when it is safe to eat out again.

These advanced features are now paired with discounted pricing to reduce the reopening costs of our customers and to encourage new restaurants to join OpenTable group.

The state of the restaurant industry

The COVID-19 pandemic has forced restaurants to limit and change operations. Even as cities and states begin to reopen, our community of restaurants continues to face unprecedented challenges. We have summarized the data from the restaurants on our platform and are updating it daily. We plan to continue to share data, offer insights and keep our stakeholders informed of developments in the industry. The live data is available at this website <https://www.opentable.com/state-of-industry>.

Strategic report (continued)

For the year ended 31 December 2019

Section 172 (continued)

Environment

In 2019, OpenTable employees founded the Global Green Team, which is now part of their combined CSR program, Do Good, with the goal of reducing the carbon footprint at work and aligning green practices across offices. Among other initiatives, the Green Team led concerted efforts to turn off laptops and screens at the end of the workday and to increase timed lighting to reduce energy use.

Employees

With a global footprint and representation from many nationalities, diversity and inclusivity are values embedded at the very core of our business and the risk of discrimination and non-inclusion is something we act strongly against. At the group level, we reviewed and updated job descriptions in an effort to eliminate unintended gender bias, hired a new head of Diversity and Inclusion and participated in industry events such as Women Impact Tech and Wonder Women Tech.

Employee Resource Groups provide ways for our subsidiaries' employees to stay connected and engaged within a community of others with shared interests across our brands. These groups are driven by passionate employees who work to provide community and visibility, create a culture of diversity and inclusion, and champion diversity-related issues.

In 2019, the OpenTable group invested additional resources to further the learning and talent development efforts. In 2019 they initiated a number of learning programs, conducted leadership workshops with middle management and used assessments for upward feedback and coaching purposes.

The Booking Holdings Inc. Group

OpenTable is part of a larger group. For additional information on corporate social responsibility please also refer our group's Corporate Social Responsibility report <https://www.bookingholdings.com/corporate-responsibility/>.

With a focus on its stakeholders, OpenTable group aspires to promote the success of the Company for the benefit of its members as a whole and for the long term. The Company is also focused on maintaining a reputation for high standards of business conducts and through the focus on the employees of its subsidiaries and their wellbeing, the need to act fairly between all members of the Company.

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

DocuSigned by:

Peer Bueller

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Peer Dartagnan Bueller

Director

Date: 30 September 2020

Directors' report

For the year ended 31 December 2019

The directors present their report and the audited financial statements for the year ended 31 December 2019.

The principal risks of the Company are set out in the strategic report.

Results and dividends

The loss for the year, after taxation, amounted to £96,264 (2018 - loss £104,929) and a net liability position of £11,164,448 (2018: £11,068,184). The directors do not recommend a final dividend (2018: £Nil).

Directors

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

Andrea Johnston
Peer Dartagnan Bueller
Daniel Stephen Hafner

Future developments

Details of future developments can be found in the strategic report on page 1 and form part of this report.

Financial risk management objectives and policies

The Company's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk.

Cash flow risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. Interest bearing assets and liabilities are held at fixed rate to ensure certainty of cash flows.

Credit risk

The Company does not have any receivables, thus, is not expose to credit risk.

Liquidity risk

The Company held payables to other group companies as of 31 December 2019 and therefore must consider liquidity risk. The Company ensures that it has sufficient funds available for continuing operations through review of its investment position and distributions to be made by its subsidiary. Also, the Company's solvency is secured within the framework of the group company's solvency.

Qualifying third party indemnity provisions

Qualifying third party 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 review of the business, key and other performance indicators and principal risks are set out in the strategic report.

Post balance sheet events

Refer to note 14 of the financial statements for details of significant events since the balance sheet date.

Directors' report (continued)

For the year ended 31 December 2019

Going concern

The financial statements have been prepared on a going concern basis. The Company has continued to be in a net liabilities position, although this is due to amounts owed to related parties that have a vested interest in the continued success of the Company. The value of the investment remained consistent in 2019. 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 two of the most important operating entities outside of the US for the OpenTable group and therefore of strategic importance to the group. The directors consider the Company's going concern status to be closely linked to OpenTable International Limited and OpenTable Australia Restaurants Pty Ltd (both direct subsidiaries of TopTable Holdings Limited). The subsidiaries' existence is fundamental to support the continuous existence of TopTable 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 TopTable 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 this Company.

