

**Airbnb Payments UK Limited**

**Annual Report and Financial Statements  
Financial Year Ended 31 December 2022**



Registered number: 09392688 (England and Wales)

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**Airbnb Payments UK Limited (Registered number: 09392688)**

Financial Year Ended 31 December 2022

**COMPANY INFORMATION**

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|                      |  |
|----------------------|--|
| Directors            | Quentin John Rickerby<br>Samuel Blake Shrauger<br>Bart Harris Rubin  |
| Secretary            | Baker McKenzie LLP<br>100 New Bridge Street<br>London<br>EC4V 6JA<br>United Kingdom  |
| Registered Number    | 09392688 (England and Wales)   |
| Registered Office    | 100 New Bridge Street<br>London<br>EC4V 6JA<br>United Kingdom  |
| Independent Auditors | PricewaterhouseCoopers<br>Chartered Accountants and Statutory Audit Firm<br>One Spencer Dock<br>North Wall Quay<br>Dublin 1<br>Republic of Ireland |

**Airbnb Payments UK Limited (Registered number: 09392688)**

Financial Year Ended 31 December 2022

## **STRATEGIC REPORT**

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The directors present their strategic report for the financial year ended 31 December 2022.

### **Principal activities**

The principal activity of Airbnb Payments UK Limited ("the Company") for the year under review was payment processing conducted on behalf of Airbnb Ireland UC platform. The Company uses third party payment acquiring vendors to conduct these activities.

The Company's ultimate parent company is Airbnb, Inc., a company incorporated in the United States of America. Related companies in these financial statements refer to the other wholly owned member companies of the Airbnb, Inc. group (collectively, Airbnb, Inc. and its subsidiaries), "the group".

### **Review of business**

The Company has earned revenues amounting to \$307.3 million (2021:\$173.2 million) during the financial year ended 31 December 2022. This revenue related in its entirety to a recharge of certain costs and an annual fee paid to the Company by Airbnb Ireland UC. The revenue was earned on payment processing activities performed on behalf of Airbnb Ireland UC. Charged against these revenues were costs of \$305.6 million (\$169.8 million) of which the greatest category was Merchant Fees paid to payment processors.

### **Strategy**

The Company follows the group strategy as defined by its ultimate parent entity, Airbnb, Inc. All activities are designed to support the activities of Airbnb Ireland UC via payment processing activities as defined above.

### **Section 172(1) statement**

The directors of the Company are aware of their duty under section 172(1) of the Companies Act 2006 to act in the way which they consider, in good faith, would be the most likely to promote the success of the Company for the benefit of its members as a whole and, in doing so, to 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.

As a wholly owned subsidiary of Airbnb Payments Holdings LLC, whose ultimate parent undertaking is Airbnb, Inc., the directors of the Company do not consider the factor set out in section 172(1)(f) (the need to act fairly between members of the Company) to be relevant to the proper discharge of their duty under section 172(1).

In discharging their duty to promote the interests of the Company under section 172(1) of the Companies Act 2006, the directors of the Company have regard to the above factors and stakeholder interests. These are described below:

#### *Long term consequences of business decisions*

The Company is run for the purpose of providing payment processing on behalf of Airbnb Ireland UC, but the Company recognises that the long term success of its business is dependent on maintaining relationships with its other stakeholders and on the external impact of the Company's activities. Various policies have been implemented across the Airbnb group which apply to the Company.

#### *The Interests of the Company's employees*

The Company provides regular information to employees through:

- Airbnb holds regular CEO Q&A sessions where employees can submit questions.
- Airbnb also consults with employees through employee resources and employee surveys such as a survey on whether employees feel like they belong and can succeed at Airbnb.
- All new joiners to Airbnb are given access to Airbnb's company policies that includes but not limited to a code of ethics, anti-bribery and corruption policy and the data access and control policy.

## **STRATEGIC REPORT - continued**

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### **Section 172(1) statement - continued**

Airbnb champions diversity and belonging, regularly reports the gender, racial and ethnic diversity of employees and has committed to continuing to foster diversity.

