
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549
FORM 10-Q

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934**

For the quarterly period ended March 31, 2023

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934**

For the transition period from _____ to _____

Commission File Number 001-36603

LIBERTY TRIPADVISOR HOLDINGS, INC.

(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

46-3337365
(I.R.S. Employer
Identification No.)

12300 Liberty Boulevard, Englewood, Colorado 80112

(Address, including zip code, of Registrant's principal executive offices)

Registrant's telephone number, including area code: **(720) 875-5200**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Series A common stock	LTRPA	The Nasdaq Stock Market LLC
Series B common stock	LTRPB	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer Accelerated Filer Non-accelerated Filer Smaller Reporting Company Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company as defined in Rule 12b-2 of the Exchange Act. Yes No

The number of outstanding shares of Liberty TripAdvisor Holdings, Inc. common stock as of April 30, 2023 was:

	Series A	Series B
Liberty TripAdvisor Holdings, Inc. common stock	72,821,919	3,737,475

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LIBERTY TRIPADVISOR HOLDINGS, INC.**Condensed Consolidated Balance Sheets****(unaudited)**

	<u>March 31,</u> <u>2023</u>	<u>December 31,</u> <u>2022</u>
	amounts in millions	
<i>Assets</i>		
Current assets:		
Cash and cash equivalents	\$ 1,163	1,053
Accounts receivable and contract assets, net of allowance for credit losses of \$24 million and \$28 million, respectively	210	205
Income taxes receivable	48	1
Other current assets	49	44
Total current assets	<u>1,470</u>	<u>1,303</u>
Property and equipment, net	99	103
Intangible assets not subject to amortization:		
Goodwill	2,202	2,200
Trademarks	728	726
	<u>2,930</u>	<u>2,926</u>
Intangible assets subject to amortization, net	114	112
Other assets, at cost, net of accumulated amortization	143	194
Total assets	<u>\$ 4,756</u>	<u>4,638</u>

(continued)

See accompanying notes to condensed consolidated financial statements.

LIBERTY TRIPADVISOR HOLDINGS, INC.
Condensed Consolidated Balance Sheets (Continued)
(unaudited)

	March 31, 2023	December 31, 2022
	amounts in millions	
<i>Liabilities and Equity</i>		
Current liabilities:		
Deferred merchant and other payables	\$ 345	242
Deferred revenue	81	44
Accrued liabilities and other current liabilities	338	248
Total current liabilities	764	534
Long-term debt, including \$258 million and \$237 million measured at fair value as of March 31, 2023 and December 31, 2022, respectively (note 5)	1,146	1,125
Deferred income tax liabilities	125	120
Financial instrument liabilities (note 4)	25	30
Series A Preferred Stock liability (note 6)	235	230
Other liabilities	275	337
Total liabilities	2,570	2,376
Equity:		
Series A common stock, \$.01 par value. Authorized 200,000,000 shares; issued and outstanding 72,821,919 shares at March 31, 2023 and 72,641,163 at December 31, 2022	1	1
Series B common stock, \$.01 par value. Authorized shares 7,500,000; issued and outstanding 3,737,475 shares at March 31, 2023 and 3,370,368 at December 31, 2022	—	—
Series C common stock, \$.01 par value. Authorized 200,000,000 shares; no shares issued.	—	—
Additional paid-in capital	281	287
Accumulated other comprehensive earnings (loss), net of taxes	—	9
Retained earnings (deficit)	(470)	(439)
Total stockholders' equity	(188)	(142)
Noncontrolling interests in equity of subsidiaries	2,374	2,404
Total equity	2,186	2,262
Commitments and contingencies (note 8)		
Total liabilities and equity	\$ 4,756	4,638

See accompanying notes to condensed consolidated financial statements.

LIBERTY TRIPADVISOR HOLDINGS, INC.
Condensed Consolidated Statements of Operations
(unaudited)

	Three months ended March 31,	
	2023	2022
	amounts in millions, except per share amounts	
Total revenue, net	\$ 371	262
Operating costs and expenses:		
Operating expense, including stock-based compensation (note 2)	97	76
Selling, general and administrative, including stock-based compensation (note 2)	270	183
Depreciation and amortization	21	25
	<u>388</u>	<u>284</u>
Operating income (loss)	(17)	(22)
Other income (expense):		
Interest expense	(16)	(17)
Dividend and interest income	11	—
Realized and unrealized gains (losses) on financial instruments, net	(8)	(12)
Other, net	(1)	(1)
	<u>(14)</u>	<u>(30)</u>
Earnings (loss) before income taxes	(31)	(52)
Income tax (expense) benefit	(57)	(1)
Net earnings (loss)	(88)	(53)
Less net earnings (loss) attributable to noncontrolling interests	(57)	(26)
Net earnings (loss) attributable to Liberty TripAdvisor Holdings, Inc. shareholders	<u>\$ (31)</u>	<u>(27)</u>
Basic net earnings (loss) attributable to Series A and Series B Liberty TripAdvisor Holdings, Inc. shareholders per common share (note 3):	\$ (0.41)	(0.36)
Diluted net earnings (loss) attributable to Series A and Series B Liberty TripAdvisor Holdings, Inc. shareholders per common share (note 3):	\$ (0.41)	(0.36)

See accompanying notes to condensed consolidated financial statements.

LIBERTY TRIPADVISOR HOLDINGS, INC.

Condensed Consolidated Statements of Comprehensive Earnings (Loss)

(unaudited)

	Three months ended	
	March 31,	
	2023	2022
	amounts in millions	
Net earnings (loss)	\$ (88)	(53)
Other comprehensive earnings (loss), net of taxes:		
Foreign currency translation adjustments	7	(5)
Credit risk on fair value debt instruments gains (loss)	(11)	4
Other comprehensive earnings (loss)	(4)	(1)
Comprehensive earnings (loss)	(92)	(54)
Less comprehensive earnings (loss) attributable to the noncontrolling interests	(52)	(30)
Comprehensive earnings (loss) attributable to Liberty TripAdvisor Holdings, Inc. shareholders	<u>\$ (40)</u>	<u>(24)</u>

See accompanying notes to condensed consolidated financial statements.

LIBERTY TRIPADVISOR HOLDINGS, INC.
Condensed Consolidated Statements of Cash Flows
(unaudited)

	Three months ended	
	March 31,	
	2023	2022
	amounts in millions	
Cash flows from operating activities:		
Net earnings (loss)	\$ (88)	(53)
Adjustments to reconcile net earnings (loss) to net cash provided by operating activities		
Depreciation and amortization	21	25
Stock-based compensation	23	22
Realized and unrealized (gains) losses on financial instruments, net	8	12
Deferred income tax expense (benefit)	6	(1)
Other charges (credits), net	6	9
Changes in operating assets and liabilities		
Current and other assets	(54)	(39)
Payables and other liabilities	212	110
Net cash provided (used) by operating activities	134	85
Cash flows from investing activities:		
Capital expended for property and equipment, including capitalized website development	(16)	(14)
Net cash provided (used) by investing activities	(16)	(14)
Cash flows from financing activities:		
Payment of withholding taxes on net share settlements of equity awards	(9)	(8)
Other financing activities, net	(2)	(2)
Net cash provided (used) by financing activities	(11)	(10)
Effect of foreign currency exchange rates on cash, cash equivalents and restricted cash	3	(4)
Net increase (decrease) in cash, cash equivalents and restricted cash	110	57
Cash, cash equivalents and restricted cash at beginning of period	1,053	760
Cash, cash equivalents and restricted cash at end of period	\$ 1,163	817

See accompanying notes to condensed consolidated financial statements.

LIBERTY TRIPADVISOR HOLDINGS, INC.

Condensed Consolidated Statements of Equity

(unaudited)

Stockholders' equity								
	Common Stock			Additional paid-in capital	Accumulated other comprehensive earnings (loss) amounts in millions	Retained earnings (deficit)	Noncontrolling interest in equity of subsidiaries	Total equity
	Series A	Series B	Series C					
Balance at January 1, 2023	\$ 1	—	—	287	9	(439)	2,404	2,262
Net earnings (loss)	—	—	—	—	—	(31)	(57)	(88)
Other comprehensive earnings (loss)	—	—	—	—	(9)	—	5	(4)
Stock-based compensation	—	—	—	6	—	—	19	25
Withholding taxes on net share settlements of stock-based compensation	—	—	—	(9)	—	—	—	(9)
Shares issued by subsidiary	—	—	—	(3)	—	—	3	—
Balance at March 31, 2023	<u>\$ 1</u>	<u>—</u>	<u>—</u>	<u>281</u>	<u>—</u>	<u>(470)</u>	<u>2,374</u>	<u>2,186</u>

Stockholders' equity								
	Common Stock			Additional paid-in capital	Accumulated other comprehensive earnings (loss) amounts in millions	Retained earnings (deficit)	Noncontrolling interest in equity of subsidiaries	Total equity
	Series A	Series B	Series C					
Balance at January 1, 2022	\$ 1	—	—	288	(21)	(469)	2,328	2,127
Net earnings (loss)	—	—	—	—	—	(27)	(26)	(53)
Other comprehensive earnings (loss)	—	—	—	—	3	—	(4)	(1)
Stock-based compensation	—	—	—	6	—	—	19	25
Withholding taxes on net share settlements of stock-based compensation	—	—	—	(8)	—	—	—	(8)
Shares issued by subsidiary	—	—	—	(2)	—	—	2	—
Balance at March 31, 2022	<u>\$ 1</u>	<u>—</u>	<u>—</u>	<u>284</u>	<u>(18)</u>	<u>(496)</u>	<u>2,319</u>	<u>2,090</u>

See accompanying notes to condensed consolidated financial statements.

LIBERTY TRIPADVISOR HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements
(unaudited)

(1) Basis of Presentation

The accompanying condensed consolidated financial statements include the accounts of Liberty TripAdvisor Holdings, Inc. and its controlled subsidiaries (collectively, "TripCo," "Consolidated TripCo," the "Company," "we," "us," or "our," unless the context otherwise requires). TripCo does not have any operations outside of its controlling interest in its subsidiary TripAdvisor, Inc. ("TripAdvisor").

The accompanying (a) condensed consolidated balance sheet as of December 31, 2022, which has been derived from audited financial statements, and (b) the interim unaudited condensed consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") for interim financial information and the instructions to Form 10-Q and Article 10 of Regulation S-X as promulgated by the Securities and Exchange Commission. Accordingly, they do not include all of the information and footnotes required by GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation of the results for such periods have been included. Additionally, certain prior period amounts have been reclassified for comparability with the current period presentation, none of which were material to the presentation of the accompanying unaudited condensed consolidated financial statements. The results of operations for any interim period are not necessarily indicative of results for the full year. These condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes for the year ended December 31, 2022 as presented in the Company's Annual Report on Form 10-K for the year ended December 31, 2022.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. The Company considers (i) recognition and recoverability of goodwill, intangible and long-lived assets and (ii) accounting for income taxes to be its most significant estimates.

TripAdvisor and the Company were negatively impacted by the risks and uncertainties related to the COVID-19 pandemic. TripAdvisor believes the travel, leisure, hospitality, and restaurant industries, and TripAdvisor's financial results, would be adversely and materially affected upon a resurgence of COVID-19 or the emergence of any new pandemic or other health crisis which could result in reinstated travel bans and/or other government restrictions and mandates, all of which would likely negatively impact consumer demand, sentiment and discretionary spending patterns.

Additionally, other health-related events, political instability, geopolitical conflicts, acts of terrorism, fluctuations in currency values, changes in global economic conditions, including the impact of a potential U.S. recession, and increased inflation are examples of other events that could have a negative impact on the travel industry, and, as a result, TripAdvisor's financial results in the future.

Consumer travel expenditures have historically followed a seasonal pattern. Correspondingly, travel partner advertising investments, and therefore TripAdvisor's revenue and operating profits, have also historically followed a seasonal pattern. TripAdvisor's financial performance tends to be seasonally highest in the second and third quarters of a given year, which includes the seasonal peak in consumer demand, including traveler accommodation stays, and travel experiences taken, compared to the first and fourth quarters, which represent seasonal low points. In addition, during the first half of the year, experience bookings typically exceed the amount of completed experiences, resulting in higher cash flow related to working capital, while during the second half of the year, particularly in the third quarter, this pattern reverses and cash flows from these transactions are typically negative.

Other factors may also impact typical seasonal fluctuations, including further significant shifts in TripAdvisor's business mix, adverse economic conditions, or health-related events.

On March 26, 2020, TripCo issued and sold 325,000 shares of TripCo's newly-created 8% Series A Cumulative Redeemable Preferred Stock, par value \$0.01 per share (the "Series A Preferred Stock"), for a purchase price of \$1,000

LIBERTY TRIPADVISOR HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements
(unaudited)

per share. On March 29, 2021 and April 6, 2021, TripCo repurchased a portion of the Series A Preferred Stock. See further discussion about the Series A Preferred Stock in note 7.

TripCo has entered into certain agreements, including the services agreement, the facilities sharing agreement and the tax sharing agreement, with Qurate Retail, Inc. (“Qurate Retail”) and/or Liberty Media Corporation (“Liberty Media”) (or certain of their subsidiaries).

Pursuant to the services agreement (except as described below in respect to Gregory B. Maffei), Liberty Media provides TripCo with general and administrative services including legal, tax, accounting, treasury and investor relations support. TripCo reimburses Liberty Media for direct, out-of-pocket expenses incurred by Liberty Media in providing these services and TripCo pays a services fee to Liberty Media under the services agreement that is subject to adjustment semi-annually, as necessary.

In December 2019, TripCo entered into an amendment to the services agreement with Liberty Media in connection with Liberty Media’s entry into a new employment arrangement with Gregory B. Maffei, TripCo’s Chairman, President and Chief Executive Officer. Under the amended services agreement, components of his compensation will either be paid directly to him by each of TripCo, Liberty Broadband Corporation, and Qurate Retail (collectively, the “Service Companies”) or reimbursed to Liberty Media, in each case, based on allocations among Liberty Media and the Service Companies set forth in the amended services agreement, currently set at 5% for the Company.

Under the facilities sharing agreement, TripCo shares office space with Liberty Media and related amenities at Liberty Media’s corporate headquarters in Englewood, Colorado.

The tax sharing agreement provides for the allocation and indemnification of tax liabilities and benefits between Qurate Retail and TripCo and other agreements related to tax matters.

Under these agreements, approximately \$1 million was reimbursable to Liberty Media for both of the three months ended March 31, 2023 and 2022.

(2) Stock-Based Compensation

TripCo Equity Awards

TripCo has granted to certain of its directors and employees restricted stock units (“RSUs”) and stock options to purchase shares of TripCo common stock (collectively, “Awards”). TripCo measures the cost of employee services received in exchange for an equity classified Award based on the grant-date fair value (“GDFV”) of the Award, and recognizes that cost over the period during which the employee is required to provide service (usually the vesting period of the Award). The Company measures the cost of employee services received in exchange for a liability classified Award based on the current fair value of the Award, and re-measures the fair value of the Award at each reporting date.

TripCo has calculated the GDFV for all of its equity classified options and any subsequent re-measurement of its liability classified options using the Black-Scholes-Merton model. TripCo estimates the expected term of the options based on historical exercise and forfeiture data. The volatility used in the calculation for options is based on the historical volatility of TripCo common stock. TripCo uses a zero dividend rate and the risk-free rate for Treasury Bonds with a term similar to that of the subject options.

LIBERTY TRIPADVISOR HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements
(unaudited)

Included in the accompanying condensed consolidated statements of operations are the following amounts of stock-based compensation, the majority of which relates to Tripadvisor as discussed below:

	Three months ended	
	March 31,	
	2023	2022
	amounts in millions	
Operating expense	\$ 10	9
Selling, general and administrative expense	13	13
	\$ 23	22

Stock-based compensation expense related to Tripadvisor was \$23 million and \$22 million for the three months ended March 31, 2023 and 2022, respectively.

TripCo - Outstanding Awards

The following table presents the number and weighted average exercise price (“WAEP”) of options to purchase TripCo common stock granted to certain officers, employees and directors of the Company, as well as the weighted average remaining contractual life and aggregate intrinsic value of the options.