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

Disclosure of information to the auditors

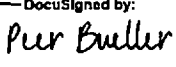
Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- 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.

Auditor

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 and signed on its behalf.

DocuSigned by:

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Peer Dartagnan Bueller
Director

Date: 30 September 2020

Directors' responsibilities statement

For the year ended 31 December 2019

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

Company law requires the directors to prepare audited 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". The financial statements are required by law to 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 audited 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 to 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 TopTable Holdings Limited

Report on the audit of the financial statements

Opinion

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

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit 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 income statement;
- the balance sheet;
- the statement of changes in equity;
- the related notes 1 to 15.

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

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 respect of these matters.

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. This description forms part of our auditor's report.

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
Date: 30 September 2020

Income statement

For the year ended 31 December 2019

	Note	2019 £	2018 £
Interest payable and similar expenses	7	(96,264)	(104,929)
Loss before tax		(96,264)	(104,929)
Tax on loss	8	-	-
Loss for the financial year		(96,264)	(104,929)

There were no recognised gains and losses for 2019 or 2018 other than those included in the income statement.

There were no other comprehensive income for 2019 (2018: £NIL).

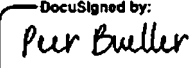
The notes on pages 13 to 21 form part of these financial statements.

Balance sheet

As at 31 December 2019

	Note	2019 £	2018 £
Fixed assets			
Investments		7,884,881	7,884,881
Creditors: amounts falling due within one year	10	(8,378,881)	(2,287,546)
Net current liabilities		(8,378,881)	(2,287,546)
Total assets less current liabilities		(494,000)	5,597,335
Creditors: amounts falling due after more than one year	11	(10,670,448)	(16,665,519)
Net liabilities		(11,164,448)	(11,068,184)
Capital and reserves			
Called up share capital	12	8,986,418	8,986,418
Share premium account		5,495,292	5,495,292
Profit and loss account		(25,646,158)	(25,549,894)
		(11,164,448)	(11,068,184)

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

DocuSigned by:

 PE47921C8FC846B.....
 Peer Dartagnan Bueller
 Director

Date: 30 September 2020

The notes on pages 13 - 21 form part of these financial statements.

Statement of changes in equity

For the year ended 31 December 2019

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 January 2018	8,986,418	5,495,292	(25,444,965)	(10,963,255)
Comprehensive expense for the year				
Loss for the year	-	-	(104,929)	(104,929)
Total comprehensive expense for the year	-	-	(104,929)	(104,929)
At 31 December 2018	8,986,418	5,495,292	(25,549,894)	(11,068,184)
Comprehensive expense for the year				
Loss for the year	-	-	(96,264)	(96,264)
Total comprehensive expense for the year	-	-	(96,264)	(96,264)
At 31 December 2019	8,986,418	5,495,292	(25,646,158)	(11,164,448)

The notes on pages 13 to 21 form part of these financial statements.

Notes to the financial statements

For the year ended 31 December 2019

1. General information

TopTable Holdings Limited (the "Company") is a private Company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England. The address of the Company's registered office is shown on the company information page.

The principal activity of the Company is to act as a holding company for OpenTable International Limited based in the United Kingdom. The principal activity of the subsidiary company is the provision of an internet based restaurant reservation service providing solutions that form an online network connecting reservation-taking restaurants and people who dine at those restaurants.

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 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 functional and presentation currency of these financial statements is sterling because that is the currency of the primary economic environment in which it operates. All amounts in the financial statements have been rounded to the nearest £1.

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The Company's ultimate parent undertaking, Booking Holdings Inc. includes the Company in its consolidated financial statements. The consolidated financial statements of Booking Holdings Inc. are available to the public and may be obtained from <https://ir.bookingholdings.com/financial-information/sec-filings>. Therefore the Company is exempt by virtue of s401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

The Company 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 33 Related Party Disclosures paragraph 33.7.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Notes to the financial statements (continued)

For the year ended 31 December 2019

2. Accounting policies (continued)

2.3 Going concern

The financial statements have been prepared on a going concern basis. The Company has continued to be in a net liabilities position, although this is due to amounts owed to related parties that have a vested interest in the continued success of the Company. The value of the investment remained consistent in 2019. 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 two of the most important operating entities outside of the US for the OpenTable group and therefore of strategic importance to the group. The directors consider the Company's going concern status to be closely linked to OpenTable International Limited and OpenTable Australia Restaurants Pty Ltd (both direct subsidiaries of TopTable Holdings Limited). The subsidiaries' existence is fundamental to support the continuous existence of TopTable 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 TopTable 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 this Company.