#### *The need to foster the Company's business relationships with suppliers, customers and others*

The stakeholders who make up the Airbnb community are Guests, Hosts, Communities, Shareholders, and Employees. The design challenge is to create a company that considers the needs of all stakeholders. Hosts provide Guests with unique, authentic experiences so they feel like they belong, and Communities are where our business takes place. Unique and authentic, community-based experiences inspire people to want to travel. Finally, Airbnb's Employees and Shareholders help power this work and grow this incredible community.

#### *The impact of the Company's operations on the community and the environment*

As part of the Airbnb group, the directors are committed to striving to strengthen the communities Airbnb serves. With respect to environmental sustainability, Airbnb has made a commitment to operating as a Net Zero company by 2030. To meet this goal, Airbnb committed to a number of steps, including reducing carbon and other greenhouse gas emissions associated with its global corporate operations, and investing in quality nature-based solutions to offset residual emissions. This commitment is the latest step the group is taking to help address the climate crisis. In 2020 and 2021, Airbnb achieved 100 percent renewable energy in its global offices, fulfilling a commitment it made in 2020, by purchasing energy attribute certificates sufficient to match its global electricity use for its corporate operations for those years. Additionally, in early 2021 it became a founding participant in the Lowering Emissions by Accelerating Forest finance (LEAF) Coalition.

Airbnb also strives to engage with communities. Amongst other things, Airbnb contributes to charities globally via donations or offering of housing and provides an employee donation match programme for eligible contributions made by employees.

#### *The desirability of the Company maintaining a reputation for high standards of business conduct*

The Company is licensed by the Financial Conduct Authority that licenses the Company to provide payment services. The directors are committed to maintaining a high standard of business conduct and fostering an open relationship with regulatory authorities to ensure compliance with regulations.

### **Principal risks and uncertainties**

Management of the business and the execution of the Company's strategy are subject to a number of risks. The key business risks are set out below:

**Foreign exchange risk:** Given the large number of currencies processed by the Company on behalf of Airbnb Ireland UC and the differential between collections and remittances, there is a potential for the Company to be exposed to adverse movements in foreign exchange rates. The Company has an existing agreement with Airbnb Ireland UC in which the Company is compensated at cost for gains or losses associated with foreign exchange risk. Foreign exchange movements are monitored internally by management.

**Legislative risk:** The emergence of Airbnb Ireland UC's online marketplace for people to book accommodations is a relatively new economic sector and currently the status of legislation governing it can be vague at best. This leads to a chance that future legislation may negatively impact Airbnb Ireland UC's ability to operate as it currently does which could adversely impact the Company's operations. This risk is mitigated by a dedicated policy team within Airbnb Ireland UC and affiliated entities who review upcoming legislation and lobby for potential changes to existing legislation to protect Airbnb Ireland UC's host community and allow its business to continue to operate as it is currently.

**Regulatory risk:** The Company has a licence to operate as an Electronic Money Institution, issued under the auspices of the Financial Conduct Authority in the United Kingdom. This licence carries with it certain prudential requirements, with potential fees and penalties for non-compliance. This risk is mitigated by dedicated compliance resources within the Company who manage the obligations associated with this licence.

## **STRATEGIC REPORT - continued**

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### **Principal risks and uncertainties - continued**

**Interest rate and credit risk:** The Company's cash and cash equivalents consist of highly-liquid instruments with an original maturity of three months or less and are comprised primarily of demand deposits held at financial institutions that management believes are credit worthy. Deposits with these institutions may exceed the amount of insurance provided on these deposits. These amounts are subject to nominal fluctuations in interest rates. The Company has an existing agreement with Airbnb Ireland UC in which the Company is compensated at cost for gains or losses associated with interest rate and credit risk.

**Climate Risk:** The Company is subject to the risks associated with natural disasters and the physical effects of climate change, which may include more frequent or severe storms, extreme temperatures and ambient temperature increases, hurricanes, flooding, rising sea levels, shortages of water, droughts, and wildfires (although it is currently impossible to accurately predict the impact of climate change on the frequency or severity of these events), any of which could have a material adverse effect on our business, results of operations, and financial condition. Airbnb, including through our Hosts, operate in certain areas where the risk of natural or climate-related disaster or other catastrophic losses exists, and the occasional incidence of such an event could cause substantial damage to Airbnb, our Hosts' property or the surrounding area. For example, to the extent climate change causes changes in weather patterns or an increase in extreme weather events, our coastal destinations could experience increases in storm intensity and rising sea levels causing damage to our Hosts' properties and result in a reduced number of listings in these areas. Other destinations could experience extreme temperatures and ambient temperature increases, shortages of water, droughts, wildfires, and other extreme weather events that make those destinations less desirable.