	Series A in thousands	WAEP	Weighted average remaining contractual life in years	Aggregate intrinsic value in millions
Outstanding at January 1, 2023	1,102	\$ 6.65		
Granted	—	\$ —		
Exercised	—	\$ —		
Forfeited/Cancelled	—	\$ —		
Outstanding at March 31, 2023	1,102	\$ 6.65	3.9	\$ —
Exercisable at March 31, 2023	754	\$ 7.71	3.6	\$ —

As of March 31, 2023, there were 2.4 million Series B TripCo options outstanding and exercisable at a WAEP of \$21.93 and a weighted average remaining contractual life of 2.5 years. There were no grants, exercises, forfeitures or cancellations of Series B TripCo common stock during the three months ended March 31, 2023.

During the three months ended March 31, 2023, pursuant to an agreement among TripCo, Liberty Media Corporation and our CEO, TripCo granted 175 thousand performance-based RSUs of Series B TripCo common stock to our CEO and a cash award equal to \$656,250 in satisfaction of the annual grant pursuant to which he was entitled under his employment agreement. The RSUs had a GDFV of \$1.04 per share at the time they were granted. The RSUs and the cash award cliff vest one year from the month of grant, subject to the satisfaction of certain performance objectives. Performance objectives, which are subjective, are considered in determining the timing and amount of the compensation expense recognized. When the satisfaction of the performance objectives becomes probable, the Company records compensation expense. The probability of satisfying the performance objectives is assessed at the end of each reporting period.

As of March 31, 2023, the total unrecognized compensation cost related to unvested Awards was approximately \$2.9 million. Such amount will be recognized in the Company's condensed consolidated statements of operations over a weighted average period of approximately 1.4 years.

LIBERTY TRIPADVISOR HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements
(unaudited)

As of March 31, 2023, TripCo reserved 3.5 million shares of Series A and Series B common stock for issuance under exercise privileges of outstanding stock options.

Tripadvisor Equity Grant Awards

The following table presents the number and WAEP of the Awards to purchase Tripadvisor common stock (“TRIP common stock”) granted to certain officers, employees and directors of Tripadvisor.

	Tripadvisor stock options in thousands	WAEP	Weighted average remaining contractual life in years	Aggregate intrinsic value in millions
Outstanding at January 1, 2023	5,462	\$ 43.48		
Granted	100	\$ 22.49		
Cancelled or expired	(125)	\$ 42.92		
Outstanding at March 31, 2023	5,437	\$ 43.11	4.8	\$ 1
Exercisable at March 31, 2023	3,953	\$ 49.19	3.2	\$ —
Vested and expected to vest after March 31, 2023	5,292	\$ 43.54	4.7	\$ 1

The weighted average GDFV of options granted was \$11.16 per share for the three months ended March 31, 2023.

As of March 31, 2023, the total unrecognized compensation cost related to unvested Tripadvisor stock options was approximately \$12 million and will be recognized over a weighted average period of approximately 2.9 years. The total intrinsic value of stock options exercised was not material for both of the three months ended March 31, 2023 and 2022.

Additionally, during the three months ended March 31, 2023, Tripadvisor granted approximately 7 million units, and vested and released approximately 2 million units, which included primarily service-based RSUs, as well as a limited number of performance-based RSUs (“PSUs”) and market-based restricted stock units (“MSUs”) under the 2018 Stock and Annual Incentive Plan. The RSUs’ fair value was measured based on the quoted price of TRIP common stock at the date of grant. The estimated GDFV per PSU was measured based on the quoted price of TRIP common stock at the date of the grant, calculated upon the establishment of performance targets and will be amortized on a straight-line basis over the requisite service period. Based upon actual attainment relative to the target financial metrics, employees have the ability to receive up to 200% of the target number originally granted, or to be issued none at all. As the MSUs provide for vesting based upon Tripadvisor’s total shareholder return, or “TSR,” performance, the potential outcomes of future stock prices and TSR of Tripadvisor and the Nasdaq Composite Total Return Index, was used to calculate the GDFV of these awards. The weighted average GDFV for RSUs, PSUs and MSUs granted, vested and released, and cancelled during the three months ended March 31, 2023 was \$21.79 per share and \$32.17 per share, respectively. As of March 31, 2023, the total unrecognized compensation cost related to Tripadvisor RSUs, PSUs and MSUs was approximately \$306 million and will be recognized over a weighted average period of approximately 3.2 years.

(3) Earnings (Loss) Per Common Share (EPS)

Basic earnings (loss) per common share (“EPS”) is computed by dividing net earnings (loss) attributable to common shareholders by the weighted average number of common shares outstanding (“WASO”) for the period. Diluted EPS presents the dilutive effect on a per share basis of potential common shares as if they had been converted at the beginning

LIBERTY TRIPADVISOR HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements
(unaudited)

of the periods presented. Excluded from EPS for both of the three months ended March 31, 2023 and 2022 are 3 million of potential common shares due to stock options because their inclusion would be antidilutive.

	Liberty TripAdvisor Holdings Common Stock	
	Three months ended	
	March 31,	
	2023	2022
	number of shares in millions	
Basic WASO	76	76
Potentially dilutive shares ⁽¹⁾	2	1
Diluted WASO	78	77

(1) Potentially dilutive shares are excluded from the computation of diluted EPS during periods in which losses are reported since the result would be antidilutive.

(4) Assets and Liabilities Measured at Fair Value

For assets and liabilities required to be reported at fair value, GAAP provides a hierarchy that prioritizes inputs to valuation techniques used to measure fair value into three broad levels. Level 1 inputs are quoted market prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. Level 2 inputs are inputs, other than quoted market prices included within Level 1, that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability. The Company does not have any material recurring assets or liabilities measured at fair value that would be considered Level 3.

The Company's assets and liabilities measured at fair value are as follows:

Description	March 31, 2023			December 31, 2022		
	Total	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)	Total	Quoted prices in active markets for identical assets (Level 1)	Significant other observable inputs (Level 2)
	amounts in millions					
Cash equivalents	\$ 532	332	200	232	32	200
TripCo Exchangeable Senior Debentures due 2051	\$ 258	—	258	237	—	237
Financial instrument liabilities, net	\$ 16	—	16	18	—	18

As of March 31, 2023, Tripadvisor had \$200 million of term deposits with maturities of 90 days or less in major global financial institutions. Tripadvisor generally classifies cash equivalents and marketable securities, if any, within Level 1 and Level 2 as it values these financial instruments using quoted market prices (Level 1) or alternative pricing sources (Level 2). Fair values for Level 2 investments are considered Level 2 valuations because they are obtained from independent pricing sources for identical or comparable instruments, rather than direct observations of quoted prices in active markets.

The fair value of TripCo's 0.50% Exchangeable Senior Debentures due 2051 (the "Debentures") is based on quoted market prices but the Debentures are not considered to be traded on "active markets." Accordingly, they are reported in the foregoing table as Level 2 fair value.

LIBERTY TRIPADVISOR HOLDINGS, INC.
Notes to Condensed Consolidated Financial Statements
(unaudited)

On August 10, 2022, TripSPV, a wholly owned subsidiary of the Company, amended its variable prepaid forward contract (the “VPF”) with a financial institution with respect to 2.4 million shares of TRIP common stock held by the Company. Pursuant to the amendment, the VPF has a forward floor price of \$23.64 per share and a forward cap price of \$29.24 per share. The fair value of the VPF (Level 2) was \$9 million as of March 31, 2023 and is included in other assets, at cost, net of accumulated amortization in the condensed consolidated balance sheet.

As a result of the Repurchase Agreement, as described in note 6, TripCo determined the Series A Preferred Stock required liability treatment and needed to be bifurcated between a debt host and derivative (the “Preferred Stock Derivative”). The Preferred Stock Derivative was recorded at fair value upon the reclassification from temporary equity. Changes in the fair values of the VPF and Preferred Stock Derivative are recognized in realized and unrealized gains (losses) on financial instruments in the condensed consolidated statements of operations.

The fair value of the VPF and Preferred Stock Derivative were derived from a Black-Scholes-Merton model using observable market data as the significant inputs.

Other Financial Instruments

Other financial instruments not measured at fair value on a recurring basis include trade receivables, trade payables, accrued and other current liabilities, and long-term debt (excluding the Debentures). With the exception of debt, the carrying amount approximates fair value due to the short maturity of these instruments as reported on our condensed consolidated balance sheets. See note 5 for a description of the fair value of the Company’s fixed rate debt. See note 6 for a description of the fair value of the debt host component of the Company’s Preferred Stock Derivative.

Realized and Unrealized Gains (Losses) on Financial Instruments

Realized and unrealized gains (losses) on financial instruments are comprised of changes in the fair value of the following:

	Three months ended	
	March 31,	
	2023	2022
	amounts in millions	
TripCo Exchangeable Senior Debentures due 2051	\$ (10)	(8)
Financial instrument liabilities, net	2	(4)
	<u>\$ (8)</u>	<u>(12)</u>

The Company has elected to account for the Debentures using the fair value option. Changes in the fair value of the Debentures and financial instrument assets and liabilities recognized in the condensed consolidated statement of operations are primarily due to market factors primarily driven by changes in the fair value of the underlying shares of the financial instruments. The Company isolates the portion of the unrealized gain (loss) attributable to the change in the instrument specific credit risk and recognizes such amount in other comprehensive earnings (loss). The change in the fair value of the Debentures attributable to changes in the instrument specific credit risk was a loss of \$11 million and a gain of \$4 million for the three months ended March 31, 2023 and 2022, respectively. The cumulative change was a gain of \$32 million as of March 31, 2023.

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(5) Debt

Outstanding debt at March 31, 2023 and December 31, 2022 is summarized as follows:

	March 31, 2023	December 31, 2022
	amounts in millions	
TripCo Exchangeable Senior Debentures due 2051	\$ 258	237
TripCo variable prepaid forward	51	51
Tripadvisor Credit Facility	—	—
Tripadvisor Senior Notes due 2025	500	500
Tripadvisor Convertible Senior Notes due 2026	345	345
Deferred financing costs	(8)	(8)
Total consolidated TripCo debt	1,146	1,125
Debt classified as current	—	—
Total long-term debt	\$ 1,146	1,125

TripCo Exchangeable Senior Debentures due 2051

On March 25, 2021, TripCo issued \$300 million aggregate original principal amount of the Debentures. Pursuant to the terms of the offering, on March 31, 2021, the initial purchasers notified the Company of their intention to exercise the option to purchase \$30 million aggregate original principal amount of additional Debentures. The additional Debentures were issued on April 5, 2021. Upon an exchange of Debentures, TripCo, at its option, may deliver shares of TRIP common stock or the value thereof in cash or a combination of shares of TRIP common stock and cash. Initially, 14.3299 shares of TRIP common stock are attributable to each \$1,000 original principal amount of Debentures, representing an initial exchange price of approximately \$69.78 for each share of TRIP common stock. A total of approximately 4.7 million shares of TRIP common stock are attributable to the Debentures. Interest is payable quarterly on March 31, June 30, September 30 and December 31 of each year, commencing June 30, 2021. The Debentures may be redeemed by TripCo, in whole or in part, on or after March 27, 2025. Holders of Debentures also have the right to require TripCo to purchase their Debentures on March 27, 2025. The redemption and purchase price will generally equal 100% of the adjusted principal amount of the Debentures plus accrued and unpaid interest to the redemption date, plus any final period distribution. As of March 31, 2023, a holder of the Debentures does not have the ability to exchange and, accordingly, the Debentures are classified as long-term debt in the condensed consolidated balance sheet.

TripCo used a portion of the net proceeds from the sale of the Debentures to fund the cash portion of the purchase price for the repurchase of a portion of the Series A Preferred Stock (see note 6 below).

TripCo Variable Prepaid Forward

The VPF amendment executed in August 2022, as described in note 4, was accounted for as a modification for the debt component of the VPF. The VPF matures in November 2025. At maturity, the accreted loan amount due will be approximately \$57 million. As of March 31, 2023, 2.4 million shares of TRIP common stock, with a value of approximately \$48 million, were pledged as collateral pursuant to the VPF contract.

Tripadvisor Credit Facility

Tripadvisor is party to a credit agreement with a group of lenders, initially entered into in June 2015 (as amended, the "Credit Agreement"), which, among other things, provides for a \$500 million secured revolving credit facility (the "Credit Facility") with a maturity date of May 12, 2024. As of March 31, 2023 and December 31, 2022, Tripadvisor had no outstanding borrowings under the Credit Facility and had issued \$4 million of undrawn standby letters of credit under the Credit Facility.

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Tripadvisor may borrow from the Credit Facility in U.S. dollars and Euros. In addition, Tripadvisor's Credit Facility includes \$15 million of borrowing capacity available for letters of credit and \$40 million for Swing Line borrowings on same-day notice. The Credit Facility, among other things, requires Tripadvisor to maintain a maximum leverage ratio and contains certain customary affirmative covenants and events of default, including a change of control.

Tripadvisor amended the Credit Facility during 2020 to, among other things, suspend the leverage ratio covenant for quarterly testing of compliance beginning in the second quarter of 2020, replacing it with a minimum liquidity covenant through June 30, 2021 (requiring Tripadvisor to maintain \$150 million of unrestricted cash, cash equivalents and short-term investments less deferred merchant payables plus available revolver capacity), until the earlier of (a) the first day after June 30, 2021 through maturity on which borrowings and other revolving credit utilizations under the revolving commitments exceed \$200 million, and (b) the election of Tripadvisor, at which time the leverage ratio covenant will be reinstated (the "Leverage Covenant Holiday").

Tripadvisor remained in the Leverage Covenant Holiday as of March 31, 2023. Based on Tripadvisor's existing leverage ratio, any outstanding or future borrowings under the Credit Facility generally bear interest, at Tripadvisor's option, at a rate per annum equal to either (i) the Eurocurrency Borrowing rate, or the adjusted London Inter-Bank Offered Rate ("LIBOR rate") for the interest period in effect for such borrowing; plus an applicable margin ranging from 1.25% to 2.00% with a LIBOR rate floor of 1.00% per annum; or (ii) the Alternate Base Rate ("ABR") Borrowing, which is the greatest of (a) the Prime Rate in effect on such day, (b) the New York Fed Bank Rate in effect on such day plus 1/2 of 1.00% per annum, and (c) the Adjusted LIBOR Rate (or LIBOR rate multiplied by the Statutory Reserve Rate) for an interest period of one month plus 1.00%; in addition to an applicable margin ranging from 0.25% to 1.00%. In addition, based on Tripadvisor's existing leverage ratio, it is required to pay a quarterly commitment fee, at an applicable rate ranging from 0.15% to 0.30% as of March 31, 2023, on the daily unused portion of the Credit Facility for each fiscal quarter during the Leverage Covenant Holiday and in connection with the issuance of letters of credit.

2025 Senior Notes

On July 9, 2020, Tripadvisor completed the sale of \$500 million aggregate principal amount of 7.0% senior notes due 2025 (the "2025 Senior Notes") pursuant to a purchase agreement, dated July 7, 2020, among Tripadvisor, the guarantors party thereto and the initial purchasers party thereto in a private offering to qualified institutional buyers. The 2025 Senior Notes were issued pursuant to an indenture, dated July 9, 2020 (the "2025 Indenture"), among Tripadvisor, the guarantors and the trustee. The 2025 Indenture provides, among other things, that interest is payable on the 2025 Senior Notes semiannually on January 15 and July 15 of each year, and continues until their maturity date of July 15, 2025. The 2025 Senior Notes are senior unsecured obligations of Tripadvisor and are guaranteed by certain of Tripadvisor's domestic subsidiaries.

As of March 31, 2023, Tripadvisor estimated the fair value of its outstanding 2025 Senior Notes to be approximately \$503 million and considered the Senior Notes to be a "Level 2" fair value measurement. The estimated fair value of the 2025 Senior Notes was based on recently reported market transactions and/or prices for identical or similar financial instruments obtained from a third-party pricing source.