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

2.4 Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

Foreign exchange differences arising on revaluation are recognised in the income statement as interest payable and similar expenses.

2.5 Investments

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.

2.6 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.

Notes to the financial statements (continued)

For the year ended 31 December 2019

2. Accounting policies (continued)

2.7 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the income statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2.8 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.

2.9 Interest payable and similar expenses

Finance costs are charged to the income statement over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

Notes to the financial statements (continued)

For the year ended 31 December 2019

2. Accounting policies (continued)

2.10 Taxation

Tax is recognised in the income statement, 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.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Company can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

3. Critical accounting judgments and key sources of estimation uncertainty

Significant accounting estimates and judgments

In the application of the Group'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. 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.

Critical judgments in applying the Group's accounting policies

Management do not consider there to be any additional critical judgments, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Notes to the financial statements (continued)

For the year ended 31 December 2019

3. Critical accounting judgments and key sources of estimation uncertainty (continued)

Key source 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 based on expected future business performance expected to arise of the entity and a suitable discount rate in order to calculate present value.

The impairment assessment prepared by TopTable Holdings Limited for its investments in OpenTable International Limited and OpenTable Australia Restaurants Pty Ltd is most sensitive to the achievement of the budget for the next 5 years. Budgets comprise forecasts of revenue, staff costs and overheads based on current and anticipated market conditions that have been considered by the directors. Whilst TopTable Holdings Limited is able to manage most of the costs, the revenue projections are inherently uncertain as its influenced by a number of external factors such as changes in consumer spending and unstable market conditions. Revenue of both investments is most sensitive to changes in demand from customers. A continued 8% underperformance against budgeted sales for OpenTable International Limited is considered possible based on recent experience and would lead to an impairment charge of £0.5m. A 7% underperformance against budgeted sales would reduce the headroom in OpenTable International Limited to nil but would not result in an impairment charge. A continued 2% underperformance against budgeted sales for OpenTable Australia Restaurants Pty Ltd is considered possible based on recent experience and would lead to an impairment charge of £700k. A 1% underperformance against budgeted sales would reduce the headroom in OpenTable Australia Restaurants Pty Ltd to nil but would not result in an impairment charge.

The carrying amount of investments at the balance sheet date was £7,884,881 (2018: £7,884,881). No impairment was recognised during 2019 (2018 : £Nil).

4. Directors' remuneration

Directors' emoluments are borne by other OpenTable, Inc. group companies for their services performed and none of their remuneration was specifically attributable to their services to the Company. Directors' emoluments were therefore \$Nil for the year (2018: \$Nil). Directors are considered to be the key management personnel.

5. Auditors' remuneration

Auditor's remuneration fees in respect of the audit of the current year and prior period financial statements of TopTable Holdings Limited are borne by other entity undertakings, the amount of which totals £8,978 (2018: £8,550).

6. Staff costs

The Company has no employees other than the directors, who did not receive any remuneration (2018 - £NIL).

7. Interest payable and similar expenses

	2019	2018
	£	£
Interest payable to group undertakings	96,264	104,929
	<u>96,264</u>	<u>104,929</u>

Notes to the financial statements (continued)

For the year ended 31 December 2019

8. Taxation

	2019 £	2018 £
Taxation on loss	-	-

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2018 - lower than) the standard rate of corporation tax in the UK of 19% (2018: 19%). The differences are explained below:

	2019 £	2018 £
Loss on ordinary activities before tax	(96,264)	(104,929)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2018 - 19%)	(18,290)	(19,937)
Effects of:		
Tax benefit surrendered to group member	18,290	19,937
Total tax charge for the year	-	-

TopTable Holdings Limited has deductible tax losses utilised by OpenTable International Limited. No deferred tax has been recognized in respect of these losses as they are fully utilised in the current year.

Factors that may affect future tax charges

The Finance Bill 2016 enacted provisions to reduce the main rate of UK corporation tax to 17% from 1 April 2020. However, in the March 2020 Budget it was announced that the reduction in the UK rate to 17% will now not occur and the Corporation Tax Rate will be held at 19%.