Climate change may also affect our business by increasing the cost of, or making unavailable, property insurance on terms our Hosts find acceptable in areas most vulnerable to such events, increasing operating costs for our Hosts, including the cost of water or energy, and requiring our Hosts to expend funds as they seek to repair and protect their properties in connection with such events. As a result of the foregoing and other climate-related issues, our Hosts may decide to remove their listings from our platform. If we are unable to provide listings in certain areas due to climate change, we may lose both Hosts and guests, which could have a material adverse effect on our business, results of operations, and financial condition.

### **Future developments**


The directors have no plans to significantly change the nature of the activities and operations of the Company during the foreseeable future.

### **Results and dividends**

The profit for the year was \$1.08 million (2021: \$3.66 million).

The directors have not paid an interim dividend during the year (2021: nil); they do not recommend the payment of a final dividend (2021: nil). The total dividends paid during the year amount to nil (2021: nil).

### **On behalf of the board:**

DocuSigned by:  
  
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Quentin John Rickerby

Date: 18th July 2023

**Airbnb Payments UK Limited (Registered number: 09392688)**

Financial Year Ended 31 December 2022

## **DIRECTORS' REPORT**

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The directors present their report with the audited financial statements of the Company for the financial year ended 31 December 2022.

Certain Laws and Regulations require that specific information should be included in the Directors' report, the following is incorporated into this Directors' report by reference:

- Principal activities (strategic report page 4)
- Review of the business (strategic report page 4)
- Principal risks and uncertainties (strategic report page 5)
- Financial risk management (strategic report page 5)
- Results and dividends (strategic report page 6)
- Future developments (strategic report page 6)
- Summary of how the directors have engaged with suppliers, customers and others (strategic report page 5)

### **Incorporation**

The Company was incorporated on 16 January 2015.

### **Directors**

The directors who have held office during the year from 1 January 2022 to the date of this report are as follows:

- Samuel Blake Shrauger
- Quentin John Rickerby
- Bart Harris Rubin
- Michael Jones (resigned 4 April 2023)

The directors who are eligible offer themselves for election at the forthcoming Annual General Meeting.

### **Statement of directors' responsibilities**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations. Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The directors are responsible for 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. The directors are responsible for the maintenance and integrity of the company's website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### **Post Balance Sheet Events**

Subsequent events are dealt with specifically in note 17 to these financial statements.

**Airbnb Payments UK Limited (Registered number: 09392688)**

Financial Year Ended 31 December 2022

**DIRECTORS' REPORT - continued**

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**Going Concern**

No material uncertainties have been identified by the directors that may cast doubt over the Company's ability to continue as a going concern. These financial statements have therefore been prepared on a going concern basis.

**Streamlined energy and carbon reporting**

The Company has availed of the exemption from disclosing a streamlined energy and carbon reporting statement in the Directors report. The Company has a shared office space with an Airbnb related company (Airbnb UK Limited) where based on a headcount allocation, the energy consumption by the Company during the year is below 40,000 kilowatt-hours, the threshold for requiring such a statement to be disclosed. The Airbnb related company (Airbnb UK Limited) will include the streamlined energy and carbon reporting statement disclosure in their directors report.

**Statement as to disclosure of information to auditors**

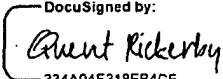
In the case of each director in office at the date the Directors' Report is approved:

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

**Independent Auditors**

The auditors, PricewaterhouseCoopers, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

**On behalf of the board:**

DocuSigned by:  
  
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Quentin John Rickerby

Date: 18th July 2023





## ***Independent auditors' report to the members of Airbnb Payments UK Limited***

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

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#### **Opinion**

In our opinion, Airbnb Payments UK Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements, which comprise:

- the statement of financial position as at 31 December 2022;
  - the statement of comprehensive income for the year then ended;
  - the statement of changes in equity for the year then ended;
  - the notes to the financial statements, which include a description of the significant accounting policies.
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#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Independence**

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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#### **Conclusions relating to going concern**

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.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

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#### **Reporting on other information**

