



THM advises Travelex on its financial and operational restructuring

Travelex is a global business providing foreign exchange services to wholesale, outsourcing and retail customers. The Group's financial performance in 2020 has been critically impacted by a cyber-attack which severely impeded operations in Q1-20 and, more fundamentally, Covid-19 due to the resulting disruption to global travel.

James Westcott was appointed Chief Financial Restructuring Officer (**CFRO**) of the Group, supported by Phil Goldstein, Hugh Delmonte and Seppi Grant, to provide hands-on assistance to the Group from early June 2020 through to the completion of the restructuring transaction. Our role included the review and development of the restructured Group's business plan; short term cash flow forecasting and liquidity management; together with hands-on support to restructuring and operational implementation workstreams.

The transaction was implemented through the administrations of certain holding companies that enabled parts of the Group to be transferred by way of share sale to a new corporate structure (**New Travelex**) principally comprising the UK wholesale and outsourcing business and certain international businesses (Brazil, Middle East & Turkey, Nigeria and Asia Pacific). Other retail businesses will remain within the old corporate structure and will not transfer to New Travelex until financially viable to do so. New money noteholders own 100% of New Travelex.

Prior to the restructuring, the Group's financial indebtedness was in excess of £385m. The transaction closed on 6 August 2020, reducing the Group's existing indebtedness by c£310m and providing £84m of new money to fund the Group through the remaining challenges posed by Covid-19 and to capitalise on Travelex's strong market position and brand when market conditions recover.

The transaction was delivered in a very tight timeframe despite significant structuring complexity and the implementation of over ten operational workstreams in order to carve out New Travelex from the wider group in a five week period.

The completion of the transaction further demonstrates the long-standing leadership expertise and support we bring to corporates through small, senior teams acting as CRO.

Our team worked closely with other company-side advisers led by Hamish Mackenzie at PwC, Jifree Cader at Sidley Austin and new CEO, Donald Muir.

Noteholders were advised by PJT Partners (Mike Wilcox) and Akin Gump (Liz Osborne). The RCF lenders were advised by FTI Consulting (Nick Carmichael) and Latham & Watkins (Helena Potts).



The THM team has done a fantastic job assisting the Group through the restructuring process of the last two months. We really appreciate your analytical, but practical, approach in supporting the Group and acting as an interface between Travelex and our new shareholders

JAMES BIRCH
General Counsel

About THM

Based in London and operating across Europe, our business exists to solve the unique problems of companies facing financial challenge.

THM provides experienced, hands-on, senior level leadership to corporates, creditors and shareholders in distressed and other special situations. The THM approach is to deploy small dedicated teams, bringing independence, trust and objectivity to negotiations between stakeholders in both restructuring and value delivery situations.

Our role may be advisory in nature or involve taking a management or Board position, as appropriate.

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