2026 Convertible Senior Notes

On March 25, 2021, Tripadvisor entered into a purchase agreement for the sale of \$300 million aggregate principal amount of 0.25% Convertible Senior Notes due 2026 (the "2026 Convertible Senior Notes") in a private offering to qualified institutional buyers. The 2026 Convertible Senior Notes included an over-allotment option that provided the initial purchasers of the 2026 Convertible Senior Notes with the option to purchase an additional \$45 million aggregate principal amount of the 2026 Convertible Senior Notes; such over-allotment option was fully exercised. In connection with the issuance of the 2026 Convertible Senior Notes, Tripadvisor entered into an Indenture, dated March 25, 2021 (the "2026 Indenture"), among Tripadvisor, the guarantors party thereto and the trustee. The terms of the 2026 Convertible Senior Notes are governed by the 2026 Indenture. The 2026 Convertible Senior Notes mature on April 1, 2026, unless earlier

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converted, redeemed, or repurchased. The 2026 Convertible Senior Notes are senior unsecured obligations of Tripadvisor, although guaranteed by certain of Tripadvisor's domestic subsidiaries, with interest payable semiannually in arrears on April 1 and October 1 of each year. As of March 31, 2023 and December 31, 2022, unpaid interest on Tripadvisor's 2026 Senior Notes was not material.

The initial conversion rate for the 2026 Convertible Senior Notes is 13.5483 shares of TRIP common stock per \$1,000 principal amount of 2026 Convertible Senior Notes, which is equivalent to an initial conversion price of approximately \$73.81 per share of TRIP common stock, or approximately 4.7 million shares of TRIP common stock, subject to adjustment upon the occurrence of certain specified events as set forth in the 2026 Indenture. Upon conversion, Tripadvisor may choose to pay or deliver, as the case may be, cash, shares of TRIP common stock or a combination of cash and shares of TRIP common stock.

As of March 31, 2023, Tripadvisor estimated the fair value of its outstanding 2026 Convertible Senior Notes to be approximately \$283 million and considered the 2026 Convertible Senior Notes to be a "Level 2" fair value measurement. The estimated fair value of the 2026 Convertible Senior Notes was based on recently reported market transactions and/or prices for identical or similar financial instruments obtained from a third-party pricing source.

Capped Call Transactions

In connection with the issuance of the 2026 Convertible Senior Notes, Tripadvisor entered into privately negotiated capped call transactions (the "Capped Calls") with certain of the initial purchasers of the 2026 Convertible Senior Notes and/or their respective affiliates and/or other financial institutions (the "Option Counterparties") at a cost of approximately \$35 million. The Capped Calls are separate transactions entered into by Tripadvisor with each of the Option Counterparties, and are not part of the terms of the 2026 Convertible Senior Notes and therefore will not affect any noteholder's rights under the 2026 Convertible Senior Notes. Noteholders will not have any rights with respect to the Capped Calls.

The Capped Calls cover, subject to anti-dilution adjustments substantially similar to those applicable to the conversion rate of the 2026 Convertible Senior Notes, the number of shares of TRIP common stock initially underlying the 2026 Convertible Senior Notes, or up to approximately 4.7 million shares of TRIP common stock. The Capped Calls are expected generally to reduce potential dilution to the TRIP common stock upon any conversion of 2026 Convertible Senior Notes and/or offset any potential cash payments Tripadvisor is required to make in excess of the principal amount of such converted 2026 Convertible Senior Notes, as the case may be, with such reduction and/or offset subject to a cap. The strike price of the Capped Calls is \$73.81 per share of TRIP common stock, while the cap price of the Capped Calls will initially be \$107.36 per share of TRIP common stock, which represents a premium of 100% over the last reported sale price of TRIP common stock of \$53.68 per share on March 22, 2021, and is subject to certain customary adjustments under the terms of the Capped Calls.

The Capped Calls are considered indexed to Tripadvisor's own stock and are considered equity under GAAP. The Capped Calls are reported as a reduction to additional paid-in-capital and noncontrolling interest in equity of subsidiaries within stockholders' equity as of March 31, 2023 and December 31, 2022.

Debt Covenants

As of March 31, 2023, Tripadvisor was in compliance with its debt covenants.

(6) Redeemable Preferred Stock

On March 15, 2020, TripCo and Gregory B. Maffei entered into an Investment Agreement (the "Investment Agreement") with Certares Holdings LLC, Certares Holdings (Blockable) LLC and Certares Holdings (Optional) LLC with respect to an investment in TripCo's Series A Preferred Stock, which was later assigned to Certares LTRIP LLC ("Certares" or the "Purchaser"). Pursuant to the assigned Investment Agreement, on March 26, 2020, TripCo issued

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325,000 shares of Series A Preferred Stock to Certares for a purchase price of \$1,000 per share.

On March 22, 2021, TripCo and Certares entered into a stock repurchase agreement (the “Repurchase Agreement”). Pursuant to the Repurchase Agreement, on March 29, 2021, TripCo repurchased 126,921 shares of Series A Preferred Stock, and on April 6, 2021, TripCo purchased an additional 10,665 shares of Series A Preferred Stock from Certares. The aggregate consideration for the Series A Preferred Stock consisted of a combination of (i) approximately \$281 million in cash from a portion of the net proceeds of the Debentures (as discussed in note 5), \$252 million of which was paid on March 29, 2021 and \$29 million of which was paid on April 6, 2021, and (ii) approximately \$92 million aggregate value of TRIP common stock, owned by TripCo, consisting of 1,713,859 shares (a non-cash transaction). The price per share of Series A Preferred Stock was determined by multiplying (a) \$1,000 by (b) an accretion factor with respect to the TRIP common stock (determined based on the Accretion Factor formula set forth in the Certificate of Designations of the Series A Preferred Stock (the “Certificate of Designations”) as modified to use the closing price of a share of TRIP common stock on the date of the pricing of the Debentures instead of using the Reference Stock VWAP (as defined in the Certificate of Designations)). Following both closings under the Repurchase Agreement, TripCo repurchased a total of 137,586 shares of Series A Preferred Stock from Certares, representing 42% of the Series A Preferred Stock originally held by Certares, for an aggregate value of approximately \$373 million.

There were 187,414 shares of Series A Preferred Stock authorized, issued and outstanding at March 31, 2023 and December 31, 2022.

Priority

The Series A Preferred Stock ranks senior to the shares of TripCo common stock, with respect to dividend rights, rights of redemption and rights on the distribution of assets on any voluntary or involuntary liquidation, dissolution or winding up of the affairs of TripCo. The Series A Preferred Stock has a liquidation value equal to the sum of (i) \$1,000, plus (ii) all unpaid dividends (whether or not declared) accrued with respect to such share.

Voting and Convertibility

Holders of Series A Preferred Stock are not entitled to any voting powers, except as otherwise specified in the Certificate of Designations or as required by Delaware law. Shares of Series A Preferred Stock are not convertible into TripCo common stock.

Dividends

Dividends on each share of Series A Preferred Stock accrue on a daily basis at a rate of 8.00% of the liquidation value and are payable annually, commencing after March 26, 2020. Dividends on each share of Series A Preferred Stock may be paid, at TripCo’s election, in cash, shares of the Company’s Series A common stock (“LTRPA”), or, at the election of the Purchaser, shares of the Company’s Series C common stock (“LTRPK”), provided, in each case, such shares are listed on a national securities exchange and are actively traded (such LTRPK shares, together with the LTRPA shares, the “Eligible Common Stock”), or a combination of cash and Eligible Common Stock. If a dividend is not declared and paid on the dividend payment date, the dividend amount will be added to the then-applicable liquidation price of the Series A Preferred Stock.

Redemption

The Company is required to redeem for cash shares of Series A Preferred Stock on the earlier of (i) the first business day after the fifth anniversary of March 26, 2020, or (ii) subject to certain exceptions, a change in control of TripCo. The “Redemption Price” in a mandatory redemption will equal the greater of (i) the sum of the liquidation value on the redemption date, plus all unpaid dividends accrued since the last dividend date, and (ii) the product of the (x) initial liquidation value, multiplied by (y) an accretion factor (determined based on a formula set forth in the Certificate of Designations) with respect to the TRIP common stock, less (z) the aggregate amount of all dividends paid in cash or shares

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of Eligible Common Stock from March 26, 2020 through the applicable redemption date.

Put Right

Following March 26, 2021, during certain periods, the Purchaser had the right to cause TripCo to redeem all of the outstanding shares of Series A Preferred Stock at the Redemption Price for, at the election of TripCo, cash, shares of Eligible Common Stock, shares of TRIP common stock or any combination of the foregoing, subject to certain limitations (the "Put Option"). The Company evaluated the Put Option as an embedded derivative and determined it was not required to be bifurcated. As a result of the Repurchase Agreement, Certares has permanently waived the Put Option.

TripCo Call Right

Pursuant to the Repurchase Agreement, beginning March 27, 2024, TripCo has the option, from time to time, to call and repurchase any and all of the outstanding shares of the Series A Preferred Stock at the optional repurchase price (the "Call Right"), which is the greater of (x) the sum of the liquidation value of a share of Series A Preferred Stock as of the optional repurchase date plus all unpaid dividends accrued on such share from the most recent dividend payment date through such optional repurchase date and (y) (i) the initial liquidation value of such share of Series A Preferred Stock as of the original issue date multiplied by an accretion factor with respect to the TRIP common stock (determined based on the Accretion Factor formula set forth in the Certificate of Designations as modified such that the Reference Stock VWAP is determined as of the date that is two business days prior to the date of TripCo's notice of repurchase) minus (ii) all dividends paid in cash or shares of Eligible Common Stock on such share through the optional repurchase date.

Restriction on transfer of Series A Preferred Stock

Subject to exceptions contained in the Investment Agreement and the Repurchase Agreement, the shares of Series A Preferred Stock generally are non-transferable; provided that TripCo has agreed not to unreasonably withhold its consent to certain transfers of up to 49% of the remaining Series A Preferred Shares outstanding following the repurchases from Certares under the Repurchase Agreement (so long as there are no more than six holders of the Series A Preferred Stock at any one time). Any transferee of shares of Series A Preferred Stock must agree to the permanent waiver of the Put Option, to the permanent waiver of the right to appoint the Series A Preferred Threshold Director (as such term is defined in the Certificate of Designations and described in the Repurchase Agreement) and to the Call Right.

Recognition

Prior to the partial redemption, as the Series A Preferred Stock was redeemable and the redemption triggers were outside of TripCo's control, the Company was required to classify the shares outside of permanent equity. The Company calculated the carrying value of the Series A Preferred Stock pursuant to the Redemption Price calculation, and any changes in the carrying value of the Series A Preferred Stock were recorded directly to retained earnings. Immediately prior to the partial redemption, the Company recognized a \$410 million decrease to retained earnings related to the value of the Series A Preferred Stock. As a result of the Repurchase Agreement, the Series A Preferred Stock may no longer be settled in shares of TripCo or TRIP common stock and the Purchaser no longer has the ability to participate on the TripCo board purely through ownership of Series A Preferred Stock. Following an evaluation of the accounting impact of these changes, we concluded the Series A Preferred Stock is a debt host with an equity-indexed derivative that is required to be bifurcated. Accordingly, the Series A Preferred Stock was required to be measured at fair value, through retained earnings, in connection with the reclassification from temporary equity to a liability. The fair value of the Series A Preferred Stock was estimated to be \$40 million lower than its redemption value and such amount was recorded as an increase to retained earnings. The debt host component is included in the preferred stock liability on the condensed consolidated balance sheet and will be accreted through interest expense to the amount to be paid upon settlement. The Preferred Stock Derivative is included in financial instrument liabilities at fair value in the condensed consolidated balance sheet. As of March 31, 2023, the estimated fair value of the debt host component was \$213 million, based on the present value of the liquidation price on the redemption date (Level 2). The Preferred Stock Derivative is included in financial instrument liabilities at fair value

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in the condensed consolidated balance sheets.

(7) Stockholders' Equity

Preferred Stock

TripCo's preferred stock is issuable, from time to time, with such powers, designations, preferences and relative, participating, optional or other rights and qualifications, limitations or restrictions thereof, as shall be stated and expressed in a resolution or resolutions providing for the issue of such preferred stock adopted by TripCo's Board of Directors. See note 6 for a description of TripCo's Series A Preferred Stock.

Common Stock

Series A common stock entitles the holders to one vote per share, Series B common stock entitles the holders to ten votes per share and Series C common stock, except as otherwise required by applicable law, entitles the holder to no voting rights. As of March 31, 2023, no shares of Series C common stock have been issued. All series of TripCo common stock participate on an equal basis with respect to dividends and distributions.

Subsidiary Purchases of Common Stock

As of March 31, 2023, Tripadvisor had approximately \$75 million remaining available to repurchase shares of its common stock under its share repurchase program.

(8) Commitments and Contingencies

Litigation

In the ordinary course of business, the Company and its subsidiaries are parties to legal proceedings and claims arising out of our operations. These matters may relate to claims involving patent and intellectual property rights (including alleged infringement of third-party intellectual property rights), tax matters (including value-added, excise, transient occupancy and accommodation taxes), regulatory compliance (including competition and consumer matters), defamation and other claims. Although it is reasonably possible that the Company may incur losses upon conclusion of such matters, an estimate of any loss or range of loss cannot be made. In the opinion of management, it is expected that amounts, if any, which may be required to satisfy such contingencies will not be material in relation to the accompanying condensed consolidated financial statements.

Income Tax Matters

Tripadvisor had received Notices of Proposed Adjustments from the IRS for the 2009, 2010, and 2011 tax years relating to certain transfer pricing arrangements with its foreign subsidiaries. In response, Tripadvisor had requested competent authority assistance under the Mutual Agreement Procedure ("MAP") for the 2009 through 2011 tax years. In January 2023, Tripadvisor received a final notice from the IRS regarding a MAP settlement for the 2009 through 2011 tax years, which Tripadvisor accepted in February 2023. In the first quarter of 2023, Tripadvisor recorded additional income tax expense as a discrete item, inclusive of interest, of \$31 million specifically related to this settlement. Tripadvisor reviewed the impact of the acceptance of this settlement position against its existing transfer pricing income tax reserves for the subsequent tax years during the first quarter of 2023, which resulted in incremental income tax expense, inclusive of estimated interest, of \$24 million. The total impact of these adjustments resulted in an incremental income tax expense of \$55 million for the three months ended March 31, 2023.

As of December 31, 2022, Tripadvisor had recorded \$204 million of unrecognized tax benefits, inclusive of interest, classified as other liabilities on the condensed consolidated balance sheet. As a result of Tripadvisor's acceptance of MAP with the IRS for the years 2009 through 2011, and its impact on other ongoing IRS audits, as described above, Tripadvisor reduced this unrecognized tax benefits liability by \$59 million during the three months ended March 31, 2023, while

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increasing its current income taxes payable by \$109 million, representing a short-term payment obligation to the IRS, and increasing its current income taxes receivable balance by \$46 million, representing short-term competent authority relief, or payment due from a foreign jurisdiction. In addition, Tripadvisor reduced its long-term income taxes receivable, previously recorded to other assets on the condensed consolidated balance sheet as of December 31, 2022, by \$45 million, which represented Tripadvisor's previous estimate of competent authority relief.

(9) Segment Information

TripCo, through its ownership interests in Tripadvisor, is primarily engaged in the online commerce industries. TripCo identifies its reportable segments as (A) those operating segments that represent 10% or more of its consolidated annual revenue, annual adjusted operating income before depreciation and amortization ("Adjusted OIBDA") or total assets and (B) those equity method affiliates whose share of earnings represent 10% or more of TripCo's annual pre-tax earnings.

TripCo evaluates performance and makes decisions about allocating resources to its operating segments based on financial measures such as revenue, Adjusted OIBDA, gross margin, and revenue or sales per customer equivalent. In addition, TripCo reviews nonfinancial measures such as unique website visitors, conversion rates and active customers, as appropriate.

We have three reportable segments: (1) Tripadvisor Core; (2) Viator; and (3) TheFork.

- Tripadvisor Core – This segment includes Tripadvisor-branded hotels revenue, which consists of hotel meta revenue, primarily click-based advertising revenue, and hotel B2B revenue, which includes primarily subscription-based advertising and hotel sponsored placements revenue; Tripadvisor-branded display and platform revenue, which consists primarily of display-based advertising revenue; Tripadvisor experiences and dining revenue, which consists of intercompany (intersegment) revenue related to affiliate marketing commissions earned from experience and restaurant reservation bookings on Tripadvisor-branded websites and mobile apps, fulfilled by Viator and TheFork, respectively; as well as other revenue, which consists of cruises, alternative accommodation rentals, flights and rental car revenue.
- Viator – Tripadvisor provides information and services for consumers to research and book tours, activities and experiences in popular travel destinations through Viator.
- TheFork – Tripadvisor provides information and services for consumers to research and book restaurants in popular travel destinations through this dedicated restaurant reservations offering.