The other information comprises all of the information in the Annual Report and Financial Statements other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

#### *Strategic report and Directors Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

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### **Responsibilities for the financial statements and the audit**

#### *Responsibilities of the directors for the financial statements*

As explained more fully in the Statement of director's responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

#### *Auditors' 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 auditors' 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.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

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.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to:

- laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, including United Kingdom Generally Accepted Accounting Practice, the Companies Act 2006, taxation legislation and compliance with the requirements of the Financial Conduct Authority regulations; and
- those laws and regulations which do not have a direct effect on the determination of material amounts and disclosures in the financial statements but where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or



litigation. We identified the following areas as those most likely to have such an effect: data protection, employment law and certain aspects of company legislation. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the risk of posting inappropriate journal entries. Audit procedures performed by the engagement team included:

- Fraud inquiries with company staff and management, as well as the company's in-house legal team;
- Discussions with company management, directors and the in-house legal team to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Understanding management's processes in place to address the risk of management override of controls; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 auditors' report.

#### *Use of this report*

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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## **Other required reporting**

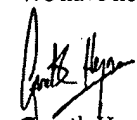
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### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

  
Gareth Hynes  
for and on behalf of PricewaterhouseCoopers  
Chartered Accountants and Statutory Auditors  
Dublin  
18 July 2023

**Airbnb Payments UK Limited (Registered number: 09392688)****STATEMENT OF COMPREHENSIVE INCOME**

For the Financial Year Ended 31 December 2022


|  | Notes | 2022<br>\$              | 2021<br>\$              |
|--|-------|-------------------------|-------------------------|
| Turnover                                       | 3     | 307,274,455             | 173,168,904             |
| Cost of sales                                  |       | <u>(309,414,931)</u>    | <u>(191,323,737)</u>    |
| <b>Gross loss</b>                              |       | <b>(2,140,476)</b>      | <b>(18,154,833)</b>     |
| Administrative (expense)/income                |       | <u>(5,991,097)</u>      | <u>22,821,602</u>       |
| <b>Operating (loss)/profit</b>                 | 5     | <b>(8,131,573)</b>      | <b>4,666,769</b>        |
| Net interest income/(expense)                  | 6     | <u>9,778,325</u>        | <u>(1,280,505)</u>      |
| Profit before taxation                         |       | <b>1,646,752</b>        | <b>3,386,264</b>        |
| Tax (charge)/credit on profit                  | 7     | <u>(569,577)</u>        | <u>275,777</u>          |
| <b>Profit for the financial year</b>           |       | <b>1,077,175</b>        | <b>3,662,041</b>        |
| <b>Total comprehensive income for the year</b> |       | <b><u>1,077,175</u></b> | <b><u>3,662,041</u></b> |

The results are derived from continuing operations.

**Airbnb Payments UK Limited (Registered number: 09392688)****STATEMENT OF FINANCIAL POSITION**  
as at 31 December 2022

|   | Notes | 2022<br>\$             | 2021<br>\$             |
|---|-------|------------------------|------------------------|
| <b>Financial Assets</b>                       |       |                        |                        |
| Investments                                   | 8     | 3,030                  | 3,030                  |
| <b>Current Assets</b>                         |       |                        |                        |
| Debtors - amounts falling due within one year | 9     | 216,121,302            | 202,535,163            |
| Cash at bank and in hand                      |       | <u>2,166,702,284</u>   | <u>1,363,991,251</u>   |
|   |       | <b>2,382,823,586</b>   | <b>1,566,526,414</b>   |
| <b>Creditors</b>                              |       |                        |                        |
| Amounts falling due within one year           | 10    | <u>(2,363,855,200)</u> | <u>(1,547,362,661)</u> |
| <b>Net current assets</b>                     |       | <b>18,968,386</b>      | <b>19,163,753</b>      |
| <b>Total assets less current liabilities</b>  |       | <b>18,971,416</b>      | <b>19,166,783</b>      |
| <b>Creditors</b>                              |       |                        |                        |
| Amounts falling due after more than one year  | 11    | <u>—</u>               | <u>(1,330,000)</u>     |
| <b>Total assets less total liabilities</b>    |       | <b>18,971,416</b>      | <b>17,836,783</b>      |
| <b>Capital and reserves</b>                   |       |                        |                        |
| Called up share capital                       | 12    | 100                    | 100                    |
| Capital contribution from parent company      | 13    | 7,759,224              | 7,701,766              |
| Retained earnings                             | 13    | <u>11,212,092</u>      | <u>10,134,917</u>      |
| <b>Total shareholder's funds</b>              |       | <b>18,971,416</b>      | <b>17,836,783</b>      |