Notes to the financial statements (continued)

For the year ended 31 December 2019

9. Investments

	OpenTable International Limited £	OpenTable Australia Restaurants Pty Ltd £	Total £
Cost / Valuation			
At 1 January 2019	10,609,797	20,907,799	31,517,596
At 31 December 2019	10,609,797	20,907,799	31,517,596
Impairment			
At 1 January 2019	5,019,916	18,612,799	23,632,715
At 31 December 2019	5,019,916	18,612,799	23,632,715
Net book value			
At 31 December 2019	5,589,881	2,295,000	7,884,881
At 31 December 2018	5,589,881	2,295,000	7,884,881

The Company owns 100% of the ordinary share capital of OpenTable International Limited (registered office at 100 New Bridge Street, London, EC4V 6JA, United Kingdom) (formerly Toptable.co.uk Limited), a company incorporated in England & Wales.

Subsidiary undertakings

Details of the investments in which the Company (unless indicated) holds 20% or more of the nominal value of any class of share capital are as follows:

Name	Registered office	Principal activity	Class of shares	Holding
OpenTable International Limited	100 New Bridge Street, London, EC4V 6JA, United Kingdom	Online restaurant reservations	Ordinary Shares	100%
OpenTable Australia Restaurants Pty Ltd	Level 22, 357 Collins Street, Melbourne, Victoria, Australia	Holding company	Ordinary Shares	100%
Analytical Systems Pty Ltd*	Level 22, 357 Collins Street, Melbourne, Victoria, Australia	Online restaurant reservations	Ordinary Shares	100%

*Held by subsidiary undertaking

Notes to the financial statements (continued)

For the year ended 31 December 2019

10. Creditors: amounts falling due within one year

	2019 £	2018 £
Amounts owed to group undertakings	8,378,881	2,287,546
	<u>8,378,881</u>	<u>2,287,546</u>

These amounts pertain to intercompany payables that are unsecured and repayable on demand. There was no interest due on these payables.

11. Creditors: amounts falling due after more than one year

	2019 £	2018 £
Amounts owed to group undertakings	10,670,448	16,665,519
	<u>10,670,448</u>	<u>16,665,519</u>

Interest is charged at the Pound Libor 1 Month rate as published by the Wall Street Journal.

On 13 August 2015, the Company entered into a loan facility agreement for up to £130 million with Travelljigsaw Limited. On 28 December 2017, Travelljigsaw Limited transferred the loan to Booking Holdings Inc. The new maturity date is 28 December 2023, in which payment will be made in full.

12. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
8,986,418 (2018 - 8,986,418) ordinary shares of £1.00 each	<u>8,986,418</u>	<u>8,986,418</u>

The ordinary shares offer no right to fixed income.

13. 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.

Notes to the financial statements (continued)

For the year ended 31 December 2019

14. Post balance sheet events

The recent coronavirus outbreak has had a significant and negative impact on the business during 2020. The Company has seen a significant reduction in restaurant bookings and other related services. Decreased restaurant demand resulting from the outbreak has had a negative impact, and is likely to have a negative and material impact, on our business, growth and results of operations.

The COVID-19 pandemic, the resulting economic conditions and government orders have resulted in an unprecedented decline in restaurant activities and consumer demand for related services. The Company's financial results and prospects are almost entirely dependent on the financial position of its subsidiaries. As this is a holding company, the pandemic primarily impacts the operations of the companies it owns. The results of these companies have been significantly and negatively impacted as compared to the corresponding period in 2019 and consequently there is a risk of impairment of investments. In response to the pandemic, the Company has implemented a number of initiatives to reduce cost where possible, such as reducing discretionary spending.

While the full impact and duration of the COVID-19 outbreak is unknown at this time, we have been through disruptions in the past and expect that this disruption will ultimately be temporary. The directors remain confident in the long-term prospects and strategy, and will continue to manage the Company in a measured way to build value for the long term. Based on the solid balance sheet and strong liquidity of Booking Holdings Inc., the ultimate parent company, the Company expects its subsidiaries to emerge from this crisis in a strong position.

For the year end 2019 the COVID-19 pandemic is considered a non-adjusting event. The risks and the impact to the business have been evaluated and the directors have concluded that this is a non-adjusting post balance sheet event. We are not aware of any specific event or circumstance that would require an update to our estimates, judgments and assumptions or a review of the carrying value of assets or liabilities as of the date of approval of these financial statements.

There have been no other significant events affecting the Company since the year end.

15. Ultimate parent undertaking and controlling party

The Company's immediate parent company is OpenTable UK Holding Limited (registered office at 100 New Bridge Street, London, EC4V 6JA, United Kingdom) 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. Group financial statements are available from <https://ir.bookingholdings.com/financial-information/sec-filings>.