The segment disclosure includes intersegment revenues, which consist of affiliate marketing fees for services provided by the Tripadvisor Core segment to both the Viator and TheFork segments. These intersegment transactions are recorded by each segment at amounts that approximate fair value as if the transactions were between third parties, and therefore, impact segment performance. However, the revenue and corresponding expense are eliminated in consolidation. The elimination of such intersegment transactions is included within Corporate and eliminations in the tables below.

Performance Measures

Tripadvisor disaggregates revenue from contracts with customers into major products/revenue sources. Tripadvisor has determined that disaggregating revenue into these categories achieves the disclosure objective to depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. Revenue is recognized primarily at a point in time for all reported segments.

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Major Products/Revenue Sources:	Three months ended	
	March 31,	
	2023	2022
	amounts in millions	
Tripadvisor Core		
Tripadvisor-branded hotels	\$ 168	135
Tripadvisor-branded display and platform	30	26
Tripadvisor experiences and dining	33	20
Other	13	10
Total Tripadvisor Core	244	191
Viator	115	56
TheFork	35	26
Intersegment eliminations	(23)	(11)
Total Revenue	\$ 371	262

The following table provides information about the balances of accounts receivable and contract assets, net of allowance for credit losses, from contracts with customers:

	March 31, 2023	December 31, 2022
	amounts in millions	
Accounts receivable	\$ 175	173
Contract assets	35	32
Total	\$ 210	205

Accounts receivable are recognized when the right to consideration becomes unconditional. Contract assets are rights to consideration in exchange for services that Tripadvisor has transferred to a customer when that right is conditional on something other than the passage of time, such as commission payments that are contingent upon the completion of the service by the principal in the transaction.

Contract liabilities generally include payments received in advance of performance under the contract, and are realized as revenue as the performance obligation to the customer is satisfied, which Tripadvisor presents as deferred revenue on its consolidated balance sheets. As of January 1, 2023, Tripadvisor had \$44 million recorded as deferred revenue on its condensed consolidated balance sheet, of which \$28 million was recognized as revenue and \$2 million was refunded due to cancellations by travelers during the three months ended March 31, 2023. As of January 1, 2022, Tripadvisor had \$36 million recorded as deferred revenue in the condensed consolidated balance sheet, of which \$18 million was recognized as revenue and \$2 million was refunded due to cancellations by travelers during the three months ended March 31, 2022.

For segment reporting purposes, TripCo defines Adjusted OIBDA as revenue less operating expenses, and selling, general and administrative expenses (excluding stock-based compensation), adjusted for specifically identified non-recurring transactions. TripCo believes this measure is an important indicator of the operational strength and performance of its businesses, by identifying those items that are not directly a reflection of each business' performance or indicative of ongoing business trends. In addition, this measure allows management to view operating results, and perform analytical comparisons and benchmarking between businesses and identify strategies to improve performance. This measure of performance excludes depreciation and amortization, equity settled liabilities (including stock-based compensation), separately reported litigation settlements and restructuring and impairment charges that are included in the measurement of operating income pursuant to GAAP. Accordingly, Adjusted OIBDA should be considered in addition to, but not as a

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substitute for, operating income, net income, cash flow provided by operating activities and other measures of financial performance prepared in accordance with GAAP. TripCo generally accounts for intersegment sales and transfers as if the sales or transfers were to third parties, that is, at current prices.

Adjusted OIBDA is summarized as follows:

	Three months ended March 31,	
	2023	2022
	amounts in millions	
Tripadvisor Core	\$ 72	55
Viator	(30)	(20)
TheFork	(9)	(8)
Corporate and eliminations	(3)	(2)
Consolidated TripCo	<u>\$ 30</u>	<u>25</u>

In addition, we do not report assets, capital expenditures and related depreciation expense by segment as our Chief Operating Decision Maker (“CODM”) does not use this information to evaluate operating segments. Accordingly, we do not regularly provide such information by segment to our CODM.

The following table provides a reconciliation of Adjusted OIBDA to Operating income (loss) and Earnings (loss) before income taxes:

	Three months ended	
	March 31,	
	2023	2022
	amounts in millions	
Adjusted OIBDA	\$ 30	25
Stock-based compensation	(23)	(22)
Depreciation and amortization	(21)	(25)
Non-recurring expenses ⁽¹⁾	(3)	—
Operating income (loss)	(17)	(22)
Interest expense	(16)	(17)
Dividend and interest income	11	—
Realized and unrealized gains (losses), net	(8)	(12)
Other, net	(1)	(1)
Earnings (loss) before income taxes	<u>\$ (31)</u>	<u>(52)</u>

- (1) Tripadvisor expensed \$3 million of previously capitalized transaction costs during the three months ended March 31, 2023 to selling, general and administrative, including stock-based compensation on the condensed consolidated statement of operations. Tripadvisor considers such costs to be non-recurring in nature.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Certain statements in this Quarterly Report on Form 10-Q constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding our business and marketing strategies; the impacts of the coronavirus pandemic ("COVID-19") and other distinct health-related events; political instability; geopolitical conflicts; acts of terrorism; changes in global economic conditions, including the impact of a potential U.S. recession on consumer demand; increased inflation; covenant compliance; our projected sources and uses of cash; anticipated debt obligations; fluctuations in interest rates and foreign exchange rates; and the anticipated impact of certain contingent liabilities related to tax rules and other matters arising in the ordinary course of business. Forward-looking statements inherently involve many risks and uncertainties that could cause actual results to differ materially from those projected in these statements. Where, in any forward-looking statement, we express an expectation or belief as to future results or events, such expectation or belief is expressed in good faith and believed to have a reasonable basis, but such statements necessarily involve risks and uncertainties and there can be no assurance that the expectation or belief will result or be achieved or accomplished. The following include some but not all of the factors that could cause actual results or events to differ materially from those anticipated:

- our ability to obtain cash in amounts sufficient to service our financial obligations and other commitments due to the fact we are a holding company;
- our ability to access the cash that Tripadvisor, Inc. ("Tripadvisor") generates from its operating activities;
- the ability of our Company and Tripadvisor to obtain additional financing, or refinance our existing indebtedness, on acceptable terms;
- the existence of our 8% Series A Cumulative Redeemable Preferred Stock, par value \$0.01 per share (the "Series A Preferred Stock"), and its rights, preferences and privileges that are not held by, and are preferential to, the rights of our common stockholders;
- our ability to realize the full value of our intangible assets;
- the direct and indirect impacts of COVID-19, including existing or future variants;
- declines or interruptions in the worldwide travel industry, including health concerns (including pandemics and epidemics), natural disasters, cyber-attacks, technology system failures, terrorist attacks, civil or political unrest or other events outside Tripadvisor's control;
- Tripadvisor's ability to attract a significant amount of visitors and cost-effectively convert these visitors into revenue-generating consumers;
- failure of internet search engines and application marketplaces to continue to prominently display links to Tripadvisor's websites;
- Tripadvisor's performance marketing efficiency and the general effectiveness of its advertising and marketing efforts;
- reduction in spending by advertisers on Tripadvisor's platforms or the loss of Tripadvisor's significant travel partners;
- Tripadvisor's failure to maintain, protect or enhance its brands;
- the ability of Tripadvisor to offer compelling products on mobile devices or continue to operate effectively on such platforms;
- declines or disruptions in the economy in general and in the travel industry in particular;
- failure of Tripadvisor to effectively compete in the global environment in which it operates;
- Tripadvisor's failure to adapt to technological developments or industry trends;
- the ability of Tripadvisor to innovate and provide products, services and features that are useful to consumers;
- Tripadvisor's potential for prioritizing rapid innovation and consumer experience over short-term financial results;
- the ability of Tripadvisor to maintain a quality of traffic in its network to provide value to its travel partners;
- real or perceived inaccuracies of the assumptions and estimates and data Tripadvisor relies on to calculate certain of its key metrics;
- the ability of Tripadvisor to hire, retain and motivate the highly skilled personnel on which it relies;

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- disruptions resulting from any acquisitions, investments, significant commercial arrangements and/or new business strategies;
- risks due to Tripadvisor operating in many jurisdictions inside and outside the U.S.;
- claims, lawsuits, government investigations and other proceedings to which Tripadvisor and our Company may be subject, whether in the ordinary course of business or otherwise;
- the ability of Tripadvisor to protect its intellectual property from copying or use by others;
- risks due to Tripadvisor's processing, storage and use of personal information and other data;
- risks associated with the facilitation of payments from consumers, including fraud and compliance with evolving rules and regulations and reliance on third parties;
- risks resulting from system security issues, data protection breaches, cyberattacks and system outage issues;
- Tripadvisor's indebtedness and the resulting impacts on its business and financial condition;
- limitations imposed by the various covenants in Tripadvisor's credit facilities and indenture;
- risks related to the 2026 Convertible Senior Notes (defined in note 5 to the accompanying condensed consolidated financial statements) and the associated capped calls;
- fluctuation of Tripadvisor's financial results;
- factors that determine Tripadvisor's effective income tax rate;
- changes in tax laws that affect Tripadvisor or the examination of Tripadvisor's tax positions;
- changes in the tax treatment of companies engaged in e-commerce;
- challenges by tax authorities in the jurisdictions where Tripadvisor operates;
- fluctuation in foreign currency exchange rates which affect Tripadvisor; and
- risks associated with our stock price being disproportionately affected by the results of operations of Tripadvisor and developments in its business.

For additional risk factors, please see Part I, Item 1A, Risk Factors of the Annual Report on Form 10-K for the year ended December 31, 2022. These forward-looking statements and such risks, uncertainties and other factors speak only as of the date of this Quarterly Report, and we expressly disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein, to reflect any change in our expectations with regard thereto, or any other change in events, conditions or circumstances on which any such statement is based.

The following discussion and analysis provides information concerning our results of operations and financial condition. This discussion should be read in conjunction with our accompanying condensed consolidated financial statements and the notes thereto.

Overview

The accompanying financial statements and the other information herein refer to Liberty TripAdvisor Holdings, Inc. and its controlled subsidiaries as "TripCo," "Consolidated TripCo," the "Company," "us," "we" and "our" unless the context otherwise requires. We own an approximate 21% economic interest and 56% voting interest in Tripadvisor as of March 31, 2023. All significant intercompany accounts and transactions have been eliminated in the accompanying condensed consolidated financial statements.

On March 15, 2020, TripCo entered into an agreement with Certares LTRIP LLC, with respect to 325,000 shares of TripCo's newly-created Series A Preferred Stock. On March 29, 2021 and April 6, 2021, TripCo repurchased a portion of the Series A Preferred Stock. See note 6 to the accompanying condensed consolidated financial statements.

Trends

The online travel industry in which Tripadvisor operates is large, highly dynamic and competitive. Current trends affecting Tripadvisor's overall business and reportable segments, including uncertainties that may impact its ability to execute on its objectives and strategies, are described below. Health-related events, such as a pandemic, political instability, geopolitical conflicts, acts of terrorism, fluctuations in currency values, changes in global economic conditions, including the impact of a potential U.S. recession, and increased inflation, are examples of other events that could have a negative impact on the travel industry, and as a result, Tripadvisor's financial results in the future.

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Consolidated revenue for the three months ended March 31, 2023 was \$371 million, an increase of 42%, when compared to the same period in 2022. In the first quarter of 2023, Tripadvisor continued to observe strong consumer travel demand for its products and services in its core geographies of North America and Europe across all reportable segments. During the first quarter of 2022, Tripadvisor experienced a significant negative impact from the COVID-19 Omicron variant across its business, which also contributed to the year-over-year revenue growth during the first quarter of 2023. Asia-Pacific, which represents a small portion of Tripadvisor's overall business, has been slower to recover due to longer and sustained travel restrictions as a result of the COVID-19 pandemic. However, in the first quarter of 2023, travel restrictions across Asia began to ease relative to 2022, contributing to increased year-over-year revenue growth within this region.

In response to increased consumer travel demand across all segments, Tripadvisor continued to increase its performance marketing investments during the first quarter of 2023. In Tripadvisor Core, Tripadvisor continued to observe strong performance in hotel meta primarily driven by increased cost-per-click ("CPC") pricing. This environment continued to allow Tripadvisor to increase performance marketing at a profitable return on advertising spend, while its direct traffic, including search engine optimization ("SEO") or free traffic, continued to be slower to recover. Prior to Google introducing changes to its search engine results page, Tripadvisor generated a significant amount of direct traffic from search engines, such as Google, through strong SEO performance. Tripadvisor believes its SEO traffic acquisition performance has been negatively impacted in the past, and may be impacted in the future by search engines (primarily Google) increasing the prominence of their own products in search results. Over the long-term, Tripadvisor is focused on driving a greater percentage of its traffic from direct sources and channels which are more profitable than performance marketing channels.

The global experiences market is large, growing, and highly fragmented, with the vast majority of bookings still occurring through traditional offline sources. Tripadvisor is observing a secular shift, however, as this market continues to grow and accelerate the pace of online adoption. Likewise, the global restaurants category is also benefiting from increased online adoption by both consumers and partners, particularly in Europe. Given the competitive positioning of Tripadvisor's businesses relative to the attractive growth prospects in these categories, Tripadvisor expects to continue to invest in these categories across the business, and in particular, within the Viator and TheFork segments, to continue accelerating revenue growth, operating scale, and market share gains for the long-term.

Results of Operations—Consolidated—March 31, 2023 and 2022

General. We provide in the tables below information regarding our consolidated Operating Results and Other Income and Expense.

	Three months ended March 31,	
	2023	2022
amounts in millions		
Revenue		
Tripadvisor Core	\$ 244	191
Viator	115	56
TheFork	35	26
Intersegment eliminations	(23)	(11)
Total revenue	<u>371</u>	<u>262</u>
Operating expense	87	67
Selling, general and administrative expense	257	170
Stock-based compensation	23	22
Depreciation and amortization	21	25
Operating income (loss)	<u>(17)</u>	<u>(22)</u>
Other income (expense):		
Interest expense	(16)	(17)
Dividend and interest income	11	—
Realized and unrealized gains (losses) on financial instruments, net	(8)	(12)
Other, net	<u>(1)</u>	<u>(1)</u>
	<u>(14)</u>	<u>(30)</u>
Earnings (loss) before income taxes	(31)	(52)
Income tax (expense) benefit	(57)	(1)
Net earnings (loss)	<u>\$ (88)</u>	<u>(53)</u>
Adjusted OIBDA	\$ 30	25

Revenue. Tripadvisor Core revenue increased \$53 million during the three months ended March 31, 2023, when compared to the same period in the prior year. The increase in Tripadvisor Core revenue is detailed as follows:

	Three months ended March 31,	
	2023	2022
amounts in millions		
Tripadvisor-branded hotels	\$ 168	135
Tripadvisor-branded display and platform	30	26
Tripadvisor experience and dining ⁽¹⁾	33	20
Other	13	10
Total Tripadvisor Core	<u>\$ 244</u>	<u>191</u>

(1) Tripadvisor experiences and dining revenue within the Tripadvisor Core segment are shown gross of intersegment (intercompany) revenue, which is eliminated on a consolidated basis. See note 9 to the accompanying condensed consolidated financial statements for a discussion of intersegment revenue.

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Tripadvisor-branded hotels revenue includes hotel meta revenue, primarily click-based advertising revenue, and hotel B2B revenue, which includes primarily subscription-based advertising and hotel sponsored placements revenue. For the three months ended March 31, 2023 and 2022, 69% and 71%, respectively, of Tripadvisor Core segment revenue was derived from Tripadvisor-branded hotels revenue. Tripadvisor-branded hotels revenue increased \$33 million during the three months ended March 31, 2023, when compared to the same period in 2022. This increase was primarily driven by improved hotel meta revenue across all geographic markets, as well as improved hotel B2B revenue, primarily driven by increased consumer travel demand compared to the first quarter of 2022, which was negatively impacted by the COVID-19 Omicron variant. As consumer travel demand increased, Tripadvisor saw continued improvement in hotel meta monetization, as CPC rates increased when compared to the same quarter of 2022, which enabled increased efficient marketing investment on performance channels.

Tripadvisor-branded display-based advertising revenue increased \$4 million during the three months ended March 31, 2023, when compared to the same period in 2022, primarily driven by an increase in marketing spend from Tripadvisor's advertisers, in correlation with increased consumer travel demand.