The financial statements were approved by the Board of Directors on 18th July 2023 and were signed on its behalf by:

DocuSigned by:  
  
 334A04E318EB4CE...  
 Quentin John Rickerby - Director

**Airbnb Payments UK Limited (Registered number: 09392688)****STATEMENT OF CHANGES IN EQUITY**

For the Financial Year ended 31 December 2022

|  | <b>Called up<br/>Share<br/>Capital</b> | <b>Capital<br/>Contribution</b> | <b>Share<br/>based<br/>payment<br/>reserve</b> | <b>Retained<br/>Earnings</b> | <b>Shareholder's<br/>Funds</b> |
|--|--|---------------------------------|--|------------------------------|--------------------------------|
|  | \$                                     | \$                              | \$   | \$                           | \$                             |
| <b>Balance as at 1 January<br/>2021</b>                            | <b>100</b>                             | <b>9,155,250</b>                | <b>—</b>                                       | <b>6,472,876</b>             | <b>15,628,226</b>              |
| Recharge from parent for<br>equity settled<br>share-based payments | —                                      | (1,453,484)                     | (575,820)                                      | —                            | (2,029,304)                    |
| Equity-settled share-based<br>payments                             |  |                                 | 575,820  |                              | 575,820                        |
| Total comprehensive income   | —                                      | —                               | —  | 3,662,041                    | 3,662,041                      |
| <b>Balance as at 31 December<br/>2021</b>                          | <b>100</b>                             | <b>7,701,766</b>                | <b>—</b>                                       | <b>10,134,917</b>            | <b>17,836,783</b>              |
| Recharge from parent for<br>equity settled<br>share-based payments | —                                      | 57,458                          | (689,386)                                      | —                            | (631,928)                      |
| Equity-settled share-based<br>payments                             | —                                      | —                               | 689,386  | —                            | 689,386                        |
| Total comprehensive income   | —                                      | —                               | —  | 1,077,175                    | 1,077,175                      |
| <b>Balance as at 31 December<br/>2022</b>                          | <b>100</b>                             | <b>7,759,224</b>                | <b>—</b>                                       | <b>11,212,092</b>            | <b>18,971,416</b>              |

## **NOTES TO THE FINANCIAL STATEMENTS**

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### **1. Statutory information**

Airbnb Payments UK Limited (the "Company") is a private company, limited by shares, registered in England and Wales. The Company's registered number and registered office address can be found on the Company Information page.

### **2. Accounting policies**

#### **Basis of preparing the financial statements**

These financial statements are prepared on a going concern basis, under the historical cost convention. The Company's operations are an integral part of Airbnb group's overall business model and the level of transactions processed by the Company is dependent upon the overall level of activity in the group as a whole. In considering the appropriateness of the use of the going concern assumption and having regard for the nature of the Company and the overall group assessment, the Directors continue to believe it is appropriate to adopt the going concern basis in preparing the financial statements.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of the assets and liabilities within the next financial year.

The functional currency of Airbnb Payments UK Limited is the US dollar.

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ('FRS 102'):

- The requirements of section 7 and paragraph 3.17(d) to present a company statement of cash flows.
- The requirements of Section 11 paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c) and Section 12 paragraphs 12.26, 12.27, 12.29(a), 12.29(b), and 12.29A of FRS 102 providing equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated.
- The requirement to disclose share-based payment arrangements, required under FRS102 paragraphs 26.18(b), 26.19 to 26.21 and 26.23, concerning its own equity instruments, as the company financial statements are presented with the consolidated financial statements of the group and the relevant disclosures are included therein.
- The requirement of Section 33 Related Party Disclosures paragraph 33.1A.
- The requirements of section 33.7 from disclosing the Company's key management personnel compensation.

#### **Statement of compliance**

The financial statement of Airbnb Payments UK Limited have been prepared in compliance with the United Kingdom Accounting Standards, including FRS 102 and the Companies Act 2006.

