



Legally Privileged & Confidential

Travelex Topco Results

Period ended 31 December 2020



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Executive summary

- In conjunction with the cleansing document⁽¹⁾ published on 8th February 2021, the Travelex Topco Limited and its subsidiaries (the Group) presents its annual consolidated financial information including:
 - unaudited consolidated income statement,
 - unaudited consolidated statement of financial position; and
 - unaudited consolidated cashflow statement
- In accordance with IFRS10, the consolidated financial information of the Group include all day 1 and day z entities as at 31 December 2020 over which the Group has assumed control
- In accordance with IFRS3, the opening consolidated statement of financial position is provisional and subject to review in the permitted one year measurement period from the acquisition date of 6th August 2020
- The Group is reviewing the reporting format and aims to provide a more comprehensive output for the Q1 reporting cycle

(1) Cleansing document is published on Travelex website in the following link <<https://www.travelex-corporate.com/EN/InvestorRelations/FinancialStatement>>

Travelex Topco Limited and its subsidiaries

Unaudited consolidated income statement from 6th August 2020 to 31st December 2020

£m	2020 YTD
Continuing operations	
Revenue	34.1
Cost of sales	(5.3)
Gross profit	28.8
Operating expense	(52.9)
Analysed as:	
Underlying operating expense	(39.8)
Other exceptional items and non-underlying adjustments	(13.1)
Net operating expense	(52.9)
Operating loss before depreciation, amortisation, interest and tax	(24.1)
Analysed as:	
Underlying EBITDA	(11.0)
Other exceptional items and non-underlying adjustments	(13.1)
Operating loss before depreciation, amortisation, interest and tax	(24.1)
Depreciation – Property, plant and equipment	(2.5)
Depreciation – Right-of-use assets	(11.4)
Amortisation	(5.4)
Operating loss	(43.4)
Finance income	0.5
Finance costs	(12.6)
Share of profit in equity accounted investments	0.1
Loss before tax	(55.4)
Tax income	0.2
Loss for the year from continuing operations	(55.2)
Loss for the year attributable to	
Non-controlling interests	(1.9)
Owners of the parent	(53.3)
	(55.2)

- Unaudited financial performance in the period from incorporation to the end of 31 December 2020
- No comparatives are available as the company was incorporated on 6th August 2020
- Other exceptional items and non-underlying adjustments are mainly one off legal and advisor fees related to the restructuring, £8.7m of which occurred on the 6th August and have been included in the opening retained earnings
- Finance costs mainly relate to lease liabilities and interest on the new money notes

Travelex Topco Limited and its subsidiaries

Unaudited consolidated statement of financial position as at 31 December 2020

£m	6 Aug 2020	31 Dec 2020
Non current assets		
Intangible assets	40.1	34.5
Property, plant and equipment	16.4	14.1
Right-of-Use assets	103.0	89.3
Investments in equity accounted joint ventures and associates	2.5	2.5
Investments from subleasing	1.0	0.8
Trade and other receivables	12.7	6.6
Deferred tax assets	-	1.2
	175.7	149.0
Current assets		
Inventories	0.3	0.3
Trade and other receivables	80.2	66.3
Financial assets held at FV through OCI	6.0	5.8
Tax receivable	3.0	1.8
Cash and cash equivalents	310.0	239.4
	399.5	313.6
Current liabilities		
Trade and other payables	(285.1)	(228.4)
Borrowings	-	(2.4)
Lease liabilities	(43.1)	(39.8)
Tax payable	(0.8)	(1.5)
Provisions	(30.6)	(24.1)
Derivative financial liabilities	(0.1)	(0.1)
Net current assets	39.8	17.3
Non Current Liabilities		
Trade and other payables	(0.2)	-
Borrowings	(130.6)	(135.9)
Lease liabilities	(79.8)	(70.3)
Provisions	(4.5)	(4.2)
Deferred tax liabilities	(0.8)	(0.7)
Non-current liabilities	(215.9)	(211.1)
Net liabilities	(0.4)	(44.8)
Equity		
Retained earnings	(8.6)	(50.8)
Deficit attributable to owners of the parent	(8.6)	(50.8)
Non controlling interests	8.2	6.0
Total equity deficit	(0.4)	(44.8)

- In accordance with IFRS3, management continued to review the provisional opening balance sheet during the measurement period of 12 months from the date of acquisition. As a result of this review, £4m reduction in opening net assets have been recognised relating to a reduction in cash (£2m) and an increase in advisor fee expenses (£2m). Other changes are balance reclassifications and do not have an impact on overall net assets.
- Intangible Assets include software, goodwill and other intangible assets arising from acquisitions
- Financial Assets Held At FV Through OCI are government bond investment held in Brazil
- Trade and Other Payables balance includes c.£116m of prepaid card liabilities
- Provisions balance includes bank guarantees, legal, redundancy and other local staff related provisions
- Non-Current Liability Borrowings include the new money notes as well as the term loan (£50m)
- On 8th February 2020, the Group launched a consent solicitation in connection with the issuance of additional New Money Notes with a net value of up to £60 million. £20m of additional New Money Notes have been drawn down on 26th February 2021. This additional liquidity allows the Group to be well-positioned for the return of travel industry in 2021

Travelex Topco Limited and its subsidiaries

Unaudited consolidated cashflow statement from 6th August 2020 to 31st December 2020

£m	2020
Operating loss	(34.7)
Depreciation and amortisation	19.4
Loss on disposal of property plant and equipment and intangibles	0.4
Estimated credit loss adjustment	0.6
Provisions (including exchange differences)	(0.4)
	(14.7)
Decrease in trade and other receivables	17.9
Decrease in trade and other payables	(40.3)
Utilisation of provisions	(6.4)
Decrease in Prepaid cards awaiting redemption	(7.1)
Foreign exchange translation differences	3.7
Cash generated from operating activities	(46.9)
Taxation paid	(1.2)
	(48.1)
Cash flows from investing activities	
Interest received	0.2
Income from subleasing	0.2
Net proceeds from the sale of FVOCI investments	0.2
Purchase of property, plant and equipment and software	(0.7)
	(0.1)
Cash flows from financing activities	
Interest paid	(0.7)
Capital element of finance lease payments	(16.4)
	(17.1)
Exchange loss on cash and cash equivalents and bank overdrafts	(7.0)
Net decrease in cash and cash equivalents and bank overdrafts	(72.3)
Cash, cash equivalents and bank overdrafts at the beginning of the period	310.0
Cash, cash equivalents and bank overdrafts at the end of the period	237.7
Comprising:	
Cash and cash equivalents	239.4
Short term bank loans and overdrafts	(1.7)
	237.7

- Opening cash balance includes a net £49m cash injected at the date of incorporation following the issuance of the new money notes
- IFC Core cash balance as at 31 December 2020 was £25.4m after deducting the following from £239.4m of cash and cash equivalents :
 - Restricted cash- and deposits held in ring fenced bank accounts such as prepaid debit card float balances (£115.4m);
 - Overdrafts (£1.7m);
 - Cash in tills, vaults and in-transit representing the Group's inventory and is not freely available for liquidity purposes (£43.9m); and
 - Cash balances from ME&T, Africa and Brazil and non-core currencies as these cash balances do not form part of the Group's cash pooling arrangements and are effectively standalone (£53.0m)