Tripadvisor experiences and dining revenue includes intercompany (intersegment) revenue consisting of affiliate marketing commissions earned primarily from experience bookings and, to a lesser extent, restaurant reservation bookings, on Tripadvisor-branded websites and mobile apps fulfilled by Viator and TheFork, respectively, which are eliminated on a consolidated basis, in addition to external revenue generated from Tripadvisor's restaurant service offerings. Tripadvisor experiences and dining revenue increased \$13 million during the three months ended March 31, 2023, when compared to the same periods in 2022, primarily driven by marketing investment on performance channels to capture increased demand, conversion rate improvements and enhancements to Tripadvisor's online user experience.

Other revenue includes alternative accommodation rentals revenue, in addition to primarily click-based advertising and display-based advertising revenue from cruise, flights and rental cars offerings on Tripadvisor websites and mobile apps. Other revenue increased \$3 million during the three months ended March 31, 2023, when compared to the same period in 2022, primarily due to strong performance in Tripadvisor's cruise category as the cruise industry continues to recover.

Viator revenue increased \$59 million during the three months ended March 31, 2023, when compared to the same period in 2022, primarily driven by increased consumer demand for experiences across all geographies. Viator is also benefitting from a larger macro trend, or secular shift, as the large global market in which it operates continues to grow and migrate online from traditional offline sources. Tripadvisor estimates this segment's revenue growth rate was negatively impacted by foreign currency fluctuations of approximately 10% during the three months ended March 31, 2023 when compared to the same period in 2022.

TheFork segment revenue increased \$9 million during the three months ended March 31, 2023, when compared to the same period in 2022, driven by increased consumer travel demand compared to the first quarter of 2022, which was negatively impacted by the COVID-19 Omicron variant. Tripadvisor estimates this segment's revenue growth rate was negatively impacted by foreign currency fluctuations of approximately 6% during the three months ended March 31, 2023 when compared to the same period in 2022.

Operating expense. Operating expense increased \$20 million for the three months ended March 31, 2023, when compared to the same period in 2022, primarily due to an increase of \$13 million in technology and content costs due to increased personnel and overhead costs resulting from additional headcount and contingent staff to support business growth related to the travel demand recovery during 2022, as well as an increase of \$7 million in cost of revenue, the majority of which was due to increased direct costs from credit card payment processing fees and other revenue-related transaction costs in the Viator segment in direct correlation with an increase in revenue, as Viator serves as the merchant of record for the majority of its experience booking transactions.

Selling, general and administrative. Selling, general and administrative expense increased \$87 million for the three months ended March 31, 2023, when compared to the same period in the prior year. The most significant driver of selling, general and administrative expense is selling and marketing costs, which consist of direct selling and marketing costs and indirect costs, such as personnel and overhead. Tripadvisor's selling and marketing costs increased \$77 million during the three months ended March 31, 2023, when compared to the same period in 2022, primarily due to an increase of

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approximately \$63 million in paid online traffic acquisition costs, including Tripadvisor's search engine marketing ("SEM") and other paid online traffic acquisition spend, and also other marketing costs, the substantial majority of which was incurred within the Viator and Tripadvisor Core segments, in order to capture increased consumer travel demand and investment in the marketing of Tripadvisor's experiences offerings within these segments, and to a lesser extent, increased television advertising costs of \$6 million in TheFork segment in order to increase brand awareness.

Tripadvisor's general and administrative costs increased \$9 million during the three months ended March 31, 2023, when compared to the same period in 2022, the majority of which was due to an increase in professional service fees, primarily due to a non-recurring expense of \$3 million related to previously capitalized transactions costs, and an increase in personnel and overhead costs driven by additional headcount to help support business growth related to the travel demand recovery during 2022.

Operating Income (Loss). Our consolidated operating loss decreased \$5 million during the three months ended March 31, 2023, when compared to the same period in the prior year. Operating income (losses) were impacted by the above explanations.

Adjusted OIBDA. To provide investors with additional information regarding our financial results, we also disclose Adjusted OIBDA, which is a non-GAAP financial measure. We define Adjusted OIBDA as Operating income (loss) plus depreciation and amortization, stock-based compensation, separately reported litigation settlements, restructuring, acquisition and other related costs and impairment charges. Our chief operating decision maker and management team use this measure of performance in conjunction with other measures to evaluate our business and make decisions about our resources. We believe this is an important indicator of the operational strength and performance of our businesses by identifying those items that are not directly a reflection of each business' performance or indicative of ongoing business trends. In addition, this measure allows us to view operating results, perform analytical comparisons and benchmarking between businesses and identify strategies to improve performance. Accordingly, Adjusted OIBDA should be considered in addition to, but not as a substitute for, operating income, net income, cash flow provided by operating activities and other measures of financial performance prepared in accordance with U.S. generally accepted accounting principles. The following table provides a reconciliation of Operating income (loss) to Adjusted OIBDA.

	Three months ended	
	March 31,	
	2023	2022
	amounts in millions	
Operating income (loss)	\$ (17)	(22)
Stock-based compensation	23	22
Depreciation and amortization	21	25
Non-recurring expenses ⁽¹⁾	3	—
Adjusted OIBDA	\$ 30	25

- (1) Tripadvisor expensed \$3 million of previously capitalized transaction costs during the three months ended March 31, 2023 to selling, general and administrative, including stock-based compensation on the condensed consolidated statement of operations. Tripadvisor considers such costs to be non-recurring in nature.

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Adjusted OIBDA is summarized as follows:

	Three months ended	
	March 31,	
	2023	2022
	amounts in millions	
<i>Adjusted OIBDA</i>		
Tripadvisor Core	\$ 72	55
Viator	(30)	(20)
TheFork	(9)	(8)
Corporate	(3)	(2)
Consolidated TripCo	\$ 30	25

Consolidated Adjusted OIBDA increased \$5 million during the three months ended March 31, 2023, when compared to the same period in the prior year. Tripadvisor Core Adjusted OIBDA increased \$17 million during the three months ended March 31, 2023, when compared to the same period in the prior year, primarily due to an increase in revenue as noted above, partially offset by an increase in direct selling and marketing expenses related to SEM and other online paid traffic acquisition costs in response to increased consumer travel demand, and to a lesser extent, increased personnel and overhead costs to support business growth related to the travel demand recovery during 2022.

Viator Adjusted OIBDA loss increased \$10 million during the three months ended March 31, 2023, when compared to the corresponding period in the prior year, primarily due to an increase in selling and marketing expenses related to SEM, other online paid traffic acquisition costs, and other marketing costs in response to increased consumer demand for experiences and to grow market share, and, to a lesser extent, an increase in direct costs from credit card payments and other revenue-related transaction costs in direct correlation with an increase in revenue. In addition, personnel and overhead costs increased to support business growth related to consumer demand and travel demand recovery during 2022. This was largely offset by an increase in revenue as noted above.

The Fork Adjusted OIBDA loss increased \$1 million during the three months ended March 31, 2023, when compared to the corresponding period in the prior year, primarily due to an increase in selling and marketing expenses related to television advertising costs, in response to consumer travel and local demand recovery as COVID-19 related government restrictions on restaurants were lifted during 2022 and, to a lesser extent, an increase in personnel and overhead costs to support business growth related to the travel demand recovery during 2022.

Corporate Adjusted OIBDA loss increased \$1 million for the three months ended March 31, 2023, when compared to the same period in the prior year. Corporate Adjusted OIBDA includes TripCo level selling, general and administrative expenses.

Interest expense. Interest expense remained relatively flat for the three months ended March 31, 2023, when compared to the same period in the prior year.

Dividend and interest income. Dividend and interest income increased \$11 million during the three months ended March 31, 2023, when compared to the same period in the prior year, primarily due to an increase in the average amount of cash invested at Tripadvisor and increased interest rates received on bank deposits and return on money market funds during the quarter.

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Realized and unrealized gains (losses) on financial instruments, net. Realized and unrealized gains (losses) on financial instruments, net are comprised of changes in the fair value of the following:

	Three months ended	
	March 31,	
	2023	2022
	amounts in millions	
TripCo Exchangeable Senior Debentures due 2051	\$ (10)	(8)
Financial instrument liabilities, net	2	(4)
	<u>\$ (8)</u>	<u>(12)</u>

The changes in these accounts are primarily due to market factors and changes in the fair value of the underlying stocks or financial instruments to which these related. Realized and unrealized losses on financial instruments, net decreased \$4 million for the three months ended March 31, 2023, compared to the same period in the prior year, primarily driven by decreases in unrealized losses of \$6 million related to financial instruments, including the VPF and Preferred Stock Derivative (both defined in note 4 of the accompanying consolidated financial statements), partially offset by increased unrealized losses of \$2 million related to the TripCo 0.50% Exchangeable Senior Debentures due 2051 (the “Debentures”).

Other, net. Other, net expense remained flat for the three months ended March 31, 2023, when compared to the same period in the prior year. Activity in the Other, net account primarily relates to share of earnings (losses) of affiliates and foreign exchange gains (losses).

Income taxes. During the three months ended March 31, 2023 and 2022, we had losses before income taxes of \$31 million and \$52 million and we had income tax expense of \$57 million and \$1 million, respectively. For the three months ended March 31, 2023, the Company recognized additional tax expense related to Tripadvisor’s settlement with the IRS on its 2009-2011 transfer pricing audit and changes in unrecognized tax benefits resulting from the IRS settlement (see note 8 to the accompanying condensed consolidated financial statements). For the three months ended March 31, 2022, the Company recognized additional tax expense related to an increase in the valuation allowance against certain deferred tax assets.

Net earnings (loss). We had net losses of \$88 million and \$53 million for the three months ended March 31, 2023 and 2022, respectively. The changes in net earnings were the result of the above described fluctuations in our revenue and expenses.

Liquidity and Capital Resources

As of March 31, 2023, substantially all of our cash and cash equivalents consist of cash on hand in global financial institutions, money market funds and marketable securities with maturities of 90 days or less at the date of purchase.

The following are potential sources of liquidity: available cash balances, proceeds from asset sales, monetization of our investments, outstanding or anticipated debt facilities, debt and equity issuances, and dividend and interest receipts.

As of March 31, 2023, TripCo had a cash and cash equivalents balance of \$1,163 million. Approximately \$1,132 million of the cash balance, at March 31, 2023, is held at Tripadvisor. Although TripCo has a 56% voting interest in Tripadvisor, Tripadvisor is a separate public company with a significant non-controlling interest, as TripCo has only a 21% economic interest in Tripadvisor. Even though TripCo controls Tripadvisor through its voting interest and board representation, decision making with respect to using Tripadvisor’s cash balances must consider Tripadvisor’s minority holders. Accordingly, any potential distributions of cash from Tripadvisor to TripCo would generally be on a pro rata basis based on economic ownership interests. Covenants in Tripadvisor’s debt instruments also restrict the payment of dividends and cash distributions to stockholders.

Approximately \$210 million of the Tripadvisor cash and cash equivalents balance is held by foreign subsidiaries, with approximately 45% located in the United Kingdom. As of March 31, 2023, the significant majority of Tripadvisor’s cash

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was denominated in U.S. dollars. As of March 31, 2023, \$471 million of Tripadvisor's cumulative undistributed foreign earnings were no longer considered to be indefinitely reinvested. Due to the one-time transition tax on the deemed repatriation of undistributed foreign subsidiary earnings and profits in 2017, as a result of the 2017 Tax Cuts and Jobs Act, the majority of previously unremitted earnings have been subjected to U.S. federal income tax. To the extent future distributions from these subsidiaries will be taxable, a deferred income tax liability has been accrued on our condensed consolidated balance sheet, which was not material as of March 31, 2023.

Credit Facility

Tripadvisor is party to a credit agreement with a group of lenders initially entered into in June 2015, which, among other things, provides for a \$500 million revolving credit facility (the "Credit Facility") with a maturity date of May 12, 2024. As of March 31, 2023 and December 31, 2022, Tripadvisor had no outstanding borrowings and was in compliance with its covenants under the Credit Facility. While there can be no assurance that Tripadvisor will be able to meet the leverage ratio covenant after the Leverage Covenant Holiday (as defined in note 5 of the accompanying condensed consolidated financial statements) ceases, based on its current projections, Tripadvisor does not believe there is a material risk it will not remain in compliance throughout the next twelve months.

	Three months ended March 31,	
	2023	2022
amounts in millions		
Cash flow information		
Tripadvisor cash provided (used) by operating activities	\$ 135	86
Corporate cash provided (used) by operating activities	(1)	(1)
Net cash provided (used) by operating activities	\$ 134	85
Tripadvisor cash provided (used) by investing activities	\$ (16)	(14)
Corporate cash provided (used) by investing activities	—	—
Net cash provided (used) by investing activities	\$ (16)	(14)
Tripadvisor cash provided (used) by financing activities	\$ (11)	(10)
Corporate cash provided (used) by financing activities	—	—
Net cash provided (used) by financing activities	\$ (11)	(10)

During the three months ended March 31, 2023, Tripadvisor's primary uses of cash were \$16 million of capital expended for property and equipment and \$9 million related to payments of withholding taxes on net share settlement of equity awards.

The projected use of TripCo's corporate cash will primarily be to pay fees (not expected to exceed approximately \$4 million annually) to Liberty Media Corporation ("Liberty Media") for providing certain services pursuant to the services agreement and the facilities sharing agreement that TripCo entered into with Liberty Media or certain of its subsidiaries, payment of dividends on the Series A Preferred Stock (unless added to the liquidation preference or paid in shares of Series A common stock of TripCo), interest expense on the Debentures, and to pay any other corporate level expenses. Debt service costs accrue on the variable prepaid forward borrowing described in note 5 to the accompanying condensed consolidated financial statements. TripCo believes that its available cash and cash equivalents will be sufficient for the next several years.

Tripadvisor believes that its available cash and cash equivalents will be sufficient to fund Tripadvisor's foreseeable working capital requirements, capital expenditures, existing business growth initiatives, debt and interest obligations, lease commitments, tax-related payments and other financial commitments through at least the next twelve months. Tripadvisor's future capital requirements may also include capital needs for acquisitions, and/or other expenditures in support of its business strategy, and may potentially reduce Tripadvisor's cash balance and/or require Tripadvisor to borrow under the Credit Facility or to seek other financing alternatives.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

We are exposed to market risk in the normal course of business due to our ongoing investing and financial activities and the conduct of operations by Tripadvisor in different foreign countries. Market risk refers to the risk of loss arising from adverse changes in stock prices, interest rates and foreign currency exchange rates. The risk of loss can be assessed from the perspective of adverse changes in fair values, cash flows and future earnings. We have established policies, procedures and internal processes governing our management of market risks and the use of financial instruments to manage our exposure to such risks.

We are exposed to changes in interest rates primarily as a result of our borrowing and investment activities, which include investments in fixed and floating rate debt instruments and borrowings used to maintain liquidity and to fund business operations. The nature and amount of our long-term and short-term debt are expected to vary as a result of future requirements, market conditions and other factors. We expect to manage our exposure to interest rates by maintaining what we believe is an appropriate mix of fixed and variable rate debt. We believe this best protects us from interest rate risk. We expect to achieve this mix by (i) issuing fixed rate debt that we believe has a low stated interest rate and significant term to maturity, (ii) issuing variable rate debt with appropriate maturities and interest rates, and (iii) entering into interest rate swap arrangements when we deem appropriate. As of March 31, 2023, our debt is comprised of the following amounts:

	Variable rate debt		Fixed rate debt	
	Principal amount	Weighted avg interest rate	Principal amount	Weighted avg interest rate
	amount in millions			
Tripadvisor	\$ NA	NA	845	4.2%
TripCo debt	\$ NA	NA	381	1.0%

TripCo is exposed to foreign exchange rate fluctuations related primarily to the monetary assets and liabilities and the financial results of Tripadvisor's foreign subsidiaries. Assets and liabilities of foreign subsidiaries for which the functional currency is the local currency are translated into U.S. dollars at period-end exchange rates, and the statements of operations are generally translated at the average exchange rate for the period. Exchange rate fluctuations on translating foreign currency financial statements into U.S. dollars that result in unrealized gains or losses are referred to as translation adjustments. Cumulative translation adjustments are recorded in accumulated other comprehensive earnings (loss) as a separate component of stockholders' equity. Transactions denominated in currencies other than the functional currency are recorded based on exchange rates at the time such transactions arise. Subsequent changes in exchange rates result in transaction gains and losses, which are reflected in income as unrealized (based on period-end translations) or realized upon settlement of the transactions. Cash flows from our operations in foreign countries are translated at the average rate for the period. Accordingly, TripCo may experience economic loss and a negative impact on earnings and equity with respect to our holdings solely as a result of foreign currency exchange rate fluctuations. Tripadvisor enters into foreign currency forward contracts manage its risk related to foreign currency exchange rates when it deems appropriate.