#### **Turnover**

The Company charges Airbnb Ireland UC for payment processing activities undertaken on behalf of Airbnb Ireland UC. Airbnb Ireland UC also pays the Company an annual fee for cash collection services rendered. Turnover is recognised in the period in which the services are provided.

#### **Taxation**

Tax payable is based on taxable profit for the year, calculated using tax rates enacted at the statement of financial position date. Current tax is recognised in the income statement.

**NOTES TO THE FINANCIAL STATEMENTS - continued**

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**2. Accounting policies - continued**

**Foreign currencies**

Transactions denominated in foreign currencies are translated into US Dollars at the rate of exchange prevailing on the transaction date. Monetary assets and liabilities denominated in foreign currencies are translated into US Dollars at the exchange rates ruling on the statement of financial position date. Exchange differences are included in the statement of comprehensive income in the period in which they arise.

**Investments**

Investments in subsidiaries and associated undertakings are stated in the statement of financial position of the Company at cost, less amounts written off where there has been impairment in value.

Impairment reviews are carried out by management at each reporting date, as required.

**Financial instruments**

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

*Financial assets*

Basic financial assets, including trade and other debtors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of comprehensive income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit and loss.

*Financial liabilities*

Basic financial liabilities, including trade and other payables and loans from fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classed as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**Cash and cash equivalents**

Cash and cash equivalents comprises deposits held at call with banks.



**NOTES TO THE FINANCIAL STATEMENTS - continued**

**Turnover**

The turnover and profit before taxation are attributable to the one principal activity of the Company.  
 An analysis of turnover by geographical market is given below:

|                | 2022               | 2021               |
|----------------|--------------------|--------------------|
|                | \$                 | \$                 |
| Ireland (100%) | 307,274,455        | 173,168,904        |
|                | <u>307,274,455</u> | <u>173,168,904</u> |

The Company generated its turnover and profit on ordinary activities before taxation from one class of business, which predominantly arises in Ireland, being revenues received for activities undertaken mostly on behalf of Airbnb Ireland UC.

**4. Employees and directors**

The Company had an average of 6 employees during 2022 (2021: 2) including the directors who are employed by the Company.

|  | 2022    | 2021      |
|--|---------|-----------|
|  | \$      | \$        |
| <b>Directors</b>                           |         |           |
| Emoluments                                 | 369,129 | 410,503   |
| Benefits under long term incentive schemes | 201,516 | 1,215,196 |
| Contributions to pensions                  | 12,367  | 18,970    |

Where the directors are not an employee of Airbnb Payments UK Limited, directors' remuneration has been borne by associated companies, Airbnb, Inc. & Airbnb Payments, Inc. The directors' services to the Company do not occupy a significant amount of time and as such they do not consider they have received any remuneration for their incidental services to the Company for the year ended 31 December 2022 (2021: nil).

Highest paid director

The highest paid director's emoluments were as follows:

|   | 2022    | 2021      |
|---|---------|-----------|
|   | \$      | \$        |
| Total amount of emoluments and amounts receivable under long-term incentive schemes | 405,477 | 1,393,126 |

**5. Operating (loss)/profit**

The operating (loss)/profit is stated after charging/(crediting)

|  | 2022      | 2021         |
|--|-----------|--------------|
|  | \$        | \$           |
| Foreign exchange loss/ (gain)                                      | 2,116,205 | (26,238,033) |
| Auditors' remuneration for audit of statutory financial statements | 21,849    | 22,652       |

Additional audit fees of \$97,900 (2021:\$89,000) has been borne by Airbnb, Inc., the ultimate parent of the group.

**Airbnb Payments UK Limited (Registered number: 09392688)**

Financial Year Ended 31 December 2022

**NOTES TO THE FINANCIAL STATEMENTS - continued****6. Net interest income/(expense)**

|                                   | <b>2022</b>             | <b>2021</b>               |
|-----------------------------------|-------------------------|---------------------------|
|                                   | <b>\$</b>               | <b>\$</b>                 |
| Interest income on bank deposits  | 10,620,202              | 43,170                    |
| Interest expense on bank deposits | (841,877)               | (1,323,675)               |
|                                   | <u><b>9,778,325</b></u> | <u><b>(1,280,505)</b></u> |

The increase in interest income is due to higher interest rates offered on the bank deposits compared to the previous year.

**7. Tax on profit****Analysis of the tax charge**

The tax charge/(credit) on the profit for the year was as follows:

|                                    | <b>2022</b>           | <b>2021</b>             |
|------------------------------------|-----------------------|-------------------------|
|                                    | <b>\$</b>             | <b>\$</b>               |
| Current tax:                       |                       |                         |
| UK Corporation tax                 | 309,882               | 376,678                 |
| Prior years under/(over) provision | 259,695               | (652,455)               |
| Tax on profit                      | <u><b>569,577</b></u> | <u><b>(275,777)</b></u> |

**Reconciliation of total tax charge/(credit) included in profit and loss**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

|   | <b>2022</b>           | <b>2021</b>             |
|---|-----------------------|-------------------------|
|   | <b>\$</b>             | <b>\$</b>               |
| Profit before taxation  | 1,646,752             | 3,386,264               |
| Profit before taxation multiplied by the standard rate of corporation tax in the UK of 19% (2021:19%) | 312,883               | 643,390                 |
| Effects of:   |                       |                         |
| Permanent timing differences  | (3,001)               | (266,712)               |
| Prior years under/(over) provision  | 259,695               | (652,455)               |
| Total tax charge/(credit)   | <u><b>569,577</b></u> | <u><b>(275,777)</b></u> |

**Airbnb Payments UK Limited (Registered number: 09392688)**

Financial Year Ended 31 December 2022

**NOTES TO THE FINANCIAL STATEMENTS - continued****8. Investments****Cost**

|                                    | Shares in<br>group<br>undertakings<br>\$ |
|------------------------------------|--|
| Balance as at 1 January 2022       | 3,030                                    |
| Additions                          | —  |
| Net book value at 31 December 2022 | <u><u>3,030</u></u>                      |
| Net book value at 31 December 2021 | <u><u>3,030</u></u>                      |

The Company's investments at the balance sheet date in the share capital of companies include the following:

**Airbnb Payments India Private Limited**

|                     |  |
|---------------------|--|
| Registered office:  | Level 9, Spaze i-Tech Park<br>A1 Tower, Sector-49, Sohna Road<br>Gurgaon India |
| Nature of business: | Payment processing activities  |
| Class of shares:    | Ordinary shares  |
| Holding             | 0.1%   |

**9. Debtors - amounts falling due within one year**

|                                    | 2022<br>\$                | 2021<br>\$                |
|------------------------------------|---------------------------|---------------------------|
| Amounts owed by group undertakings | 201,195,792               | 194,827,721               |
| Other debtors                      | 14,856,938                | 7,146,834                 |
| Prepayments                        | 12,000                    | 12,031                    |
| Prepaid Corporation Tax            | —                         | 496,185                   |
| VAT receivable                     | 56,572                    | 52,392                    |
|                                    | <u><u>216,121,302</u></u> | <u><u>202,535,163</u></u> |

Debtors are stated after provisions for impairment of nil (2021: nil).

Amounts owed by group undertakings are unsecured and are interest bearing if not settled within the defined repayment terms.

**Airbnb Payments UK Limited (Registered number: 09392688)**

Financial Year Ended 31 December 2022

**NOTES TO THE FINANCIAL STATEMENTS - continued****10. Creditors: amounts falling due within one year**

|  | <b>2022</b>                 | <b>2021</b>                 |
|--|-----------------------------|-----------------------------|
|  | \$                          | \$                          |
| Amounts owed to group undertakings             | 981,391,161                 | 517,591,630                 |
| Corporation tax                                | 21,817                      | 376,677                     |
| Accruals                                       | 3,858,784                   | 2,414,407                   |
| Funds payable and amounts payable to customers | 1,374,283,269               | 1,023,161,623               |
| Trade creditors                                | 84,957                      | 157,105                     |
| Other creditors                                | 4,215,212                   | 3,661,219                   |
|  | <u><b>2,363,855,200</b></u> | <u><b>1,547,362,661</b></u> |

Amounts owed to group undertakings are unsecured and are interest bearing if not settled within the defined repayment terms.