Item 4. Controls and Procedures.

In accordance with Rules 13a-15 and 15d-15 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the Company carried out an evaluation, under the supervision and with the participation of management, including its chief executive officer and its principal accounting and financial officer (the "Executives"), of the effectiveness of its disclosure controls and procedures as of the end of the period covered by this report. Based on that evaluation, the Executives concluded that the Company's disclosure controls and procedures were effective as of March 31, 2023 to provide reasonable assurance that information required to be disclosed in its reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms.

There has been no change in the Company's internal control over financial reporting that occurred during the three months ended March 31, 2023 that has materially affected, or is reasonably likely to materially affect, its internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings

See note 8 to the accompanying condensed consolidated financial statements for information regarding legal proceedings.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

No shares of Liberty TripAdvisor Holdings, Inc. Series A common stock or Series B common stock were surrendered by our officers and employees to pay withholding taxes and other deductions in connection with the vesting or exercise of restricted stock, restricted stock units or options during the three months ended March 31, 2023.

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Item 6. Exhibits

(a) Exhibits

Listed below are the exhibits which are filed as a part of this Report (according to the number assigned to them in Item 601 of Regulation S-K):

Exhibit No.	Name
10.1	Form of Performance-Based Cash Award Agreement under the Liberty TripAdvisor Holdings, Inc. 2019 Omnibus Incentive Plan*
10.2	Form of Performance-Based Cash Award Agreement between Liberty TripAdvisor Holdings, Inc. and Gregory B. Maffei under the Liberty TripAdvisor Holdings, Inc. 2019 Omnibus Incentive Plan*
31.1	Rule 13a-14(a)/15d-14(a) Certification*
31.2	Rule 13a-14(a)/15d-14(a) Certification*
32	Section 1350 Certification**
101.INS	Inline XBRL Instance Document* - The instance document does not appear in the interactive data file because its XBRL tags are embedded within the inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema Document*
101.CAL	Inline XBRL Taxonomy Calculation Linkbase Document*
101.LAB	Inline XBRL Taxonomy Label Linkbase Document*
101.PRE	Inline XBRL Taxonomy Presentation Linkbase Document*
101.DEF	Inline XBRL Taxonomy Definition Document*
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)*

* Filed herewith

** Furnished herewith

CASH AWARD AGREEMENT

THIS CASH AWARD AGREEMENT (this “Agreement”) is made and effective as of the date specified in Schedule I hereto (the “Grant Date”), by and between the issuer specified in Schedule I hereto (the “Company”) and you.

The Company has adopted the incentive plan that governs the Cash Award specified in Schedule I hereto (as has been or may hereafter be amended, the “Plan”), a copy of which is attached via a link at the end of this online Agreement as Exhibit A and, by this reference, made a part hereof. Capitalized terms used and not otherwise defined in this Agreement will have the meanings ascribed to them in the Plan.

Pursuant to the Plan, the Plan Administrator has determined that it would be in the interest of the Company and its stockholders to grant you a Cash Award, subject to the conditions and restrictions set forth in this Agreement and in the Plan, in order to provide you with additional remuneration for services rendered, to encourage you to remain in the service or employ of the Company or its Subsidiaries and to increase your personal interest in the continued success and progress of the Company.

The Company and you therefore agree as follows:

1. Definitions. The following terms, when used in this Agreement, have the following meanings, except as otherwise defined in Schedule I hereto:

“Agreement” has the meaning specified in the preamble to this Agreement.

“Cash Award” has the meaning specified in the Plan, and refers to the Cash Award granted hereunder.

“Cash Award Target Amount” has the meaning specified in Schedule I hereto.

“Cause” has the meaning specified as “cause” in Section 10.2(b) of the Plan.

“Certification Date” has the meaning specified in Section 3(a) (Vesting; Certification).

“Close of Business” means, on any day, 4:00 p.m., New York, New York time.

“Common Stock” means the Company’s Series A Common Stock.

“Company” has the meaning specified in the preamble to this Agreement.

“Confidential Information” has the meaning specified in Section 7 (Confidential Information).

“Disability” has the meaning specified as “Disability” in Section 2.1 of the Plan.

“Employment Termination Date” means the date of termination of your employment with the Company or a Subsidiary, as applicable.

“Forfeitable Benefits” has the meaning specified in Section 24 (Forfeiture for Misconduct and Repayment of Certain Amounts).

“Grant Date” has the meaning specified in the preamble to this Agreement.

“Misstatement Period” has the meaning specified in Section 24 (Forfeiture for Misconduct and Repayment of Certain Amounts).

“Performance Period” has the meaning specified in Schedule I hereto.

“Plan” has the meaning specified in the preamble to this Agreement.

“Plan Administrator” has the meaning specified in Section 9 (Plan Administrator).

“Section 409A” has the meaning specified in Section 23 (Code Section 409A).

“Vested Cash Award” has the meaning specified in Section 3(a).

2. Award. In consideration of your covenants and promises herein, the Company hereby awards to you as of the Grant Date a Cash Award in an amount authorized by the Plan Administrator and set forth in the notice of online grant delivered to you pursuant to the Company’s online grant and administration program (the “Cash Award”), subject to the conditions and restrictions set forth in this Agreement and in the Plan.

3. Vesting. Unless otherwise determined by the Plan Administrator in its sole discretion, the Cash Award will vest in accordance with this Section 3, except as otherwise specified in Schedule I hereto.

(a) *Certification.* After the end of the Performance Period but prior to March 15 of the calendar year following the Performance Period, (i) the Plan Administrator will certify if and the extent to which the Cash Award will vest (the date as of which such certification is made, the “Certification Date” and the portion of the Cash Award that becomes vested, the “Vested Cash Award”) based on the Plan Administrator’s assessment in its sole discretion (after input from the Company’s Chairman of the Board or Chief Executive Officer, as applicable) of your satisfaction of such discretionary performance objectives for the Performance Period as may be deemed relevant by the Plan Administrator, including the Plan Administrator’s exercise of any discretion, and (ii) the Plan Administrator will specify the vesting date of such Vested Cash Award, which vesting date will be not later than March 15 of the calendar year following the Performance Period.

(b) *Unvested Cash Award.* Any portion of the Cash Award that does not vest pursuant to Section 3(a) will automatically be forfeited as of the Close of Business on the Certification Date.

(c) *Continuous Employment.* Notwithstanding the foregoing, you will not vest, pursuant to this Section 3, in any portion of the Cash Award in which you would otherwise vest as of a given date if you have not been continuously employed by the Company or a Subsidiary from the Grant Date through such date (the vesting or forfeiture of such portion of the Cash Award to be governed instead by Section 3(d) below).

(d) *Early Vesting or Forfeiture.* Notwithstanding the foregoing, unless otherwise determined by the Plan Administrator in its sole discretion or except as otherwise specified in Schedule I hereto:

(i) Termination for any Reason Other than Termination without Cause after the Performance Period, Disability, Death, or for Cause. The Cash Award will be forfeited on the Employment Termination Date if your employment terminates prior to the Certification Date for any reason other than (I) by the Company or a Subsidiary, as applicable, without Cause after the end of the Performance Period, (II) by reason of your Disability (when Cause does not then exist) or your death, or (III) for Cause.

(ii) Termination without Cause after the end of the Performance Period. If your employment is terminated by the Company or a Subsidiary, as applicable, without Cause on or after the last day of the Performance Period, but prior to the Certification Date, the Cash Award will remain outstanding until the Certification Date and will thereafter vest in accordance with Section 3(a) as if you had remained continuously employed by the Company or its Subsidiaries from the Grant Date through the Certification Date to the extent the Plan Administrator certifies they have vested in accordance with such Section.

(iii) Disability and Death. The Cash Award will vest on the Employment Termination Date if (i) your employment terminates prior to the Certification Date by reason of your Disability (when Cause does not then exist) or (ii) you die prior to the Certification Date while employed by the Company or a Subsidiary.

(iv) Termination for Cause. The Cash Award will be forfeited on the Employment Termination Date if your employment with the Company or a Subsidiary is terminated for Cause.

(v) Approved Transaction, Board Change or Control Purchase. The Cash Award may become vested in accordance with Section 10.1(b) of the Plan, with the Cash Award to be treated as if it is a Restricted Stock Unit, in the event of an Approved Transaction, Board Change or Control Purchase following the Grant Date.

(e) *Miscellaneous.*

(i) Qualifying Service. For purposes of this Agreement, continuous employment means the absence of any interruption or termination of employment or service as an employee, officer or consultant of or to the Company or a Subsidiary, as applicable, and references to termination of employment (or similar references) shall include termination of employment or service as an employee, officer or consultant of or to the Company or a Subsidiary, as applicable. Unless the Plan Administrator otherwise determines in its sole discretion, a change of your employment or service from the Company to a Subsidiary or from a Subsidiary to the Company or another Subsidiary will not be considered a termination of your employment for purposes of this Agreement if such change of employment or service is made at the request or with the express consent of the Company. Unless the Plan Administrator otherwise determines in its sole discretion, however, any such change of employment or service that is not made at the request or with the express consent of the Company will be a termination of your employment within the meaning of this Agreement.

(ii) **Forfeiture.** Upon forfeiture of any unvested portion of the Cash Award, such portion of the Cash Award will be immediately cancelled, and you will cease to have any rights with respect thereto.

4. Payment. Subject to Section 5 hereof (Mandatory Withholding for Taxes), Section 8 hereof (Right of Offset), and Section 12 hereof (Amendment), and except as otherwise provided herein, payment of the Vested Cash Award shall be made as soon as administratively practicable after the Certification Date, but in no event later than March 15 of the calendar year following the end of the Performance Period. Any cash payment will be deemed effected when (a) a check from the Company, payable to you in the amount equal to the amount of the cash payment, has been delivered personally to or at your direction or deposited in the United States mail, addressed to you, (b) an amount equal to the amount of the cash payment has been processed through the direct deposit or normal Company payroll processes for your benefit or (c) the Plan Administrator has made or caused to be made such other arrangements for delivery of such cash amount as the Plan Administrator deems reasonable.

5. Mandatory Withholding for Taxes. To the extent that the Company or any Subsidiary of the Company is subject to withholding tax requirements under or in respect of any national, federal, state and other local or governmental taxes or social security costs and charges or similar contributions (wheresoever arising) with respect to the vesting or payment of the Vested Cash Award, you acknowledge and agree that the Company shall withhold from the Vested Cash Award an amount equal to the amount required to be withheld under such tax laws, as determined by the Company

6. Nontransferability. The Cash Award is not transferable (either voluntarily or involuntarily), before or after your death, except as follows: (a) during your lifetime, pursuant to a Domestic Relations Order, issued by a court of competent jurisdiction, that is not contrary to the terms and conditions of the Plan or this Agreement, and in a form acceptable to the Plan Administrator; or (b) after your death, by will or pursuant to the applicable laws of descent and distribution, as may be the case. Any person to whom the Cash Award is transferred in accordance with the provisions of the preceding sentence shall take such Cash Award subject to all of the terms and conditions of the Plan and this Agreement, including that the vesting and termination provisions of this Agreement will continue to be applied with respect to you.

7. Confidential Information. During your employment or service with the Company or a Subsidiary, you will acquire, receive, and/or develop Confidential Information (as defined below) in the course of performing your job duties or services. You will not, during or after your employment or service with the Company or a Subsidiary, without the prior express written consent of the Company, directly or indirectly use or divulge, disclose or make available or accessible any Confidential Information to any person, firm, partnership, corporation, trust or any other entity or third party other than when required to do so in good faith to perform your duties and responsibilities to the Company and provided that nothing herein shall be interpreted as preventing you from (a) doing so when required to do so by a lawful order of a court of competent jurisdiction, any governmental authority or agency, or any recognized subpoena power, (b) doing so when necessary to prosecute your rights against the Company or its Subsidiaries or to defend yourself against any allegations, or (c) communicating with, filing a charge with, reporting possible violations of federal law or regulation to, or participating in an investigation or proceeding conducted by, a government agency, including providing documents or other information to such agency without notice to the Company. You will also proffer to the Company, any time upon request by the Company or upon termination, to be provided no later than the effective date of any termination of your employment or engagement with the Company for any reason, and without retaining any copies, notes or excerpts thereof, all memoranda, computer disks or other media, computer

programs, diaries, notes, records, data, customer or client lists, marketing plans and strategies, and any other documents consisting of or containing Confidential Information that are in your actual or constructive possession or which are subject to your control at such time (other than contracts between you and the Company, pay stubs, benefits information, and copies of documents or information that you require in order to prepare your taxes). At the time of termination or otherwise upon request by the Company, you agree to permanently delete Confidential Information from all of your personal electronic devices and provide certification to the Company that you are in compliance with this sentence. For purposes of this Agreement, "Confidential Information" will mean all information respecting the business and activities of the Company or any Subsidiary, including, without limitation, the clients, customers, suppliers, employees, consultants, computer or other files, projects, products, computer disks or other media, computer hardware or computer software programs, marketing plans, financial information, methodologies, know-how, processes, practices, approaches, projections, forecasts, formats, systems, trade secrets, data gathering methods and/or strategies of the Company or any Subsidiary. Notwithstanding the immediately preceding sentence, Confidential Information will not include any information that is, or becomes, generally available to the public (unless such availability occurs as a result of your breach of any of your obligations under this Section 7). If you are in breach of any of the provisions of this Section 7 or if any such breach is threatened by you, in addition to and without limiting or waiving any other rights or remedies available to the Company at law or in equity, the Company shall be entitled to immediate injunctive relief in any court, domestic or foreign, having the capacity to grant such relief, without the necessity of posting a bond, to restrain any such breach or threatened breach and to enforce the provisions of this Section 7. You agree that there is no adequate remedy at law for any such breach or threatened breach and, if any action or proceeding is brought seeking injunctive relief, you will not use as a defense thereto that there is an adequate remedy at law.

8. Right of Offset. You hereby agree that the Company shall have the right to offset against its obligation to deliver cash under this Agreement to the extent that it does not constitute "non-qualified deferred compensation" pursuant to Section 409A, any outstanding amounts of whatever nature that you then owe to the Company or a Subsidiary.

9. Plan Administrator. For purposes of this Agreement, the term "Plan Administrator" means the Compensation Committee of the Board of Directors of the Company or any different committee appointed by the Board of Directors as described more fully in Section 3.1 of the Plan.

10. Tax Representations. You hereby acknowledge that the Company has advised you that you should consult with your own tax advisors regarding the national, federal, state and other local or governmental tax consequences or social security costs and charges or similar contributions (wheresoever arising) of receiving the Cash Award. You hereby represent to the Company that you are not relying on any statements or representations of the Company, its Affiliates or any of their respective agents with respect to the national, federal, state and other local or governmental tax consequences or social security costs and charges or similar contributions (wheresoever arising) of receiving the Cash Award. If, in connection with the Cash Award, the Company is required to withhold any amounts by reason of any national, federal, state and other local or governmental tax or social security costs and charges or similar contributions (wheresoever arising), such withholding shall be effected in accordance with Section 10.9 of the Plan and Section 5 (Mandatory Withholding for Taxes).

11. Notice. Unless the Company notifies you in writing of a different procedure or address, any notice or other communication to the Company with respect to this Agreement will be in writing and will be delivered personally or sent by first class mail, postage prepaid, to the address specified for the Company in Schedule I hereto. Any notice or other communication to you with respect to this

Agreement will be provided to you electronically pursuant to the online grant and administration program or via email, unless the Company elects to notify you in writing, which will be delivered personally, or will be sent by first class mail, postage prepaid, to your address as listed in the records of the Company or any Subsidiary of the Company on the Grant Date, unless the Company has received written notification from you of a change of address.