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

|                 | <b>2022</b>     | <b>2021</b>             |
|-----------------|-----------------|-------------------------|
|                 | \$              | \$                      |
| Other creditors | —               | 1,330,000               |
|                 | <u><b>—</b></u> | <u><b>1,330,000</b></u> |

**12. Called up share capital**

Allotted, issued and fully paid

| Number          | Class    | Nominal value | <b>2022</b>       | <b>2021</b>       |
|-----------------|----------|---------------|-------------------|-------------------|
|                 |          |               | \$                | \$                |
| 100 (2021: 100) | Ordinary | \$1.00        | <u><b>100</b></u> | <u><b>100</b></u> |

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**NOTES TO THE FIN**

**13. Capital and**

|   | Called up<br>Share<br>Capital | Capital<br>Contribution | Share based<br>payment<br>reserve | Retained<br>Earnings | Totals            |
|---|-------------------------------|-------------------------|-----------------------------------|----------------------|-------------------|
|   | \$                            | \$                      | \$                                | \$                   | \$                |
| At 01 January 2022  | 100                           | 7,701,766               | —                                 | 10,134,917           | 17,836,783        |
| Recharge from parent for equity<br>settled share-based payments | —                             | 57,458                  | (689,386)                         | —                    | (631,928)         |
| Equity-settled share based<br>payments                          | —                             | —                       | 689,386                           | —                    | 689,386           |
| Total comprehensive income                                      | —                             | —                       | —                                 | 1,077,175            | 1,077,175         |
| <b>At 31 December 2022</b>                                      | <b>100</b>                    | <b>7,759,224</b>        | <b>—</b>                          | <b>11,212,092</b>    | <b>18,971,416</b> |

|   | Called up<br>Share<br>Capital | Capital<br>Contribution | Share based<br>payment<br>reserve | Retained<br>Earnings | Totals            |
|---|-------------------------------|-------------------------|-----------------------------------|----------------------|-------------------|
|   | \$                            | \$                      | \$                                | \$                   | \$                |
| At 01 January 2021  | 100                           | 9,155,250               | —                                 | 6,472,876            | 15,628,226        |
| Recharge from parent for equity<br>settled share-based payments | —                             | (1,453,484)             | (575,820)                         | —                    | (2,029,304)       |
| Equity-settled share based<br>payments                          | —                             | —                       | 575,820                           | —                    | 575,820           |
| Total comprehensive income                                      | —                             | —                       | —                                 | 3,662,041            | 3,662,041         |
| <b>At 31 December 2021</b>                                      | <b>100</b>                    | <b>7,701,766</b>        | <b>—</b>                          | <b>10,134,917</b>    | <b>17,836,783</b> |

On vesting of restricted stock units by the employees, the Company is charged the intrinsic value of the shares by Airbnb, Inc. Recharges of \$631,298 (2021: \$2,029,304) were recognised in 2022.

**14. Share Based Payments**

RSUs have been granted to the Company's employees under the Airbnb, Inc. 2018 and 2020 equity incentive plan (the "plans").

RSUs outstanding as of 31 December 2022 have service-based conditions. The service-based vesting condition for these awards is generally satisfied over four years. The liquidity-based vesting condition was satisfied upon (i) an initial public offering or (ii) change in control of Airbnb, Inc. as defined in the Company's equity incentive plans. The RSUs vested on the first date upon which both the service-based and liquidity-event performance-based requirements were satisfied. The liquidity-event performance-based vesting condition was deemed satisfied upon the Initial Public Offering. The total amount to be expensed is based on the fair value of the shares at the grant date recognised on a graded vesting basis over the service period.

**15. Controlling parties**

The immediate parent undertaking is Airbnb Payments Holdings LLC, a body incorporated in the United States of America. Airbnb, Inc., a body incorporated in the United States of America is the Company's ultimate parent company and controlling party.

**16. Related party transactions**

The Company is a wholly owned subsidiary of Airbnb, Inc. a company incorporated in the United States. Under FRS 102, 33.1A, the Company is exempt from disclosing other related party transactions as they are with other companies that are wholly owned within the Airbnb, Inc. group.

**NOTES TO THE FINANCIAL STATEMENTS - continued**

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**17. Events after balance sheet date**

There have been no significant events affecting the Company since 31 December 2022.

**18. Approval of financial statements**

The financial statements were approved and authorised for issue by the board of directors on 18th July 2023 and were signed on its behalf on that date.