12. Amendment. Notwithstanding any other provision hereof, this Agreement may be supplemented or amended from time to time as approved by the Plan Administrator as contemplated by Section 10.7(b) of the Plan. Without limiting the generality of the foregoing, without your consent:

(a) this Agreement may be amended or supplemented from time to time as approved by the Plan Administrator (i) to cure any ambiguity or to correct or supplement any provision herein that may be defective or inconsistent with any other provision herein, (ii) to add to the covenants and agreements of the Company for your benefit or surrender any right or power reserved to or conferred upon the Company in this Agreement, subject to any required approval of the Company's stockholders, and provided, in each case, that such changes or corrections will not adversely affect your rights with respect to the Cash Award evidenced hereby (other than if immaterial), (iii) to reform the Cash Award made hereunder as contemplated by Section 10.17 of the Plan or to exempt the Cash Award made hereunder from coverage under Code Section 409A, or (iv) to make such other changes as the Company, upon advice of counsel, determines are necessary or advisable because of the adoption or promulgation of, or change in the interpretation of, any law or governmental rule or regulation, including any applicable federal or state securities laws; and

(b) subject to any required action by the Board of Directors or the stockholders of the Company, the Cash Award granted under this Agreement may be canceled by the Plan Administrator and a new Award made in substitution therefor, provided that the Award so substituted will satisfy all of the requirements of the Plan as of the date such new Award is made and no such action will adversely affect the Cash Award (other than if immaterial) to the extent then vested.

13. Employment. Nothing contained in the Plan or this Agreement, and no action of the Company or the Plan Administrator with respect thereto, will confer or be construed to confer on you any right to continue in the employ or service of the Company or any Subsidiary or interfere in any way with the right of the Company or any employing Subsidiary to terminate your employment or service at any time, with or without Cause, subject to the provisions of any employment or consulting agreement between you and the Company or any Subsidiary.

14. Nonalienation of Benefits. Except as provided in Section 6 (Nontransferability) and Section 8 (Right of Offset), (a) no right or benefit under this Agreement will be subject to anticipation, alienation, sale, assignment, hypothecation, pledge, exchange, transfer, encumbrance or charge, and any attempt to anticipate, alienate, sell, assign, hypothecate, pledge, exchange, transfer, encumber or charge the same will be void, and (b) no right or benefit hereunder will in any manner be subjected to or liable for the debts, contracts, liabilities or torts of you or other person entitled to such benefits.

15. No Effect on Other Benefits. Any payments made pursuant to this Agreement will not be counted as compensation for purposes of any other employee benefit plan, program or agreement

sponsored, maintained or contributed to by the Company or a Subsidiary unless expressly provided for in such employee benefit plan, program, agreement, or arrangement.

16. Governing Law; Venue. This Agreement will be governed by, and construed in accordance with, the internal laws of the State designated in Section 10.13 of the Plan. Each party irrevocably submits to the general jurisdiction of the state and federal courts located in the State of Colorado and in the State of Delaware in any action to interpret or enforce this Agreement and irrevocably waives any objection to jurisdiction that such party may have based on inconvenience of forum.

17. Waiver. No waiver by the Company at any time of any breach by you of, or compliance with, any term or condition of this Agreement or the Plan to be performed by you shall be deemed a waiver of the same term or condition, or of any similar or any dissimilar term or condition, whether at the same time or at any prior or subsequent time.

18. Severability. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any term or condition hereof shall not affect the validity or enforceability of the other terms and conditions set forth herein.

19. Construction. References in this Agreement to “this Agreement” and the words “herein,” “hereof,” “hereunder” and similar terms include all Exhibits and Schedules attached hereto, including the Plan. All references to “Sections” in this Agreement shall be to Sections of this Agreement unless explicitly stated otherwise. The word “include” and all variations thereof are used in an illustrative sense and not in a limiting sense. All decisions of the Plan Administrator upon questions regarding the Plan or this Agreement will be conclusive. Unless otherwise expressly stated herein, in the event of any inconsistency between the terms of the Plan and this Agreement, the terms of the Plan will control. The headings of the sections of this Agreement have been included for convenience of reference only, are not to be considered a part hereof and will in no way modify or restrict any of the terms or provisions hereof.

20. Rules by Plan Administrator. The Plan Administrator, in its discretion and as contemplated by Section 3.3 of the Plan, may adopt rules and regulations it deems consistent with the terms of the Plan and as necessary or advisable in its operation and administration of the Plan and this Cash Award. You acknowledge and agree that your rights and the obligations of the Company hereunder will be subject to any further conditions and such reasonable rules and regulations as the Plan Administrator may adopt from time to time.

21. Entire Agreement. This Agreement is in satisfaction of and in lieu of all prior discussions and agreements, oral or written, between the Company and you regarding the Cash Award. You and the Company hereby declare and represent that no promise or agreement not expressed herein has been made and that this Agreement contains the entire agreement between the parties hereto with respect to the Cash Award and replaces and makes null and void any prior agreements between you and the Company regarding the Cash Award. Subject to the restrictions set forth in Sections 6 (Nontransferability) and 14 (Nonalienation of Benefits), this Agreement will be binding upon and inure to the benefit of the parties and their respective heirs, successors and assigns.

22. Acknowledgment. You will signify acceptance of the terms and conditions of this Agreement by acknowledging the acceptance of this Agreement via the procedures described in the online grant and administration program utilized by the Company. By your electronic acknowledgment

of the Cash Award, you are acknowledging the terms and conditions of the Cash Award set forth in this Agreement as though you and the Company had signed an original copy of the Agreement.

23. Code Section 409A. The Cash Award made hereunder is intended to be a “short-term deferral” exempt from Section 409A and this Agreement shall be interpreted and administered accordingly. Notwithstanding the foregoing, to the extent that Section 409A of the Code or the related regulations and Treasury pronouncements (“Section 409A”) are applicable to you in connection with the Cash Award, this Cash Award is subject to the provisions of Section 10.17 of the Plan regarding Section 409A and each payment under this Agreement shall be treated as a separate payment under Section 409A. Notwithstanding the foregoing, the Company makes no representations that the Cash Award or the Plan shall be exempt from or comply with Section 409A and makes no undertaking to preclude Section 409A from applying to the Cash Award or the Plan. If this Agreement fails to meet the requirements of Section 409A, neither the Company nor any of its Affiliates shall have any liability for any tax, penalty or interest imposed on you by Section 409A, and you shall have no recourse against the Company or any of its Affiliate for payment of any such tax, penalty or interest imposed by Section 409A.

24. Forfeiture for Misconduct and Repayment of Certain Amounts. If (a) a material restatement of any financial statement of the Company (including any consolidated financial statement of the Company and its consolidated Subsidiaries) is required and (b) in the reasonable judgment of the Plan Administrator, (i) such restatement is due to material noncompliance with any financial reporting requirement under applicable securities laws and (ii) such noncompliance is a result of misconduct on your part, you will repay to the Company Forfeitable Benefits you received during the Misstatement Period in such amount as the Plan Administrator may reasonably determine, taking into account, in addition to any other factors deemed relevant by the Plan Administrator, the extent to which the market value of Common Stock during the Misstatement Period was affected by the error(s) giving rise to the need for such restatement. “Forfeitable Benefits” means (A) any and all cash and/or shares of Common Stock you received (I) upon the exercise during the Misstatement Period of any Options and SARs you held or (II) upon the payment during the Misstatement Period of any Cash Award or Performance Award you held, the value of which is determined in whole or in part with reference to the value of Common Stock, and (B) any proceeds you received from the sale, exchange, transfer or other disposition during the Misstatement Period of any shares of Common Stock you received upon the exercise, vesting or payment during the Misstatement Period of any Award you held. “Misstatement Period” means the 12-month period beginning on the date of the first public issuance or the filing with the Securities and Exchange Commission, whichever occurs earlier, of the financial statement requiring restatement. Further, in the event that the Plan Administrator, in its reasonable judgment, determines that you breached Section 7 (Confidential Information) or any other non-competition or non-solicitation provisions included in this Agreement, the Plan Administrator may require you to forfeit, return or repay to the Company all or any portion of the Cash Award. For the avoidance of doubt, any such forfeiture, return or repayment will not limit, restrict or otherwise affect your continuing obligations under Section 7 (Confidential Information) or any other non-competition or non-solicitation provisions included in this Agreement, or the Company’s right to seek injunctive relief or any other relief in the event of your breach of Section 7 (Confidential Information) or any other non-competition or non-solicitation provisions included in this Agreement.

25. Changes to Forfeiture Provisions and Policies. Please note Section 24 (Forfeiture for Misconduct and Repayment of Certain Amounts), which reflects an important policy of the Company. The Plan Administrator has determined that Awards made under the Plan (including the Cash Award represented by this Agreement) are subject to forfeiture and recoupment in certain circumstances. By

accepting this Cash Award, you agree that the Plan Administrator may change the Forfeiture section of any or all of the grant agreements (including this Agreement) from time to time without your further consent to reflect changes in law, government regulation, stock exchange listing requirements or Company policy.

26. Additional Conditions and Restrictions. You may be subject to additional conditions and restrictions. If a Schedule II is attached hereto, the additional conditions and restrictions specified therein are considered part of this Agreement.

27. Company Information. You can access the Company's most recent annual, quarterly and current reports as filed with the Securities and Exchange Commission on the Company's website specified in Schedule I hereto. Please refer to these reports as well as the Company's future filings with the Securities and Exchange Commission (also available on the Company's website) for important information regarding the Company and its Common Stock.

Schedule I
to
Cash Award Agreement
[Insert Grant Code]

Grant Date: [_____]

Issuer/Company: Liberty TripAdvisor Holdings, Inc., a Delaware corporation

Plan: Liberty TripAdvisor Holdings, Inc. 2019 Omnibus Incentive Plan, as amended from time to time

Cash Award Target Amount: \$ [_____]

Performance Period: The calendar year that began on January 1, [__] and ends on December 31, [__]

Company Notice Address: Liberty TripAdvisor Holdings, Inc.
12300 Liberty Boulevard
Englewood, Colorado 80112
Attn: Chief Legal Officer

Company Website: www.libertytripadvisor.com

Plan Access: You can access the Plan via the link at the end of the Agreement or by contacting Liberty TripAdvisor Holdings, Inc.'s Legal Department.

**LIBERTY TRIPADVISOR HOLDINGS, INC.
2019 OMNIBUS INCENTIVE PLAN**

CASH AWARD AGREEMENT

THIS CASH AWARD AGREEMENT (this “Agreement”) is entered into effective as of [] by and between LIBERTY TRIPADVISOR HOLDINGS, INC., a Delaware corporation (the “Company”), and Gregory B. Maffei (the “Grantee”).

The Grantee is employed as of the Grant Date as the President and Chief Executive Officer of Liberty Media Corporation (“LMC”) and the Company pursuant to the terms of an employment agreement between LMC and the Grantee dated effective as of December 13, 2019 (as amended and/or amended and restated from time to time, the “Employment Agreement”) and a Services Agreement between LMC and the Company dated as of August 27, 2014 (as amended and/or amended and restated from time to time, the “Services Agreement”). The Company has adopted the Liberty TripAdvisor Holdings, Inc. 2019 Omnibus Incentive Plan (as may be amended prior to or after the Grant Date, the “Plan”), a copy of which as in effect on the Grant Date is attached hereto as Exhibit A and by this reference made a part hereof, for the benefit of eligible employees and independent contractors of the Company and its Subsidiaries. Capitalized terms used and not otherwise defined herein or in the Employment Agreement will have the meaning given thereto in the Plan.

The Company and the Grantee therefore agree as follows:

1. Definitions. All capitalized terms not defined in this Agreement that are defined in the Employment Agreement will have the meanings ascribed to them in the Employment Agreement. The following terms, when used in this Agreement, have the following meanings:

“202[] Incentive Program” means the 202[] Performance Incentive Program approved by the Committee on [], which established performance criteria with respect to vesting of the Cash Award, a copy of which has been provided to the Grantee.

“Cash Award” has the meaning specified in the Plan, and refers to the Cash Award granted hereunder.

“Cash Award Target Amount” has the meaning set forth in Section 2.

“Cause” has the meaning specified in the Employment Agreement.

“Close of Business” means, on any day, 5:00 p.m., Denver, Colorado time.

“Committee” means the Compensation Committee of the Board of Directors of the Company.

“Committee Certification Date” has the meaning specified in Section 3(a).

“Common Stock” means the Company’s LTRPB Common Stock.

“Company” has the meaning specified in the preamble to this Agreement.

“Disability” has the meaning specified in the Employment Agreement.

“Employment Agreement” has the meaning specified in the recitals to this Agreement.

“Good Reason” has the meaning specified in the Employment Agreement.

“Grant Date” means [___].

“Grantee” has the meaning specified in the preamble to this Agreement.

“Performance Metrics” has the meaning specified in the Employment Agreement.

“Plan” has the meaning specified in the recitals of this Agreement.

“Separation” means the date as of which the Grantee is no longer employed by or providing services to the Company or any of its Subsidiaries.

“Services Agreement” has the meaning specified in the recitals to this Agreement.

“Vested Cash Award” has the meaning specified in Section 3(b).

“Vesting Date” means the date on which the Cash Award vests, as determined in accordance with this Agreement and which for the avoidance of doubt, shall be the Committee Certification Date or, if applicable, the date of Grantee’s Separation as described in Section 6(b).

2. Grant of Cash Award. Subject to the terms and conditions herein and in the Plan, the Company hereby awards to the Grantee as of the Grant Date, a Cash Award with a target payout equal to \$[___] (the “Cash Award Target Amount”), with the opportunity to earn between 0% and 150% of the Cash Award Target Amount subject to the conditions and restrictions set forth below in this Agreement and in the Plan. Regarding the last sentence of Section 8.5 of the Plan, the Company acknowledges and agrees that there are no restrictions, terms or conditions that will cause a forfeiture of the Cash Award that are not set forth in this Agreement.

3. Conditions of Vesting. Unless otherwise determined by the Committee in its sole discretion (provided that such determination is not adverse to the Grantee), the Cash Award will vest only in accordance with the conditions stated in this Section 3. Upon vesting, the Cash Award shall not be subject to forfeiture other than as provided in Section 8 hereof.

(a) After December 31, 202[___] but on or prior to March 15, 202[___], the Committee will certify that portion, if any, of the Cash Award Target Amount that will vest based on the Performance Metrics established in the 202[___] Performance Incentive Program, the date as of which such certification is made being referred to as the “Committee Certification Date.” The exact dollar value of the Cash Award that will become vested may range from 0% to 150% of the Cash Award Target Amount, but if the Committee’s pre-established level of target performance is achieved, at least 100% of the Cash Award Target Amount will vest.

(b) The Committee will promptly notify the Grantee regarding the dollar value of the Cash Award, if any, that has vested pursuant to Section 3(a) as of the Committee Certification Date (such amount, the “Vested Cash Award”).

4. Payment of Cash Award. Payment of the Vested Cash Award shall be made as soon as administratively practicable after the applicable Vesting Date, but in no event later than March 15, 202[].

5. Mandatory Withholding for Taxes. To the extent that the Company is subject to withholding tax requirements under any national, state, local or other governmental law with respect to the vesting or payment of the Vested Cash Award, the Company shall withhold from the Vested Cash Award an amount equal to the amount required to be withheld under such tax laws, as determined by the Company.

6. Termination of the Cash Award. The Cash Award will be forfeited and terminate at the time specified below:

(a) Any portion of the Cash Award that does not become vested in accordance with Section 3 of this Agreement or this Section 6 as of the Committee Certification Date will automatically be forfeited as of the Close of Business on the Committee Certification Date.

(b) Notwithstanding the provisions of Section 3, (i) if the Grantee’s Separation occurs prior to the Close of Business on December 31, 202[] as a result of death, Disability, termination by the Company without Cause or termination by the Grantee with Good Reason, the Cash Award, to the extent not theretofore vested, will be immediately vested and paid with respect to 100% of the Cash Award Target Amount pursuant to Section 4, or (ii) if the Grantee’s Separation occurs prior to the Close of Business on December 31, 202[] by reason of the Grantee’s voluntary termination by the Grantee without Good Reason, the Cash Award, to the extent not theretofore vested, will remain outstanding until the Committee Certification Date and a pro rata portion of the Cash Award will vest under Section 3 on such date to the extent the Committee certifies it has vested in accordance with Section 3 (but in no event at a level less than 100% of the Cash Award Target Amount, regardless of actual performance), such pro rata portion to be equal to the product of the value of the Cash Award that would otherwise vest, multiplied by a fraction, the numerator of which is the number of calendar days that have elapsed in calendar year 202[] through the date of Separation, and the denominator of which is 365 days; provided, that if the Grantee remains employed or providing services until the Close of Business on December 31, 202[] and the Grantee’s Separation then occurs for any reason on or prior to the Committee Certification Date, the Cash Award will remain outstanding until the Committee Certification Date and will vest under Section 3 on such date to the extent the Committee certifies it has vested in accordance with Section 3.

Upon forfeiture of any unvested portion of the Cash Award, such portion of the Cash Award will be immediately cancelled, and the Grantee will cease to have any rights with respect thereto.

7. Nontransferability of the Cash Award. The Cash Award is not transferable (either voluntarily or involuntarily) before or after the Grantee’s death, except as follows: (a) during the Grantee’s lifetime, pursuant to a Domestic Relations Order issued by a court of

competent jurisdiction that is not contrary to the terms and conditions of the Plan or this Agreement, and in a form acceptable to the Committee; or (b) after the Grantee's death, by will or pursuant to the applicable laws of descent and distribution, as may be the case. Any person to whom the Cash Award is transferred in accordance with the provisions of the preceding sentence shall take such Cash Award subject to all of the terms and conditions of the Plan and this Agreement, including that the vesting and termination provisions of this Agreement will continue to be applied with respect to the Grantee.

8. Forfeiture for Misconduct and Repayment of Certain Amounts. If (i) a material restatement of any financial statement of the Company (including any consolidated financial statement of the Company and its consolidated subsidiaries) is required and (ii) in the reasonable judgment of the Committee, (A) such restatement is due to material noncompliance with any financial reporting requirement under applicable securities laws and (B) such noncompliance is a result of misconduct on the part of the Grantee, the Grantee will repay to the Company Forfeitable Benefits received by the Grantee during the Misstatement Period in such amount as the Committee may reasonably determine, taking into account, in addition to any other factors deemed relevant by the Committee, the extent to which the market value of Common Stock during the Misstatement Period was affected by the error(s) giving rise to the need for such restatement. "Forfeitable Benefits" means (i) any and all cash and/or shares of Common Stock received by the Grantee (A) upon the exercise during the Misstatement Period of any SARs held by the Grantee or (B) upon the payment during the Misstatement Period of any Cash Award or Performance Award held by the Grantee, the value of which is determined in whole or in part with reference to the value of Common Stock, and (ii) any proceeds received by the Grantee from the sale, exchange, transfer or other disposition during the Misstatement Period of any shares of Common Stock received by the Grantee upon the exercise, vesting or payment during the Misstatement Period of any Award held by the Grantee. By way of clarification, "Forfeitable Benefits" will not include any shares of Common Stock delivered in respect of the vesting of any Restricted Stock Units during the Misstatement Period or any securities received as Dividend Equivalents in respect thereof, in each case that are not sold, exchanged, transferred or otherwise disposed of during the Misstatement Period. "Misstatement Period" means the 12-month period beginning on the date of the first public issuance or the filing with the Securities and Exchange Commission, whichever occurs earlier, of the financial statement requiring restatement.

9. No Limitation Upon Rights of Company; Unfunded Obligations. The existence of this Agreement will not affect in any way the right or power of the Company or any stockholder of the Company to accomplish any corporate act, including, without limitation, any reclassification, reorganization or other change of or to its capital or business structure, merger, consolidation, liquidation or sale or other disposition of all or any part of its business or assets. With respect to the Cash Award, the Grantee is a general unsecured creditor of the Company.

10. Notice. Unless the Company notifies the Grantee in writing of a different procedure or address, any notice or other communication to the Company with respect to this Agreement will be in writing and will be delivered personally or sent by United States first class mail, postage prepaid and addressed as follows:

Liberty TripAdvisor Holdings, Inc.
12300 Liberty Boulevard

Englewood, Colorado 80112
Attn: Chief Legal Officer

Unless the Company elects to notify the Grantee electronically pursuant to the online grant and administration program or via email, any notice or other communication to the Grantee with respect to this Agreement will be in writing and will be delivered personally, or will be sent by United States first class mail, postage prepaid, to the Grantee's address as listed in the records of the Company on the date of this Agreement, unless the Company has received written notification from the Grantee of a change of address.

11. Amendment. Notwithstanding any other provision hereof, this Agreement may be amended from time to time as approved by the Committee as contemplated in the Plan. Without limiting the generality of the foregoing, without the consent of the Grantee,

(a) this Agreement may be amended from time to time as approved by the Committee (i) to cure any ambiguity or to correct or supplement any provision herein which may be defective or inconsistent with any other provision herein, (ii) to add to the covenants and agreements of the Company for the benefit of the Grantee or surrender any right or power reserved to or conferred upon the Company in this Agreement, subject to any required approval of the Company's stockholders, and provided, in each case, that such changes or corrections will not adversely affect the rights of the Grantee with respect to the Cash Award evidenced hereby, or (iii) to make such other changes as the Company, upon advice of counsel, determines are necessary because of the adoption or promulgation of, or change in or of the interpretation of, any law or governmental rule or regulation, including any applicable federal or state securities laws; and

(b) subject to any required action by the Board or the stockholders of the Company, the Cash Award granted under this Agreement may be canceled by the Company and a new Award made in substitution therefor, provided, that the Award so substituted will satisfy all of the requirements of the Plan as of the date such new Award is made and no such action will adversely affect the Cash Award.

12. Grantee Services. Nothing contained in this Agreement, and no action of the Company or the Committee with respect hereto, will confer or be construed to confer on the Grantee any right to continue in the employ or service of the Company or interfere in any way with the right of the Company to terminate the Grantee's employment or service at any time, with or without Cause, subject to the provisions of the Services Agreement and the Employment Agreement.

13. Nonalienation of Benefits. Except as provided in Section 7, (a) no right or benefit under this Agreement will be subject to anticipation, alienation, sale, assignment, hypothecation, pledge, exchange, transfer, encumbrance or charge, and any attempt to anticipate, alienate, sell, assign, hypothecate, pledge, exchange, transfer, encumber or charge the same will be void, and (b) no right or benefit hereunder will in any manner be liable for or subject to the debts, contracts, liabilities or torts of the Grantee or other person entitled to such benefits.

14. Governing Law. This Agreement will be governed by, and construed in accordance with, the internal laws of the State of Colorado.

15. Construction. References in this Agreement to “this Agreement” and the words “herein,” “hereof,” “hereunder” and similar terms include all Exhibits and Schedules appended hereto, including the Plan. All references to “Sections” in this Agreement shall be to Sections of this Agreement unless explicitly stated otherwise. The word “include” and all variations thereof are used in an illustrative sense and not in a limiting sense. All decisions of the Committee upon questions regarding this Agreement or the Plan will be conclusive. Unless otherwise expressly stated herein, in the event of any inconsistency between the terms of the Plan and this Agreement, the terms of the Plan will control. The headings of the sections of this Agreement have been included for convenience of reference only, are not to be considered a part hereof and will in no way modify or restrict any of the terms or provisions hereof.

16. Rules by Committee. The rights of the Grantee and the obligations of the Company hereunder will be subject to such reasonable rules and regulations as the Committee may adopt from time to time.

17. Entire Agreement. This Agreement is in satisfaction of and in lieu of all prior discussions and agreements, oral or written, between the Company and the Grantee regarding the Cash Award. The Grantee and the Company hereby declare and represent that no promise or agreement not expressed herein has been made regarding the Cash Award and that this Agreement contains the entire agreement between the parties hereto with respect to the Cash Award and replaces and makes null and void any prior agreements between the Grantee and the Company regarding the Cash Award. Subject to the restrictions set forth in Sections 7 and 13, this Agreement will be binding upon and inure to the benefit of the parties and their respective heirs, successors and assigns.

18. Grantee Acceptance. The Grantee will signify acceptance of the terms and conditions of this Agreement by acknowledging the acceptance of this Agreement via the procedures described in the online grant and administration program utilized by the Company or by such other method as may be agreed by the Grantee and the Company.

19. Code Section 409A Compliance. To the extent that the provisions of Section 409A of the Code or any U.S. Department of the Treasury regulations promulgated thereunder are applicable to the Cash Award, the parties intend that this Agreement will meet the requirements of such Code section and regulations and that the provisions hereof will be interpreted in a manner that is consistent with such intent. If, however, the Grantee is liable for the payment of any tax, penalty or interest pursuant to Section 409A of the Code, or any successor or like provision (the “409A Tax”), with respect to this Agreement any payments or property transfers received or to be received under this Agreement or otherwise, the Company will pay the Grantee an amount (the “Special Reimbursement”) which, after payment to the Grantee (or on the Grantee’s behalf) of any federal, state and local taxes, including, without limitation, any further tax, penalty or interest under Section 409A of the Code, with respect to or resulting from the Special Reimbursement, equals the net amount of the 409A Tax. Any payment due to the Grantee under this Section will be made to the Grantee, or on behalf of the Grantee, as soon as practicable after the determination of the amount of such payment, but no sooner than the date on which the Company is required to

withhold such amount or the Grantee is required to pay such amount to the Internal Revenue Service.

Notwithstanding the foregoing, all payments under this Section will be made to the Grantee, or on the Grantee's behalf, no later than the end of the calendar year immediately following the calendar year in which the Grantee or the Company paid the related taxes, interest or penalties. The Grantee will cooperate with the Company in taking such actions as the Company may reasonably request to assure that this Agreement will meet the requirements of Section 409A of the Code and any U.S. Department of the Treasury regulations promulgated thereunder and to limit the amount of any additional payments required by this Section to be made to the Grantee. The Company represents and warrants that the Cash Award satisfy all requirements under Section 409A of the Code and any U.S. Department of the Treasury regulations promulgated thereunder such that the Cash Award is exempt from or compliant with Section 409A of the Code.

20. Replacement Awards. Any award that is issued after the Grant Date to the Grantee by the Company or any other Person pursuant to a Fundamental Corporate Event in full or partial replacement of, as an adjustment to, or otherwise with respect to, the Cash Award granted pursuant to this Agreement (a "Replacement Award"), will have the same term and the same vesting and exercisability terms and conditions as the Cash Award, except that if the Company is not the issuer of a Replacement Award, the definition of Change in Control with respect to such Replacement Award will be applied with respect to the issuer of such Replacement Award as if it were the "Company" for purposes of such definition. By way of illustration, a Change in Control of the Company will not cause acceleration of any Replacement Awards that are not issued by the Company and a Change in Control of the issuer of any Replacement Awards with respect to which the Company is not the issuer will not cause acceleration of any remaining portion of the Cash Award with respect to which the Company is the issuer.

21. Confidential Information. The Grantee will not, during or after his employment or service with the Company, without the prior express written consent of the Company, directly or indirectly use or divulge, disclose or make available or accessible any Confidential Information (as defined below) to any person, firm, partnership, corporation, trust or any other entity or third party (other than when required to do so in good faith to perform the Grantee's duties and responsibilities to the Company or when (i) required to do so by a lawful order of a court of competent jurisdiction, any governmental authority or agency, or any recognized subpoena power, or (ii) necessary to prosecute the Grantee's rights against the Company or its Subsidiaries or to defend himself against any allegations). The Grantee will also proffer to the Company, no later than the effective date of any termination of the Grantee's engagement with the Company for any reason, and without retaining any copies, notes or excerpts thereof, all memoranda, computer disks or other media, computer programs, diaries, notes, records, data, customer or client lists, marketing plans and strategies, and any other documents consisting of or containing Confidential Information that are in the Grantee's actual or constructive possession or which are subject to the Grantee's control at such time. For purposes of this Agreement, "Confidential Information" will mean all information respecting the business and activities of the Company or any Subsidiary, including, without limitation, the clients, customers, suppliers, employees, consultants, computer or other files, projects, products, computer disks or other media, computer hardware or computer software programs, marketing plans, financial information, methodologies, know-how, processes, practices, approaches, projections, forecasts, formats, systems, trade secrets, data gathering methods and/or strategies of the Company or any Subsidiary.

Notwithstanding the immediately preceding sentence, Confidential Information will not include any information that is, or becomes, generally

available to the public (unless such availability occurs as a result of the Grantee's breach of any of his obligations under this Section). If the Grantee is in breach of any of the provisions of this Section or if any such breach is threatened by the Grantee, in addition to and without limiting or waiving any other rights or remedies available to the Company at law or in equity, the Company shall be entitled to immediate injunctive relief in any court, domestic or foreign, having the capacity to grant such relief, without the necessity of posting a bond, to restrain any such breach or threatened breach and to enforce the provisions of this Section. The Grantee agrees that there is no adequate remedy at law for any such breach or threatened breach and, if any action or proceeding is brought seeking injunctive relief, the Grantee will not use as a defense thereto that there is an adequate remedy at law.

22. Arbitration. Any controversy, claim or dispute arising out of or in any way relating to this Agreement or the Grantee's employment with or service to, or termination of employment or service from, the Company (including whether such controversy, claim or dispute is subject to arbitration), excepting only claims that may not, by statute, be arbitrated, will be submitted to binding arbitration. Both the Grantee and the Company acknowledge that they are relinquishing their right to a jury trial. The Grantee and the Company agree that arbitration will be the exclusive method for resolving disputes arising out of or related to this Agreement or to the Grantee's employment or service with, or termination of employment or service from, the Company. The arbitration will be administered by JAMS in accordance with the Employment Arbitration Rules & Procedures of JAMS then in effect and subject to JAMS Policy on Employment Arbitration Minimum Standards, except as otherwise provided in this Agreement. Arbitration will be commenced and heard in the Denver, Colorado metropolitan area. Only one arbitrator will preside over the proceedings, who will be selected by agreement of the parties from a list of five or more qualified arbitrators provided by the arbitration tribunal, or if the parties are unable to agree on an arbitrator within 10 Business Days following receipt of such list, the arbitration tribunal will select the arbitrator. The arbitrator will apply the substantive law (and the law of remedies, if applicable) of Colorado or federal law, or both, as applicable to the claim(s) asserted. In any arbitration, the burden of proof will be allocated as provided by applicable law. The arbitrator will have the authority to award any and all legal and equitable relief authorized by the law applicable to the claim(s) being asserted in the arbitration, as if the claim(s) were brought in a federal court of law. Either party may bring an action in court to compel arbitration under this Agreement and to enforce an arbitration award. Discovery, such as depositions or document requests, will be available to the Company and the Grantee as though the dispute were pending in U.S. federal court. The arbitrator will have the ability to rule on pre-hearing motions as though the matter were in a U.S. federal court, including the ability to rule on a motion for summary judgment.

[Signature Page Follows]

Liberty TripAdvisor Holdings, Inc.

By: _____

Name: _____

Title: _____

Gregory B. Maffei



CERTIFICATION

I, Gregory B. Maffei, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Liberty TripAdvisor Holdings, Inc.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this quarterly report based on such evaluation; and
 - d) disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 3, 2023

/s/ GREGORY B. MAFFEI

Gregory B. Maffei

Chairman, President and Chief Executive Officer

CERTIFICATION

I, Brian J. Wendling, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Liberty TripAdvisor Holdings, Inc.;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this quarterly report based on such evaluation; and
 - d) disclosed in this quarterly report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 3, 2023

/s/ BRIAN J. WENDLING

Brian J. Wendling

Senior Vice President and Chief Financial Officer

Certification**Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(Subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code)**

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code), each of the undersigned officers of Liberty TripAdvisor Holdings, Inc., a Delaware corporation (the "Company"), does hereby certify, to such officer's knowledge, that:

The Quarterly Report on Form 10-Q for the period ended March 31, 2023 (the "Form 10-Q") of the Company fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 and information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 3, 2023

/s/ GREGORY B. MAFFEI

Gregory B. Maffei
Chairman, President and Chief Executive Officer

Date: May 3, 2023

/s/ BRIAN J. WENDLING

Brian J. Wendling
*Senior Vice President and Chief Financial Officer
(Principal Financial Officer and Principal Accounting Officer)*

The foregoing certification is being furnished solely pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of title 18, United States Code) and is not being filed as part of the Form 10-Q or as a separate disclosure document.
